

SENATE BILL NO. 182—SENATOR SCHNEIDER

FEBRUARY 21, 2011

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Makes various changes concerning renewable energy systems. (BDR 58-286)

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 renewable energy; revising certain provisions governing the Solar Thermal Systems Demonstration Program; revising the prospective expiration dates of the Wind Energy Systems Demonstration Program and the Waterpower Energy Systems Demonstration Program; revising the capacity goals of the Wind Energy Systems Demonstration Program and the Waterpower Energy Systems Demonstration Program; requiring the Public Utilities Commission of Nevada to establish categories of participation in the Waterpower Energy Systems Demonstration Program for mining uses, municipalities and Indian tribes and tribal organizations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

This bill revises various provisions governing incentive programs for renewable energy. **Section 1** of this bill revises provisions governing the Solar Thermal Systems Demonstration Program to remove the requirement that each solar thermal system have a meter or other measuring device installed. In addition, **section 1** requires the Public Utilities Commission of Nevada to adopt regulations which identify the classifications and subclassifications of licenses which an installer must hold to install solar thermal systems pursuant to the Solar Thermal Systems Demonstration Program. **Section 2** of this bill revises provisions governing the performance certifications which must be obtained to establish eligibility for a rebate from the Solar Thermal Systems Demonstration Program.

Section 3 of this bill increases the capacity goal for the Wind Energy Systems Demonstration Program from 5 megawatts of installed capacity by 2012 to 25 megawatts of installed capacity by 2016. **Section 5** of this bill increases the capacity goal for the Waterpower Energy Systems Demonstration Program from



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15 500 kilowatts of installed capacity by 2012 to 20 megawatts of installed capacity by
16 2016.

17 The Waterpower Energy Systems Demonstration Program was established for
18 agricultural uses. (NRS 701B.820) **Section 4** of this bill additionally requires the
19 Commission to establish categories of participation in the Waterpower Energy
20 Systems Demonstration Program for: (1) mining uses by operators of mines that are
21 customers of a public utility which supplies electricity in this State; (2)
22 municipalities that are customers of a public utility which supplies electricity in this
23 State; and (3) Indian tribes or tribal organizations that are customers of a public
24 utility which supplies electricity in this State.

25 **Sections 6-8** of this bill revise the prospective expiration dates of the Wind
26 Energy Systems Demonstration Program and the Waterpower Energy Systems
27 Demonstration Program from June 30, 2011, to June 30, 2013.

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

1 **Section 1.** NRS 701B.336 is hereby amended to read as
2 follows:

3 701B.336 1. The Commission shall establish the Solar
4 Thermal Systems Demonstration Program to carry out the intent of
5 the Legislature to promote the installation of at least 3,000 solar
6 thermal systems in homes, businesses, schools and other
7 governmental buildings throughout this State by 2019.

8 2. The Demonstration Program must have four categories of
9 participants as follows:

- 10 (a) School property;
11 (b) Public and other property;
12 (c) Private residential property; and
13 (d) Small business property.

14 3. To be eligible to participate in the Demonstration Program, a
15 person must:

- 16 (a) Apply to a utility on a form prescribed by the Commission;
17 (b) Meet the qualifications established pursuant to subsection 5
18 and be approved by the utility;

19 (c) When installing a solar thermal system, use an installer who
20 has been issued a ~~[classification C-1 license with the appropriate~~
21 ~~subclassification] license~~ by the State Contractors' Board ~~[pursuant~~
22 ~~to the regulations adopted by the Board;]~~ *with a classification and*
23 *subclassification which have been determined by the Commission*
24 *pursuant to subsection 5 to be appropriate for installing solar*
25 *thermal systems pursuant to the Demonstration Program;* and

26 (d) If the person participates in the category of school property
27 or public and other property, provide for the public display of the
28 solar thermal system, including, without limitation, providing for
29 public demonstrations of the solar thermal system and for hands-on
30 experience of the solar thermal system by the public.



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4. The utility shall notify each applicant who is approved to participate in the Demonstration Program not later than 10 days after the approval.

5. The Commission shall adopt regulations which must include, without limitation, provisions which:

(a) Establish the qualifications an applicant must meet to qualify to participate in the Demonstration Program.

(b) Establish specifications for the design, installation, energy output and displacement standards of the solar thermal systems that qualify for the Demonstration Program.

(c) Require that the components of any solar thermal system be new and unused.

(d) Require that any solar thermal collector have a warranty against defects and undue degradation of not less than 10 years.

(e) Require that a solar thermal system be installed in a building which is connected to the existing distribution system of a utility in this State.

~~(f) Require that a solar thermal system have a meter or other measuring device installed to monitor and measure the performance of the system and the quantity of energy generated or displaced by the system.~~

~~(g)~~ Require that a solar thermal system be installed in conformity with the manufacturer's specifications and all applicable codes and standards.

~~(h)~~ (g) Establish siting and installation requirements for solar thermal systems to ensure efficient and appropriate installation and to promote maximized performance of such systems.

(h) Identify the classifications and subclassifications of licenses issued by the State Contractors' Board which the Commission determines are appropriate for installing solar thermal systems pursuant to the Demonstration Program.

6. As used in this section, "applicant" means a person who applies to the utility to participate in the Demonstration Program.

Sec. 2. NRS 701B.342 is hereby amended to read as follows:

701B.342 1. The Commission shall adopt regulations establishing program milestones and a rebate program for a participant who installs a solar thermal system. The rebates provided by the Commission must:

(a) Decline over time as the program milestones are reached;

(b) Be structured to reduce the cost of solar thermal systems; and

(c) Be based on the actual energy savings or predicted energy savings of the solar thermal system as determined by the Commission.



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2. The regulations must require that to be eligible for a rebate pursuant to the Demonstration Program, a solar thermal system must have received an **OG-100 or OG-300** performance certification from the Solar Rating and Certification Corporation **H or any other performance certification approved by the Commission.**

3. In determining the amount of the rebates provided through the Demonstration Program, the Commission shall consider any federal tax credits and other incentives available to participants.

Sec. 3. 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 capacity goals for the Program, which must be designed to meet the goal of the Legislature of the installation of not less than ~~{5} 25~~ megawatts of wind energy systems in this State by ~~{2012} 2016~~ 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. 4. 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.} 3~~, apply to a utility and be selected by the utility for inclusion in the Waterpower Demonstration Program.

~~{4.} 3.~~ The Commission shall adopt regulations providing for the qualifications an applicant must meet to qualify to participate in the Waterpower Demonstration Program. **The regulations must establish categories of participation in the Waterpower Demonstration Program for:**

(a) Agricultural uses;

(b) Mining uses by operators of mines that are customers of a utility;

(c) Municipalities that are customers of a utility; and

(d) Indian tribes and tribal organizations that are customers of a utility.



1 **Sec. 5.** NRS 701B.840 is hereby amended to read as follows:
2 701B.840 The Commission shall adopt regulations that
3 establish:

4 1. The capacity goals for the Program, which must be designed
5 to meet the goal of the Legislature of the installation of not less than
6 ~~[500 kilowatts]~~ **20 megawatts** of waterpower energy systems in this
7 State by ~~[2012]~~ **2016** and the goals for each category of the
8 Program.

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

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

15 **Sec. 6.** Section 113 of chapter 509, Statutes of Nevada 2007,
16 at page 2999, is hereby amended to read as follows:

17 Sec. 113. 1. This act becomes effective:

18 (a) Upon passage and approval for the purposes of
19 adopting regulations and taking such other actions as are
20 necessary to carry out the provisions of this act; and

21 (b) For all other purposes besides those described in
22 paragraph (a):

23 (1) For this section and sections 1, 30, 32, 36 to 46,
24 inclusive, 49, 51 to 61, inclusive, 107, 109, 110 and 111 of
25 this act, upon passage and approval.

26 (2) For sections 1.5 to 29, inclusive, 43.5, 47, 51.3,
27 51.7, 108, 112 and 112.5 of this act, on July 1, 2007.

28 (3) For sections 62 to 106, inclusive, of this act, on
29 October 1, 2007.

30 (4) For sections 31, 32.3, 32.5, 32.7, 33, 34 and 35 of
31 this act, on January 1, 2009.

32 (5) For section 48 of this act, on January 1, 2010.

33 (6) For section 50 of this act, on January 1, 2011.

34 2. Sections 62 to 106, inclusive, of this act expire by
35 limitation on June 30, ~~[2011.]~~ **2013.**

36 **Sec. 7.** Section 13 of chapter 246, Statutes of Nevada 2009, at
37 page 1002, is hereby amended to read as follows:

38 Sec. 13. 1. This act becomes effective on July 1, 2009.

39 2. Sections 2 and 3 of this act expire by limitation on
40 June 30, ~~[2011.]~~ **2013.**

41 **Sec. 8.** Section 21 of chapter 321, Statutes of Nevada 2009, at
42 page 1410, is hereby amended to read as follows:

43 Sec. 21. 1. This section and sections 1 to 1.51,
44 inclusive, 1.55 to 19.7, inclusive, and 19.9 to 20.9, inclusive,
45 of this act become effective upon passage and approval.



2. Sections 1.51, 1.85, 1.87, 1.92, 1.93, 1.95, 4.3 to 9,
inclusive, and 19.4 of this act expire by limitation on June 30,
~~2011.~~ 2013.

3. Sections 1.53 and 19.8 of this act become effective on
July 1, ~~2011.~~ 2013.

Sec. 9. The Public Utilities Commission of Nevada shall adopt
the regulations necessary to carry out the provisions of this act on or
before December 31, 2011.

Sec. 10. 1. This section and sections 6 to 9, inclusive, of this
act become effective upon passage and approval.

2. Sections 1 to 5, inclusive, of this act become effective upon
passage and approval for the purposes of adopting regulations and
on July 1, 2011, for all other purposes.

3. Sections 3, 4 and 5 of this act expire by limitation on
June 30, 2013.

