

SENATE BILL NO. 111—SENATOR MCGINNESS

FEBRUARY 19, 2007

Referred to Committee on Commerce and Labor

SUMMARY—Clarifies applicability of certain provisions to certain suppliers of utility services. (BDR 58-985)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to public utilities; clarifying the applicability of certain provisions to cooperative associations or nonprofit corporations or associations and other suppliers of utility services that provide utility services only to their own members; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law provides that a cooperative association or nonprofit corporation or
2 association and every other supplier of utility services that provides utility services
3 only to its own members is subject to the jurisdiction, control and regulation of the
4 Public Utilities Commission of Nevada for certain limited purposes. (NRS 704.675)
5 **Section 1** of this bill clarifies that such entities are exempt from the provisions of
6 the Utility Environmental Protection Act, which controls the permitting process for
7 the construction of new utility facilities. (NRS 704.820-704.900)

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** NRS 704.865 is hereby amended to read as follows:
2 704.865 1. A person, other than a local government, shall not
3 commence to construct a utility facility in the State without first
4 having obtained a permit therefor from the Commission. The
5 replacement of an existing facility with a like facility, as determined
6 by the Commission, does not constitute construction of a utility



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1 facility. Any facility, with respect to which a permit is required,
2 must thereafter be constructed, operated and maintained in
3 conformity with the permit and any terms, conditions and
4 modifications contained therein. A permit may only be issued
5 pursuant to NRS 704.820 to 704.900, inclusive. Any authorization
6 relating to a utility facility granted under other laws administered by
7 the Commission constitutes a permit under those sections if the
8 requirements of those sections have been complied with in the
9 proceedings leading to the granting of the authorization.

10 2. A permit may be transferred, subject to the approval of the
11 Commission, to a person who agrees to comply with the terms,
12 conditions and modifications contained therein.

13 3. NRS 704.820 to 704.900, inclusive, do not apply to any
14 utility facility:

15 (a) For which, before July 1, 1971, an application for the
16 approval of the facility has been made to any federal, state, regional
17 or local governmental agency which possesses the jurisdiction to
18 consider the matters prescribed for finding and determination in
19 NRS 704.890;

20 (b) For which, before July 1, 1971, a governmental agency has
21 approved the construction of the facility and the person has incurred
22 indebtedness to finance all or part of the cost of the construction;
23 ~~{or}~~

24 (c) Over which an agency of the Federal Government has
25 exclusive jurisdiction ~~{H}~~ ; or

26 *(d) Owned by a cooperative association, nonprofit corporation,*
27 *association or supplier of services described in NRS 704.675.*

28 4. Any person intending to construct a utility facility excluded
29 from NRS 704.820 to 704.900, inclusive, pursuant to paragraph (a)
30 or (b) of subsection 3 may elect to waive the exclusion by delivering
31 notice of its waiver to the Commission. NRS 704.820 to 704.900,
32 inclusive, thereafter apply to each utility facility identified in the
33 notice from the date of its receipt by the Commission.

34 **Sec. 2.** This act becomes effective on July 1, 2007.

