

ASSEMBLY BILL NO. 457—COMMITTEE
ON COMMERCE AND LABOR

MARCH 28, 2011

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing the universal energy charge. (BDR 58-1106)

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 energy assistance; increasing the amount of the universal energy charge imposed on certain retail customers who purchase natural gas or electricity for consumption in this State; increasing the maximum amount of the universal energy charge that a single retail customer or multiple retail customers under common ownership and control may be required to pay during a calendar quarter; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law establishes the Fund for Energy Assistance and Conservation
2 which is funded by the universal energy charge imposed on certain retail customers
3 who purchase natural gas or electricity for consumption in this State. The universal
4 energy charge must be remitted to the Public Utilities Commission of Nevada for
5 deposit in the State Treasury for credit to the Fund. (NRS 702.160, 702.170) The
6 Division of Welfare and Supportive Services of the Department of Health and
7 Human Services is responsible for administering the Fund. (NRS 702.250) The
8 Division of Welfare and Supportive Services must distribute the money in the Fund
9 both to itself and to the Housing Division of the Department of Business and
10 Industry. The Division of Welfare and Supportive Services and the Housing
11 Division use the money distributed from the Fund to assist low-income households
12 in paying for natural gas and electricity and obtaining improvements associated
13 with energy conservation, energy efficiency and weatherization. (NRS 702.260,
14 702.270) To carry out its powers and duties relating to the universal energy charge,
15 the Commission is entitled to retain an administrative fee of not more than 3
16 percent of the money collected from the universal energy charge. (NRS 702.170) In
17 addition, the Division of Welfare and Supportive Services and the Housing



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Division are each authorized to use a portion of the money distributed from the Fund for administrative expenses. (NRS 702.260, 702.270)

This bill increases the amount of the universal energy charge that is collected from certain retail customers who purchase natural gas or electricity for consumption in this State. This bill also increases the maximum amount of the universal energy charge that a single retail customer or multiple retail customers under common ownership and control may be required to pay during a calendar quarter.

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

Section 1. NRS 702.160 is hereby amended to read as follows:
702.160 1. Except as otherwise provided in this section and NRS 702.150, each retail customer shall pay:

(a) A universal energy charge of ~~13.30~~ 6.60 mills on each therm of natural gas that the retail customer purchases from another person for consumption in this State; and

(b) A universal energy charge of ~~10.39~~ 0.78 mills on each kilowatt-hour of electricity that the retail customer purchases from another person for consumption in this State.

2. The provisions of subsection 1 do not apply to:

(a) Any therm of natural gas used as a source of energy to generate electricity.

(b) Any kilowatt-hour of electricity used in industries utilizing electrolytic-manufacturing processes.

3. If a retail customer uses the distribution services of a public utility or municipal utility to acquire natural gas or electricity that is subject to the universal energy charge, the public utility or municipal utility providing the distribution services shall:

(a) Collect the universal energy charge from each such retail customer;

(b) Ensure that the universal energy charge is set forth as a separate item or entry on the bill of each such retail customer; and

(c) Not later than 30 days after the end of each calendar quarter, remit to the Commission the total amount of money collected by the public utility or municipal utility for the universal energy charge for the immediately preceding calendar quarter.

4. If a retail customer does not use the distribution services of a public utility or municipal utility to acquire natural gas or electricity that is subject to the universal energy charge, not later than 30 days after the end of each calendar quarter, the retail customer shall remit to the Commission the total amount of money owed by the retail customer for the universal energy charge for the immediately preceding calendar quarter.



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1 5. If, during a calendar quarter, a single retail customer or
2 multiple retail customers under common ownership and control pay,
3 in the aggregate, a universal energy charge of more than ~~[\$25,000]~~
4 **\$50,000** for all consumption of natural gas and electricity during the
5 calendar quarter, such retail customers are entitled to a refund, for
6 that calendar quarter, of the amount of the universal energy charge
7 that exceeds ~~[\$25,000.]~~ **\$50,000**. To receive a refund pursuant to
8 this section, not later than 90 days after the end of the calendar
9 quarter for which the refund is requested, such retail customers must
10 file with the Commission a request for a refund. If a request for a
11 refund is filed with the Commission:

12 (a) The Commission shall determine and certify the amount of
13 the refund; and

14 (b) The refund must be paid as other claims against the State are
15 paid from money in the Fund.

16 **Sec. 2.** This act becomes effective on July 1, 2011.

