

Amendment No. 441

Assembly Amendment to Assembly Bill No. 448

(BDR 58-511)

Proposed by: Assembly Committee on Commerce and Labor**Amends:** Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

ASSEMBLY ACTION				Initial and Date	SENATE ACTION				Initial and Date
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) *green bold dashed underlining* is newly added transitory language.

MSN/TMC



Date: 4/18/2009

A.B. No. 448—Revises provisions governing incentive programs for renewable energy. (BDR 58-511)



ASSEMBLY BILL NO. 448—ASSEMBLYMEN
BOBZIEN, CONKLIN AND LESLIE

MARCH 16, 2009

JOINT SPONSOR: SENATOR PARKS

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing incentive programs for renewable energy. (BDR 58-511)

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

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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 energy; ~~providing for the participation in the Solar Energy Systems Incentive Program of a utility that operates a solar energy system pursuant to a solar power purchase agreement; requiring the Public Utilities Commission of Nevada to establish and maintain an Internet website to provide certain information to applicants for participation in the Solar Program; requiring a participant in the Solar Program to complete installation of a solar energy system within a specified time; providing for the withdrawal of a participant from the Solar Program or the Wind Energy Systems Demonstration Program under certain circumstances;~~ revising provisions governing participation in and the administration of the Solar Energy Systems Incentive Program, the Wind Energy Systems Demonstration Program and the Waterpower Energy Systems Demonstration Program; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes the Solar Energy Systems Incentive Program, the Wind Energy Systems Demonstration Program and the Waterpower Energy Systems Demonstration Program to provide incentives to persons to install solar energy systems, wind energy systems and waterpower energy systems on certain property. (NRS 701B.010-701B.290, 701B.400-701B.650, 701B.700-701B.890) ~~for: (1) private residential and small business property; (2) public and other property; and (3) school property. (NRS 701B.010-701B.290)~~ Participation in the Solar Program is limited, and the total amount of capacity allocated to each category of participation in the Solar Program is capped. Section 12 of this bill removes the limitations on the total amount of capacity allocated to the categories of participation in the Solar Program and instead provides for limitations on the capacity allocated to individual systems in the Solar Program. Section 12 also authorizes the Public Utilities Commission of

~~Nevada to waive the limitations on capacity for individual systems under certain circumstances. (NRS 701B.260)~~

~~Section 12 of this bill requires an applicant to submit with his application to participate in the Solar Program an estimate of the cost of the installation of the solar energy system. (NRS 701B.250) In addition, section 3 of this bill requires an applicant for participation in the category of private residential property to: (1) obtain an evaluation of the energy consumption of the residential property; and (2) include a copy of the evaluation with his application. Section 6 of this bill requires the Commission to establish and maintain an Internet website to provide an applicant for participation in the Solar Program with access to information concerning the status of his application.~~

~~Section 11 of this bill requires the Commission to adopt regulations establishing the qualifications and requirements which a utility that is a party to a solar power purchase agreement must meet to participate in the Solar Program and to be eligible to receive incentives offered through the Solar Program. (NRS 701B.210)~~

~~Section 4 of this bill provides that the installation of a solar energy system on public property is deemed to be a public work for the purposes of chapters 238 and 241 of NRS, regardless of whether the installation of the solar energy system is financed in whole or in part by public money.~~

~~Section 14 of this bill requires the Commission to withdraw a participant from the Solar Program if he does not finalize the contract for installation of the solar energy system or complete installation of the solar energy system within a specified time. (NRS 701B.270) Section 5 of this bill authorizes the Commission to grant a waiver from withdrawal to a participant who fails to finalize such a contract or complete the installation of a solar energy system within the prescribed period. Sections 7 and 17 of this bill establish similar provisions governing the withdrawal of participants from the Wind Energy Systems Demonstration Program. (NRS 701B.580, 701B.630)}~~

~~Sections 2, 3 and 7-14 of this bill revise provisions governing the Solar Energy Systems Incentive Program. Section 10 requires the Public Utilities Commission of Nevada to adopt regulations to carry out the Solar Program in a manner designed to meet the goal of the Legislature of the installation of not less than 50 megawatts of solar energy systems in this State by 2019. (NRS 701B. 200)~~

~~Sections 4, 5 and 15-20 of this bill revise provisions governing the Wind Energy Systems Demonstration Program. Section 19 requires the Commission to adopt regulations to carry out the Wind Demonstration Program in a manner designed to meet the goal of the Legislature of the installation of not less than 5 megawatts of wind energy systems in this State by 2012. (NRS 701B.590)~~

~~Sections 6 and 21-26 of this bill revise provisions governing the Waterpower Energy Systems Demonstration Program. Section 25 requires the Commission to carry out the Waterpower Demonstration Program in a manner designed to meet the goal of the Legislature of the installation of not less than 500 kilowatts of waterpower energy systems in this State by 2012. (NRS 701B.840)~~

~~Section 27 of this bill repeals certain provisions relating to the renewable energy programs, including provisions which authorize the Task Force for Renewable Energy and Energy Conservation to administer certain provisions relating to the renewable energy programs and provisions which place certain capacity limits on participation in the programs. (NRS 701B.100, 701B.170, 701B.220, 701B.260, 701B.270, 701B.490, 701B.530, 701B.610, 701B.620, 701B.630, 701B.760, 701B.770, 701B.830, 701B.850, 701B.890)~~

~~Section 28 of this bill requires the Commission to adopt regulations to carry out the renewable energy programs consistent with the provisions of chapter 701B of NRS as amended by this bill. Section 28 also provides that the incentives offered to participants in each of the programs on July 1, 2008, must continue to be offered to participants in the program unless and until the Commission establishes different incentives. Section 28 further requires that any capacity from previous program years which was authorized for the Solar Energy Systems Incentive Program and which remains unallocated on July 1, 2009, be allocated as soon as practicable to qualified applicants who were placed on the prioritized waiting list established pursuant to the former provisions of NRS 701B.260 before July 1, 2009.~~

Section 29 of this bill requires the Commission to conduct a study concerning performance-based rebates, including, without limitation, feed-in tariffs and standard offer contracts for renewable energy production and, on or before July 1, 2010, to submit a written report of the study to the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature.

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

Delete existing sections 1 through 18 of this bill and replace with the following new sections 1 through 30:

Section 1. Chapter 701B is hereby amended by adding thereto the provisions set forth as sections 2 to 6, inclusive, of this act.

Sec. 2. The installation of a solar energy system on public property pursuant to NRS 701B.010 to 701B.290, inclusive, and sections 2 and 3 of this act shall be deemed to be a public work for the purposes of chapters 338 and 341 of NRS, regardless of whether the installation of the solar energy system is financed in whole or in part by public money.

Sec. 3. 1. After reviewing an application submitted pursuant to NRS 701B.250 and ensuring that the applicant meets the qualifications and requirements to be eligible to participate in the Solar Program, a utility shall select the applicant for participation in the Solar Program.

2. Not later than 30 days after the date on which the utility selects an applicant, the utility shall provide written notice of the selection to the applicant.

3. After the utility selects an applicant to participate in the Solar Program, the utility may approve the solar energy system proposed by the applicant. Upon the utility's approval of the solar energy system:

(a) The utility shall provide to the applicant notice of the approval and the amount of incentive for which the solar energy system is eligible; and

(b) The applicant may install and energize the solar energy system.

4. Upon the completion of the installation and energizing of the solar energy system, the participant must submit to the utility an incentive claim form and any supporting information, including, without limitation, a verification of the cost of the project and a calculation of the expected system output.

5. Upon receipt of an incentive claim form submitted pursuant to subsection 4 and verification that the solar energy system is properly connected, the utility shall issue an incentive payment to the participant.

6. The amount of the incentive for which an applicant is eligible must be determined on the date on which the applicant is selected for participation in the Solar Program, except that an applicant forfeits his eligibility for that amount of incentive if the applicant withdraws from participation in the Solar Program or does not complete the installation of his solar energy system within 12 months after the date on which the applicant is selected for participation in the Solar Program. An applicant who forfeits his eligibility for the incentive for which the applicant was originally determined to be eligible may become eligible for an incentive only on the date on which the applicant completes the installation of his solar energy system, and the amount of the incentive for which such an applicant is eligible must be determined on the date on which the applicant completes the installation of his solar energy system.

Sec. 4. The installation of a wind energy system on public property pursuant to NRS 701B.400 to 701B.650, inclusive, and sections 4 and 5 of this act

1 shall be deemed to be a public work for the purposes of chapters 338 and 341 of
2 NRS, regardless of whether the installation of the wind energy system is financed
3 in whole or in part by public money.

4 Sec. 5. 1. An applicant who wishes to participate in the Wind
5 Demonstration Program must submit an application to a utility.

6 2. After reviewing an application submitted pursuant to subsection 1 and
7 ensuring that the applicant meets the qualifications and requirements to be
8 eligible to participate in the Program, a utility shall select the applicant for
9 participation in the Program.

10 3. Not later than 30 days after the date on which the utility selects an
11 applicant, the utility shall provide written notice of the selection to the applicant.

12 4. After the utility selects an applicant to participate in the Program, the
13 utility may approve the wind energy system proposed by the applicant. Upon the
14 utility's approval of the wind energy system:

15 (a) The utility shall provide to the applicant notice of the approval and the
16 amount of incentive for which the wind energy system is eligible; and

17 (b) The applicant may install and energize the wind energy system.

18 5. Upon the completion of the installation and energizing of the wind
19 energy system, the participant must submit to the utility an incentive claim form
20 and any supporting information, including, without limitation, a verification of
21 the cost of the project and a calculation of the expected system output.

22 6. Upon receipt of an incentive claim form submitted pursuant to subsection
23 5 and verification that the wind energy system is properly connected, the utility
24 shall issue an incentive payment to the participant.

25 7. The amount of the incentive for which an applicant is eligible must be
26 determined on the date on which the applicant is selected for participation in the
27 Program, except that an applicant forfeits his eligibility for that amount of
28 incentive if the applicant withdraws from participation in the Program or does
29 not complete the installation of his wind energy system within 12 months after the
30 date on which the applicant is selected for participation in the Program. An
31 applicant who forfeits his eligibility for the incentive for which the applicant was
32 originally determined to be eligible may become eligible for an incentive only on
33 the date on which the applicant completes the installation of his wind energy
34 system, and the amount of the incentive for which such an applicant is eligible
35 must be determined on the date on which the applicant completes the installation
36 of his wind energy system.

37 Sec. 6. 1. An applicant who wishes to participate in the Waterpower
38 Demonstration Program must submit an application to a utility.

39 2. After reviewing an application submitted pursuant to subsection 1 and
40 ensuring that the applicant meets the qualifications and requirements to be
41 eligible to participate in the Program, a utility shall select the applicant for
42 participation in the Program.

43 3. Not later than 30 days after the date on which the utility selects an
44 applicant, the utility shall provide written notice of the selection to the applicant.

45 4. After the utility selects an applicant to participate in the Program, the
46 utility may approve the waterpower energy system proposed by the applicant.
47 Upon the utility's approval of the waterpower energy system:

48 (a) The utility shall provide to the applicant notice of the approval and the
49 amount of incentive for which the waterpower energy system is eligible; and

50 (b) The applicant may construct the waterpower energy system.

51 5. Upon the completion of the construction of a waterpower energy system,
52 the participant must submit to the utility an incentive claim form and any

supporting information, including, without limitation, a verification of the cost of the project and a calculation of the expected system output.

6. Upon receipt of an incentive claim form submitted pursuant to subsection 5 and verification that the waterpower energy system is properly connected, the utility shall issue an incentive payment to the participant.

7. The amount of the incentive for which an applicant is eligible must be determined on the date on which the applicant is selected for participation in the Program, except that an applicant forfeits his eligibility for that amount of incentive if the applicant withdraws from participation in the Program or does not complete the construction of his waterpower energy system within 12 months after the date on which the applicant is selected for participation in the Program. An applicant who forfeits his eligibility for the incentive for which the applicant was originally determined to be eligible may become eligible for an incentive only on the date on which the applicant completes the construction of his waterpower energy system, and the amount of the incentive for which such an applicant is eligible must be determined on the date on which the applicant completes the construction of his waterpower energy system.

Sec. 7. NRS 701B.010 is hereby amended to read as follows:

701B.010 The provisions of NRS 701B.010 to 701B.290, inclusive, and sections 2 and 3 of this act apply to the Solar Energy Systems Incentive Program.

Sec. 8. NRS 701B.020 is hereby amended to read as follows:

701B.020 As used in NRS 701B.010 to 701B.290, inclusive, and sections 2 and 3 of this act, unless the context otherwise requires, the words and terms defined in NRS 701B.030 to 701B.180, inclusive, have the meanings ascribed to them in those sections.

Sec. 9. NRS 701B.080 is hereby amended to read as follows:

701B.080 "Participant" means a person who has been selected by ~~the Task Force~~ a utility to participate in the Solar Program.

Sec. 10. NRS 701B.200 is hereby amended to read as follows:

701B.200 The Commission shall adopt regulations necessary to carry out the provisions of NRS 701B.010 to 701B.290, inclusive, and sections 2 and 3 of this act, including, without limitation, regulations that establish:

~~1. The type of incentives available to participants in the Solar Program and the level or amount of those incentives;~~

~~2. The requirements for a utility's annual plan for carrying out and administering the Solar Program. A utility's annual plan must include, without limitation:~~

~~(a) A detailed plan for advertising the Solar Program;~~

~~(b) A detailed budget and schedule for carrying out and administering the Solar Program;~~

~~(c) A detailed account of administrative processes and forms that will be used to carry out and administer the Solar Program, including, without limitation, a description of the application process and copies of all applications and any other forms that are necessary to apply for and participate in the Solar Program;~~

~~(d) A detailed account of the procedures that will be used for inspection and verification of a participant's solar energy system and compliance with the Solar Program;~~

~~(e) A detailed account of training and educational activities that will be used to carry out and administer the Solar Program; and~~

~~(f) Any other information required by the Commission.]~~ capacity goals for the Solar Program designed to meet the goal of the Legislature of the installation of not less than 50 megawatts of solar energy systems in this State by 2019 and the goals for each category of the Solar Program.

2. A system of incentives that are based on rebates that decline as the capacity goals for the Solar Program and the goals for each category of the Solar Program are met. The rebates must be structured to reduce the cost of solar energy systems and must be based on predicted energy savings.

3. The procedure for claiming incentives, including, without limitation, the form and content of the incentive claim form.

Sec. 11. NRS 701B.210 is hereby amended to read as follows:

701B.210 The Commission shall adopt regulations that establish:

1. The qualifications and requirements an applicant must meet to be eligible to participate in each applicable category of:

(a) School property;

(b) Public and other property; and

(c) Private residential property and small business property; and

2. The form and content of ~~[the master application which a utility must submit to the Task Force pursuant to NRS 701B.250.]~~ an energy audit or survey of the property of a participant in the Solar Program.

Sec. 12. NRS 701B.230 is hereby amended to read as follows:

701B.230 1. ~~[Each year on or before the date established by the Commission, a utility shall file with the Commission its annual plan for carrying out and administering the Solar Program within its service area for a program year.]~~

~~2. The Commission shall:~~

~~(a) Review each annual plan filed by a utility for compliance with the requirements established by regulation of the Commission; and~~

~~(b) Approve each annual plan with such modifications and upon such terms and conditions as the Commission finds necessary or appropriate to facilitate the Solar Program.~~

~~3. A utility shall carry out and administer the Solar Program within its service area, in accordance with the utility's annual plan as approved by the Commission.~~

~~4. 2. A utility shall include in the report required pursuant to NRS 704.7825 a report of the performance of the Solar Program for the previous calendar year and any other information required by the Commission.~~

3. A utility may recover its reasonable and prudent costs, including, without limitation, customer incentives, that are associated with carrying out and administering the Solar Program within its service area by seeking recovery of those costs in an appropriate proceeding before the Commission pursuant to NRS 704.110.

4. A utility shall establish and maintain an Internet website to provide an applicant with the ability to access information concerning the status of his application and the status of the incentives available for each category of the Solar Program.

Sec. 13. NRS 701B.240 is hereby amended to read as follows:

701B.240 1. The Solar Energy Systems Incentive Program is hereby created.

2. The Solar Program must have three categories as follows:

(a) School property;

(b) Public and other property; and

(c) Private residential property and small business property.

3. To be eligible to participate in the Solar Program, a person must:

(a) Meet the qualifications established by the Commission pursuant to NRS 701B.210;

(b) Submit an application to a utility and be selected by the ~~Task Force~~ utility for inclusion in the Solar Program pursuant to NRS 701B.250 and ~~701B.260~~ section 3 of this act;

(c) When installing the solar energy system, use an installer who has been issued a classification C-2 license with the appropriate subclassification by the State Contractors' Board pursuant to the regulations adopted by the Board; and

(d) If the person will be participating in the Solar Program in the category of school property or public and other property, provide for the public display of the solar energy system, including, without limitation, providing for public demonstrations of the solar energy system and for hands-on experience of the solar energy system by the public.

Sec. 14. NRS 701B.250 is hereby amended to read as follows:

701B.250 1. If an applicant desires to participate in the Solar Program, ~~for a program year,~~ the applicant must submit an application to a utility. ~~If an applicant desires to participate in the category of school property or public and other property, the applicant may submit an application for multiple program years, not to exceed 5 years.~~

2. ~~Each year on or before the date established by the Commission, a~~ A utility shall review each application submitted pursuant to subsection 1 to ensure that the applicant meets the qualifications and requirements to be eligible to participate in the Solar Program. ~~and submit to the Task Force;~~

~~(a) The utility's recommendations as to which applications should be approved for participation in the Solar Program; and~~

~~(b) A master application containing all the applications recommended by the utility.~~

~~3. At any time after submitting an application to a utility, an applicant may install or energize his solar energy system if the solar energy system meets all applicable building codes and all applicable requirements of the utility as approved by the Commission. An applicant who installs or energizes his solar energy system under such circumstances remains eligible to participate in the Solar Program, and the installation or energizing of the solar energy system does not alter the applicant's status on the list of participants or the prioritized waiting list pursuant to NRS 701B.260.~~

Sec. 15. NRS 701B.400 is hereby amended to read as follows:

701B.400 NRS 701B.400 to 701B.650, inclusive, and sections 4 and 5 of this act may be cited as the Wind Energy Systems Demonstration Program Act.

Sec. 16. NRS 701B.410 is hereby amended to read as follows:

701B.410 As used in NRS 701B.400 to 701B.650, inclusive, and sections 4 and 5 of this act, unless the context otherwise requires, the words and terms defined in NRS 701B.420 to 701B.560, inclusive, have the meaning ascribed to them in those sections.

Sec. 17. NRS 701B.470 is hereby amended to read as follows:

701B.470 "Participant" means a person who has been selected by ~~the Task Force~~ a utility pursuant to ~~NRS 701B.620~~ section 5 of this act to participate in the Wind Demonstration Program.

Sec. 18. NRS 701B.580 is hereby amended to read as follows:

701B.580 1. The Wind Energy Systems Demonstration Program is hereby created.

2. The Program must have four categories as follows:

- (a) School property;
- (b) Other public property;
- (c) Private residential property and small business property; and
- (d) Agricultural property.

3. To be eligible to participate in the Program, a person must:
(a) Meet the qualifications established by the Commission pursuant to NRS 701B.590;

(b) Submit an application to a utility and be selected by the ~~[Task Force]~~ utility for inclusion in the Program pursuant to ~~[NRS 701B.610 and 701B.620,]~~ section 5 of this act;

(c) When installing the wind energy system, use an installer who has been issued a classification C-2 license with the appropriate subclassification by the State Contractors' Board pursuant to the regulations adopted by the Board; and

(d) If the person will be participating in the Program in the category of school property or other public property, provide for the public display of the wind energy system, including, without limitation, providing for public demonstrations of the wind energy system and for hands-on experience of the wind energy system by the public.

Sec. 19. NRS 701B.590 is hereby amended to read as follows:

701B.590 The Commission shall adopt regulations necessary to carry out the provisions of the Wind Energy Systems Demonstration Program Act, including, without limitation, regulations that establish:

1. The ~~qualifications and requirements an applicant must meet to be eligible to participate in the Program in each particular category of:~~

~~— (a) School property;~~

~~— (b) Other public property;~~

~~— (c) Private residential property and small business property; and~~

~~— (d) Agricultural property.~~

2. ~~The type of incentives available to participants in the Program and the level or amount of those incentives.~~

3. ~~The requirements for a utility's annual plan for carrying out and administering the Program. A utility's annual plan must include, without limitation:~~

~~— (a) A detailed plan for advertising the Program;~~

~~— (b) A detailed budget and schedule for carrying out and administering the Program;~~

~~— (c) A detailed account of administrative processes and forms that will be used to carry out and administer the Program, including, without limitation, a description of the application process and copies of all applications and any other forms that are necessary to apply for and participate in the Program;~~

~~— (d) A detailed account of the procedures that will be used for inspection and verification of a participant's wind energy system and compliance with the Program;~~

~~— (e) A detailed account of training and educational activities that will be used to carry out and administer the Program; and~~

~~— (f) Any other information required by the Commission.]~~ capacity goals for the Program designed to meet the goal of the Legislature of the installation of not less than 5 megawatts of wind energy systems in this State by 2012 and the goals for each category of the Program.

2. A system of incentives that are based on rebates that decline as the capacity goals for the Program and the goals for each category of the Program are met. The rebates must be based on predicted energy savings.

3. The procedure for claiming incentives, including, without limitation, the form and content of the incentive claim form.

Sec. 20. NRS 701B.600 is hereby amended to read as follows:

701B.600 1. Each utility shall carry out and administer the Wind Demonstration Program within its service area. ~~[in accordance with its annual plan as approved by the Commission pursuant to NRS 701B.610.]~~

2. A utility shall include in the report required pursuant to NRS 704.7825 a report of the performance of the Program for the previous calendar year and any other information required by the Commission.

3. A utility may recover its reasonable and prudent costs, including, without limitation, customer incentives, that are associated with carrying out and administering the Program within its service area by seeking recovery of those costs in an appropriate proceeding before the Commission pursuant to NRS 704.110.

4. A utility shall establish and maintain an Internet website to provide an applicant with the ability to access information concerning the status of his application and the status of the incentives available for each category of the Program.

Sec. 21. NRS 701B.700 is hereby amended to read as follows:

701B.700 NRS 701B.700 to ~~701B.890,~~ 701B.880, inclusive, and section 6 of this act may be cited as the Waterpower Energy Systems Demonstration Program Act.

Sec. 22. NRS 701B.710 is hereby amended to read as follows:

701B.710 As used in NRS 701B.700 to ~~701B.890,~~ 701B.880, inclusive, and section 6 of this act, unless the context otherwise requires, the words and terms defined in NRS 701B.720 to 701B.810, inclusive, have the meanings ascribed to them in those sections.

Sec. 23. NRS 701B.740 is hereby amended to read as follows:

701B.740 "Participant" means a person who has been selected by ~~the Commission~~ a utility to participate in the Waterpower Demonstration Program.

Sec. 24. NRS 701B.820 is hereby amended to read as follows:

701B.820 1. The Waterpower Energy Systems Demonstration Program is hereby created.

2. The Waterpower Demonstration Program is created for agricultural uses.

3. To be eligible to participate in the Waterpower Demonstration Program, a person must meet the qualifications established pursuant to subsection 4 and apply to a utility and be selected by the ~~Task Force~~ utility for inclusion in the Waterpower Demonstration Program.

4. The Commission shall adopt regulations providing for the qualifications an applicant must meet to qualify to participate in the Waterpower Demonstration Program.

Sec. 25. NRS 701B.840 is hereby amended to read as follows:

701B.840 The Commission shall adopt regulations that establish:

1. ~~The level, amount and type of incentives available for participants in the Waterpower Demonstration Program.~~

2. ~~The requirements for an annual plan for the administration and delivery of the Waterpower Demonstration Program. The requirements for an annual plan must include, without limitation:~~

~~(a) An advertising plan;~~

~~(b) A detailed budget;~~

~~(c) A schedule;~~

~~(d) Administrative processes, including, without limitation, a copy of the application and process for accepting applications;~~

~~(e) An inspection and verification process;~~

~~(f) Proposed training and educational activities; and~~

~~(g) Any other information required by the Commission.]~~ capacity goals for the Program designed to meet the goal of the Legislature of the installation of not less than 500 kilowatts of waterpower energy systems in this State by 2012 and the goals for each category of the Program.

2. A system of incentives that are based on rebates that decline as the capacity goals for the Program and the goals for each category of the Program are met. The rebates must be based on predicted energy savings.

3. The procedure for claiming incentives, including, without limitation, the form and content of the incentive claim form.

Sec. 26. NRS 701B.860 is hereby amended to read as follows:

701B.860 1. Each utility may recover its reasonable and prudent costs, including, without limitation, customer incentives, that are associated with carrying out and administering the Waterpower Demonstration Program within its service area by seeking recovery of those costs in an appropriate proceeding before the Commission pursuant to NRS 704.110.

2. A utility shall include in the report required pursuant to NRS 704.7825 a report of the performance of the Program for the previous calendar year and any other information required by the Commission.

3. A utility shall establish and maintain an Internet website to provide an applicant with the ability to access information concerning the status of his application and the status of the incentives available for each category of the Program.

Sec. 27. NRS 701B.100, 701B.170, 701B.220, 701B.260, 701B.270, 701B.490, 701B.530, 701B.610, 701B.620, 701B.630, 701B.760, 701B.770, 701B.830, 701B.850 and 701B.890 are hereby repealed.

Sec. 28. 1. On or before February 1, 2010, the Public Utilities Commission of Nevada shall adopt the regulations to carry out:

(a) The provisions of NRS 701B.010 to 701B.290, inclusive, as amended by this act, and sections 2 and 3 of this act;

(b) The provisions of NRS 701B.400 to 701B.650, inclusive, as amended by this act, and sections 4 and 5 of this act; and

(c) The provisions of NRS 701B.700 to 701B.880, inclusive, as amended by this act, and section 6 of this act.

2. The incentives offered to participants in the Solar Energy Systems Incentive Program on July 1, 2008, must remain in effect unless or until the Commission establishes different incentives pursuant to the regulations adopted pursuant paragraph (a) of subsection 1.

3. Any capacity from previous program years which was authorized for the Solar Energy Systems Incentive Program pursuant to the former provisions of NRS 701B.260, and any regulations adopted pursuant thereto, and which remains unallocated on July 1, 2009, must be allocated as soon as practicable to qualified applicants who were placed on the prioritized waiting list established pursuant to the former provisions of NRS 701B.260 and any regulations adopted pursuant thereto before July 1, 2009, and such applicants must be offered the incentives which were offered to participants in the Solar Program on July 1, 2008.

4. The incentives offered to participants in the Wind Energy Systems Demonstration Program on July 1, 2008, must remain in effect during the period the Program is in effect unless or until the Commission establishes different incentives pursuant to the regulations adopted pursuant to paragraph (b) of subsection 1.

5. The incentives offered to participants in the Waterpower Energy Systems Demonstration Program on July 1, 2008, must remain in effect during the period the Program is in effect unless or until the Commission establishes different incentives pursuant to the regulations adopted pursuant to paragraph (c) of subsection 1.

1 **Sec. 29. The Public Utilities Commission of Nevada shall:**
2 **1. Conduct a study concerning performance-based rebates, including,**
3 **without limitation, feed-in tariffs and standard offer contracts for renewable**
4 **energy production; and**
5 **2. On or before July 1, 2010, submit a written report of the study**
6 **conducted pursuant to subsection 1 to the Director of the Legislative Counsel**
7 **Bureau for transmittal to the next regular session of the Legislature.**
8 **Sec. 30. 1. This act becomes effective on July 1, 2009.**
9 **2. Sections 4, 5, 6 and 15 to 26, inclusive, of this act expire by limitation**
10 **on June 30, 2011.**

LEADLINES OF REPEALED SECTIONS

--- **701B.100 "Program year" defined.**
--- **701B.170 "Task Force" defined.**
--- **701B.220 Regulations: Establishment of incentives for participation.**
--- **701B.260 Capacity allocated to each category; reallocation of capacity;**
procedure for selection and notification of participants; approval of
applicant's solar energy system.
--- **701B.270 Withdrawal of participant for noncompliance; forfeiture of**
incentives.
--- **701B.490 "Program year" defined.**
--- **701B.530 "Task Force" defined.**
--- **701B.610 Duty of utility to file annual plan; review and approval of**
annual plan by Commission; procedure for recommendation and review of
applications; capacity allocated to each category.
--- **701B.620 Procedure for selection and notification of participants;**
reallocation of capacity; authorization to install or energize solar energy
system while application is pending.
--- **701B.630 Withdrawal of participant for noncompliance; forfeiture of**
incentives.
--- **701B.760 "Program year" defined.**
--- **701B.770 "Task Force" defined.**
--- **701B.830 Duties of Task Force.**
--- **701B.850 Duty of utility to file annual plan; review of annual plan by**
Commission; procedure for recommendation and review of applications;
capacity allocated to each category.
--- **701B.890 Withdrawal of participant for noncompliance.**