MINUTES OF THE
SENATE COMMITTEE ON COMMERCE, LABOR AND ENERGY

Seventy-sixth Session
February 28, 2011

The Senate Committee on Commerce, Labor and Energy was called to order by Chair Michael A. Schneider at 1:09 p.m. on Monday, February 28, 2011, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 4412, 555 East Washington Avenue, Las Vegas, Nevada. Exhibit A is the Agenda. Exhibit B is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Michael A. Schneider, Chair
Senator Shirley A. Breeden, Vice Chair
Senator David R. Parks
Senator Allison Copening
Senator James A. Settelmeyer
Senator Elizabeth Halseth
Senator Michael Roberson

STAFF MEMBERS PRESENT:

Scott Young, Policy Analyst
Matt Nichols, Counsel
Suzanne Efford, Committee Secretary

OTHERS PRESENT:

Everett A. Jesse, P.E., CEO, Nevada Controls, LLC
John Owens, Director, Customer Owned Renewables and Energy Efficiency, NV Energy
Stacey Crowley, AIA, LEED AP, Director, Office of Energy, Office of the Governor
Luke Busby, Clean Energy Center, LLC
Joe Johnson, Sierra Club, Toiyabe Chapter
Judy Stokey, NV Energy
Cadence Matijevich, Legislative Relations Program Manager, Office of the City Manager, City of Reno.

Randy Robison, Southwest Gas Corp.
Jack Mallory, Director of Government Affairs, International Union of Painters and Allied Trades, District Council 15; Southern Nevada Building and Construction Trades Council
Jan Gilbert, Progressive Leadership Alliance of Nevada
Paul McKenzie, Secretary/Treasurer, Building and Construction Trades Council of Northern Nevada
Gail J. Anderson, Administrator, Real Estate Division, Department of Business and Industry
Les Lazareck, Home Energy Connection
Alison Haugh, Nevada Building Performance Professionals
Tracy Foglesong, Nevada Building Performance Professionals
Joanne Levy, Chair, Legislative Committee, Nevada Association of Realtors
James L. Wadhams, Southern Nevada Home Builders Association
Kyle Davis, Policy Director, Nevada Conservation League
Jay Parmer, Builders Association of Northern Nevada

CHAIR SCHNEIDER:
We have two bill draft requests (BDRs) to introduce.

BILL DRAFT REQUEST 53-164: Creates Task Force on Employee Misclassification. (Later introduced as Senate Bill 208.)

SENATOR COPENING MOVED TO INTRODUCE BDR 53-164.

SENATOR BREEDEN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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BILL DRAFT REQUEST 53-165: Authorizes civil penalties against employers who misclassify employees as independent contractors. (Later introduced as Senate Bill 207.)

SENATOR COPENING MOVED TO INTRODUCE BDR 53-165.

SENATOR BREEDEN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR SCHNEIDER:
We will have a presentation on waterpower energy systems. Waterpower is probably the least well-known of the chapter 701B of the *Nevada Revised Statutes* (NRS) Renewable Energy Programs. There is only one completed project and one under construction in this State. These are both Nevada Controls, LLC projects.

EVERETT A. JESSE, P.E., CEO (Nevada Controls, LLC):
This presentation is on hydro power in Nevada, particularly micro-hydro units. Micro-hydro units produce less than one megawatt (MW) of power (Exhibit C). They are facilities which can be put on existing pipelines where the energy is now being dissipated and not being utilized. These units will take advantage of the available energy with minimal environmental impact. NV Energy and the Public Utilities Commission of Nevada (PUCN) have supported our efforts to enlarge the program and make it work.

Hydro plants must be put in an area where the energy is available, with the water either coming down a hill or from a higher elevation to create the pressure needed to run the plant. If you try to move the hydro plant from that location, it must be done in a pipe which creates head loss, a pressure reduction in the pipe, making the system nonviable. It cannot be put on a rooftop or where the wind blows or the sun shines. It must be put where the water is or where the pipeline is located.

The Legislature set a goal of 500 kilowatts (kW) from hydro power by 2012. We will achieve that goal of installed, working systems by 2012. The goal set by Senate Bill (S.B.) 182 is a worthy goal, especially as the program is enlarged to include municipalities, Indian tribes and mining. Now, the program is just for agriculture. But, as the program is expanded, the goal can be expanded.

If there is high pressure, such as a large change in elevation, there can be lower flows. If there is lower pressure, such as a small change in elevation, there must be higher flows.

To generate 93kW of power, there should be 250 pounds of pressure per square inch (psi) and 2.6 cubic feet per second (cfs) of water. That is close to 1,200 gallons per minute. The plant is compact, taking up about 400 square feet of space.

In a 100 kW power plant, with 3 psi, which is only about an 8-foot change in elevation, there must be more flow, such as 120 cfs of water. As elevation, or pressure head, is decreased, the amount of flow must be increased for the system to work.

The first hydro plant we installed was a 93 kW plant on the Young Brothers Ranch in the Big Smoky Valley. The water comes down a hill through a pipeline which is under pressure. It then flows into the plant, through nozzles and spins a Pelton wheel, forcing the turbine to turn, which rotates a generator to produce electricity. This is used in high-pressure situations. The water then exits the power plant, flowing back into the stream.

When the pressure is lower and the flow is higher, the turbine changes because of the energy available. There may be a Pelton wheel at high pressure, but at lower pressure a Kaplan turbine is used which is a propeller-type hydro turbine.

Another project in the Big Smoky Valley involved two streams. These streams flowed out of a canyon and into an alluvial fan. The water was never useable. The irrigators installed a pipeline to capture the water instead of letting it flow into the alluvial fan. The water would build up so much pressure, a pressure break had to be installed. A pressure break is simply a box where the water flows in, dissipating the pressure. The water then goes back to atmospheric pressure. The water continues down the pipeline and operates four irrigation pivots. To take advantage of this energy, we placed the hydro turbine next to the pressure break. We had to install a 2.3 mile power line to tie into the NV Energy grid. We also installed another pressure break outside of the hydro turbine. The water flows into the hydro turbine, through five nozzles, spins the Pelton wheel and rotates the generator producing electrical energy, which then goes through the “switchgear” and into the power line.

The 93 kW plant which operates at 250 psi, 2.6 cfs, with a small footprint of 400 square feet, produces 550,000 kW hours (kWh) annually. The cost of the plant with the pipeline was $354,000. The NV Energy rebate was 63.5 percent of the cost, or $225,000. An equivalent solar system would have to be 300 kW, alternating current (AC), and would cover 45,000 square feet at a cost of $1,550,000. The power density of a hydro plant is huge but it is difficult to get the optimal conditions to install one.

A 225 kW plant with 160 psi and 9.5 cfs would have a footprint of 400 square feet and an annual production of 1,200,000 kWh. This plant will generate about $48,000 for the owners. This is a non-net metered system. To get the system working, the PUCN and NV Energy developed a program to allow people who did not have the loads adjacent to the hydro plant to receive a rebate and to sell their power back at the short-term tariff rate.

The cost of the 225 kW plant with the power line was $619,600. The NV Energy rebate was $522,500, or 84.3 percent of the cost. The equivalent solar system would be 625 kW AC and would cover 96,000 square feet at a cost of $3,315,000. A hydro plant is able to concentrate all that power in a small area, but the opportunities are limited.

We support the goal of S.B. 182 to expand the program to 20 MW by 2016 and to include municipalities, mining and Indian tribes. We would also support expanding the definition of net metering due to the unique nature of hydro power. This will allow flexibility in the program and allow it to grow to meet the 20 MW goal.

One of the problems with net metering is the single premise, one generation meter to one production meter. With hydro power, the plant cannot always be located where the power is being used.

We support a nonprofit category at a higher incentive level similar to solar and wind programs. We would like to keep the non-net metered category for those entities that can generate hydro power but do not have the load. Also, we would support a rebate cap of 250 kW instead of the 200 kW rebate cap. This would enable all of the entities included in the program to build the appropriate size system.

CHAIR SCHNEIDER:
The next presentation will be from NV Energy on NRS 701B, Renewable Energy Program.

JOHN OWENS (Director, Customer Owned Renewables and Energy Efficiency, NV Energy):
This presentation (Exhibit D) and a handout (Exhibit E) are about the status of NV Energy's renewable energy programs. NV Energy currently offers rebate programs set up by technology type for solar, wind and hydro energy. They are intended to offset the capital costs of small-scale, renewable energy projects.

In the solar generation program, rebates are available to specific customer groups as defined in statute: residential, small commercial, schools and public entities. Customers awarded a rebate receive a one-time lump sum payment which is expressed in dollars per watt. The rebate incentive amount is established in the NV Energy annual plan filing with the PUCN. For example, if a school installed a 100 kW system today, the school would receive, upon completion of the project, a $500,000 rebate at the current incentive of $5 per watt. In addition to the onetime rebate, the school would also receive a net metering credit off their power bill. NV Energy keeps track of the kWh produced by the system and subtracts the kWh from their bill on a one-for-one basis. This turns into a credit at the retail rate.

These programs help us comply with Nevada's Renewable Portfolio Standards (RPS). NV Energy meters the kWh produced annually by projects in service and have received rebates and reports annually to the PUCN. The solar systems receive a multiplier of 2.4 which is set by statute. In addition, there is another section of the statute which allows NV Energy to apply another 5 percent. The 5 percent is related to losses that have been avoided. Since these generation facilities are at the host site, NV Energy does not experience the normal losses of importing power and wheeling it across the grid. All retail customers pay a small kWh charge to fund the rebate program.

Statute defines the customers eligible to participate: residential, small commercial, schools and public entities. Small commercial means an enterprise employing 500 people or fewer worldwide.

There are two funding limits referenced in statute. The first is $78,260,000 which relates to all rebates paid out between July 1, 2010 and June 30, 2013.

The second limit is $255,270,000 from July 1, 2010 to June 30, 2021. The amount of capacity available by customer type and the regulatory oversight role of the PUCN are also defined in statute.

The PUCN has concluded that the funding limit of $78,260,000 is available for each utility in both southern and northern Nevada. In the solar program NV Energy and Nevada Power Company each have a $78,260,000 budget.

Since 2004, over 900 solar projects have been completed. NV Energy recently passed the 10 MW mark in customer-owned generation, and there is another 25MW under development. We have paid out over $36 million in rebates through January 2011. In just the solar generations program, $150 million in rebates is possible in the near term.

Wind generation programs are similar in structure to solar programs. There are statutes governing the definition of customer types eligible to participate. A big participating group in the wind program is agricultural. There are 11 MW of small wind projects, almost all of which are in northern Nevada, in an agricultural setting.

The PUCN sets the funding level based on NV Energy's annual plan filing. This is a pilot program with a goal of 5 MW to be installed by 2012. The program will expire this year unless it is extended by the Legislature. There is a projection of 11 MW to be installed in 2011. Participation levels are dependent on funding and program structure.

The hydro-generations program is also a pilot program. It has an initial goal of 500 kW to be installed by 2012 and is targeted at agricultural customers who are reflective of where the current activity is located. There are other customer types who could potentially install these systems.

SENATOR ROBERSON:
What is the charge to NV Energy retail customers to fund the rebates?

MR. OWENS:
It is a small kWh charge built into all retail customer bills. It is called the renewable energy program rate. A customer in northern Nevada would pay between $3 and $5 a month on their bill, depending on the individual monthly consumption. It is a small rate multiplied by the kWh used in the home. In

southern Nevada, the rate is between $1 and $3 a month. Because the sales volume in the north is about one-third of the south, the rate in the north is higher.

The rebate costs are recovered in the jurisdiction in which they occur. We have equal participation statewide. The same amount of projects is being installed north and south.

CHAIR SCHNEIDER:
We will open the hearing on S.B. 182.

SENATE BILL 182: Makes various changes concerning renewable energy systems. (BDR 58-286)

CHAIR SCHNEIDER:
Senate Bill 182 enhances several existing legislatively enacted renewable energy programs covered in NRS 701B. These programs include the Solar Thermal Systems Demonstration Program for solar hot water and hot air heaters, the Wind Energy Systems Demonstration Program for small wind turbines and the Waterpower Energy Systems Demonstration Program for small-scale hydro systems. These programs are part of a continuing legislative policy of economic diversification, job creation and energy development that is embodied in NRS 701.010.

Sections 1 and 2 of the bill deal with the Solar Thermal Systems Demonstration Program enacted by S.B. No. 188 of the 75th Session. That program provided incentives for 3,000 solar thermal units, primarily solar hot water heaters, by 2019. Sections 1 and 2 correct and clarify some provisions from S.B. No. 188 of the 75th Session regarding the proper contractor's license needed by installers and the proper performance certification designations for solar thermal systems.

Section 3 of the bill relates to the Wind Energy Systems Demonstration Program which was created in S.B. No. 437 of the 74th Session. Like the solar program, it started small as a pilot program to help the small, wind-energy industry develop in Nevada. The original target was for five MW by 2012. That goal has already been reached. To maintain the momentum, section 3 increases the wind program goal to 25 MW by 2016.

Section 4, the Waterpower Energy Systems Demonstration Program, was also created by S.B. No 437 of the 74th Session for small-scale hydro systems for agricultural use. Hydro power is attractive because it is the cheapest source of all of the power sources, not just renewables. It usually is 24 hours a day, 7 days a week unlike wind and solar power. The initial goal was 500 kW by 2012. The program got off to a slow start but is now growing.

The Waterpower Energy Systems Demonstration Program is currently limited to agricultural users. However, municipalities, mines and tribal entities could also benefit and save on power bills, while developing clean power technologies. Pending projects exceed the original 500 kW goal and since S.B. 182 adds additional users such as tribal entities, municipalities and mines, section 4 of the bill increases the waterpower program target to 20 MW by 2016.

These programs are bringing new jobs, improving the environment, decreasing the use of fossil fuels and helping achieve the RPS standard. We want to extend and expand the programs and keep our momentum going.

STACEY CROWLEY, AIA, LEED AP (Director, Office of Energy, Office of the Governor):
We support S.B. 182. The Office of Energy believes that progress in the advancement of solar thermal, wind and waterpower technology is good for the State and increases our use of renewable energy. This bill will help create consistency for the market to allow developers and installers to take advantage of the incentive programs.

LUKE BUSBY (Clean Energy Center, LLC):
Clean Energy Center, LLC supports S.B. 182. Clean Energy Center, LLC participates in all of these programs which are helpful in getting small businesses started. The structure presented here is an appropriate expansion.

JOE JOHNSON (Sierra Club, Toiyabe Chapter):
The Sierra Club supports this bill for the most part; however, there is a problem with the wind generation program. There is an issue with the resource availability within the State and the variability of offering rebates based upon capacity, rather than upon performance. The rebates should be separated from the net metering program and into a program based upon actual production. Consideration of the performance-based rebates on wind programs should be addressed where applicable in this bill.

The Sierra Club also has a problem with the waterpower systems program. The definition of waterpower was changed in the original portfolio. In 2003, there was a modification to allow an expansion of the programs. The issue of virtual net metering or off-site net metering was addressed previously. The Sierra Club would like to restrict the Waterpower Energy Systems Demonstration Program to agriculture.

CHAIR SCHNEIDER:
There are some other big users of power besides agriculture. Do you not want to support other users to be eligible to use water power?

MR. JOHNSON:
I would like to defer comment on that. Right now, the Sierra Club is only supporting agriculture.

SENATOR SETTELMEYER:
What are your thoughts on the concept of putting a certain amount of users into each category of the new hydro proposal? That way there would be no worry about one category taking the whole portfolio.

MR. JOHNSON:
That would be an appropriate change.

JUDY STOKEY (NV Energy):
NV Energy supports S.B. 182 but with proposed amendments (Exhibit F). With our proposed amendment, we would like to establish a dollar cap on the incentives for the programs. There is a need for these programs, and they have been successful. We want to ensure there is a cap to protect our rate payers.

We would like to redefine the program year to a calendar year instead of a fiscal year and to restrict the eligibility for the incentive programs to renewable energy systems which qualify for net metering, with the exception of some hydro-energy systems.

We would like to clarify that only customers who are full-requirement customers are eligible to participate in the programs. Those are customers who take generation, transmission and distribution services. Also, the program should sunset December 31, 2021.

MR. OWENS:
NV Energy's changes are in our proposed amendment to S.B. 182, Exhibit F.

CADENCE MATIJEVICH (Legislative Relations Program Manager, Office of the City Manager, City of Reno):
The City of Reno encourages passage of S.B. 182. The City of Reno has installed nine wind turbines under the Wind Energy Systems Demonstration Program. We have created an interactive tool for our residents through our green energy dashboard. Our residents can go on line, see the output of these systems and determine what kinds of savings they might have if they installed one of these systems.

We support extension of the hydro program. There is potential to install those hydro systems at our wastewater treatment plants.

I have some proposed changes to S.B. 182 to submit on behalf of Jason Geddes, Ph.D. (Exhibit G).

SENATOR COPENING:
The Sierra Club suggested that rebates be based on production rather than on capacity. Have you worked with the different types of wind turbines? Some produce more energy than others. Could the Sierra Club recommendation be put into place?

MS. MATIJEVICH:
Yes, we have a number of different turbines. We have installed different types of turbines in different locations to demonstrate the types and outputs. Residents and businesses can observe something that would be similar and appropriate for their particular location and distinguish between the positives and negatives of each of the different types when they are considering what might be best for them.

RANDY ROBISON (Southwest Gas Corp.):
I would like to read a brief statement into the record on behalf of Debra Gallo:

> Southwest [Gas Corp.] supports the revisions to the Solar Thermal Systems Demonstration Program proposed by section 1 and section 2 of S.B. 182. These revisions address several of the issues identified by the parties during the regulation rule-making process. Specifically, in section 1 the removal of the specific

designation requiring an installer hold a C-1 contractor's license and instead allowing the Commission to determine the appropriate classification and subclassification of licenses issued by the State Contractors' Board. Also in section 1, the removal of the requirement to install a meter or other measuring device on each solar thermal system and, finally, in section 2 the addition of OG-100 or other performance certification approved by the Commission for solar thermal systems eligible for a rebate.

JACK MALLORY (Director of Government Affairs, International Union of Painters and Allied Trades, District Council 15; Southern Nevada Building and Construction Trades Council):
We support virtually all the provisions contained in S.B. 182. Expanding the waterpower energy program to include municipal users and others is a good idea. It is a constant and reliable source of energy. However, we have a problem with section 1 of the bill. It changes long-standing Nevada law regarding the entity which determines the classification of license appropriate to perform a specific scope of work by deleting the requirement for a C-1 license and then delegating the duty of identifying the classifications and sub-classifications to the PUCN instead of letting that remain with the State Contractors' Board. We have not seen anything to demonstrate that the PUCN possesses the expertise to determine the type of contractor required to perform that work. We are not saying that a C-1 license holder is appropriate for all solar thermal systems, particularly as solar thermal technology is developing, but at the same time we believe that determination should be left with the State Contractors' Board.

JAN GILBERT (Progressive Leadership Alliance of Nevada):
We also support the expansion for renewables. However, we are concerned with section 4 of the bill which expands the direct public subsidy to the multinational mining industry. Consumers are the ones who pay this every month. We have no problem expanding the program to agriculture and the Native-American community and even municipalities. Why should we be subsidizing a profitable industry when they can do this on their own?

PAUL MCKENZIE (Secretary/Treasurer, Building and Construction Trades Council of Northern Nevada):
We support a majority of provisions in S.B. 182. We have a concern with NRS 701B in its entirety and the fact that we do not have a supervisory body

over the whole program. I would not like to see the program expanded until there is something in place to administer NRS 701B.

CHAIR SCHNEIDER:
Your main concern is that there is no one managing this program at all, is that correct?

MR. MCKENZIE:
Yes, that is our main concern. The law has many provisions, but there is no one to enforce them.

CHAIR SCHNEIDER:
We will close the hearing on S.B. 182 and open the hearing on S.B. 181.

SENATE BILL 181: Enacts provisions relating to energy efficiency, renewable energy and building construction. (BDR 54-219)

CHAIR SCHNEIDER:
For years, the Legislature has emphasized the importance of energy conservation in terms of economic impact and environmental benefits. We often note in legislative discussions that the cheapest and cleanest watt is the one never produced. Energy conservation is important because buildings in the United States account for 40 percent of primary energy used. According to the U.S. Energy Information Administration, homes and commercial buildings use 71 percent of the electricity in the United States and that is expected to increase to 75 percent by 2025.

Most carbon emissions come from electricity production. Electric generation also produces by-products that pollute the environment in addition to consuming large amounts of water, a particularly scarce and important resource in Nevada.

Nevada has one of the highest per capita energy-consumption rates in the West. Several proposals in S.B. 181 were included in S.B. No. 242 of the 75th Session, which passed the Senate but not the Assembly. These proposals are important enough to introduce again. Senate Bill 181 is the result of the unanimous recommendation of S.C.R No. 19 of the 75th Session which directed the Legislative Commission to appoint a committee to conduct an interim study relating to the production and use of energy.

Senate Bill 181, section 2, requires residential builders who have projects of 25 or more homes to offer renewable energy and energy-efficiency upgrades. This only requires a contractor to offer these upgrades as options. It is not a mandate to include them in the building. If the public is not aware of what is available, they will not ask for it. During the discussion of S.B. No. 242 of the 75th Session in the 75th Session, I showed a slide (Exhibit H) indicating that 86 percent of Americans would choose one home over another based on energy efficiency. This slide also showed that 78 percent of Americans who had just bought property said that nobody talked to them about energy efficiency.

Section 3 of the bill requires residential builders who finance or assist in the financing of homes to use mortgage lending programs that offer energy efficiency mortgages (EEMs) or so-called green mortgage options. Again, this is not a mandate. Developers just have to offer green mortgages so the public will be aware and have a choice. As the mortgage industry in Nevada recovers, we want it to emerge stronger and better and as a force for greening our buildings. Studies indicate the EEMs allow an average of 6.8 percent more families to qualify for a mortgage. This is another reason why these mortgages should be offered.

To educate buyers and sellers better, section 6 of the bill requires real estate brokers and sales people to offer information to assist parties in identifying, evaluating and selecting energy-efficiency and conservation features in residential property.

Sections 9 through 15 require the Real Estate Commission, the Commissioner of Mortgage Lending and the Commission of Appraisers of Real Estate to adopt regulations for continuing education covering their respective licensees. These regulations would require completion of minimal continuing education courses, appropriate for each profession, in energy-efficiency and conservation, or green mortgages and financing. We would not let teachers instruct students if they could not read or write themselves. Likewise, we do not want real estate professionals advising clients unless they are adequately prepared to assist them in these crucial areas. Remember, 78 percent of Americans who bought property said no one talked to them about energy efficiency.

Provisions such as these will help Nevada remain a leader in energy efficiency and conservation and help reduce per capita energy consumption.

SENATOR COPENING:
I appreciate you bringing this back. Some builders install energy-efficient appliances as a part of their standard practice. However, appraisers do not take the energy-efficient upgrades into consideration in their appraisals. I would like to have an amendment to this bill requiring the appraisal industry to consider the energy-efficient upgrades when doing appraisals.

GAIL J. ANDERSON (Administrator, Real Estate Division, Department of Business and Industry):
The Real Estate Division is neutral on S.B. 181. However, there are concerns about potential loopholes created in sections 10 and 14 relating to the waiving of fees for real estate continuing education accreditation. I would appreciate the opportunity to work with the sponsor of the bill to make certain these sections are necessary and we are not creating loopholes.

CHAIR SCHNEIDER:
We have concerns that this would fall under the two-thirds majority vote. We will get clarification from our legal counsel.

LES LAZARECK (Home Energy Connection):
I support S.B. 181 as it is written, but I would like to see some amendments to the bill as well. In section 2, many of the qualifying upgrades will have a direct impact on making homes more energy-efficient, thus reducing the cooling load. I can provide a list of additional qualifying upgrades, including the type, amount and location of ceiling and wall insulation. In addition, based on improvements added to the home, the heating and air-conditioning systems should be of the proper size. The homeowner should also be given the option to choose a piece of equipment of a higher efficiency, such as water heaters.

ALISON HAUGH (Nevada Building Performance Professionals):
Nevada Building Performance Professionals (NBPP) and Southwest Energy Efficiency Project (SWEEP) would be happy to work with the Real Estate Division relating to any energy-efficiency materials they might be considering for the developers, realtors, lenders and the public. We support this bill.

TRACY FOGLESONG (Nevada Building Performance Professionals):
Nevada Building Performance Professionals supports educating the consumer on the energy-efficiency measures which would be accomplished by this bill. There are many nonprofits here, NBPP and SWEEP, who would be more than willing to

provide information and education to consumers, contractors and realtors on energy efficiencies and EEMs and would do so at low to no cost. I support this bill.

JOANNE LEVY (Chair, Legislative Committee, Nevada Association of Realtors):
Realtors are neutral on S.B. 181. However, we have some concerns regarding the continuing education requirements for real estate licensees and also have concerns with the information licensees will be required to provide to the consumer on energy efficiency. We look forward to continuing work with Senator Schneider to address these issues.

JAMES L. WADHAMS (Southern Nevada Home Builders Association):
We have some concerns with S.B. 181. We have been unable to locate lending programs on EEMs, and have concerns with appraisals. We would like to work with the sponsor of the bill on some language addressing the current lending circumstances and the engineering and appraisal issues.

KYLE DAVIS (Policy Director, Nevada Conservation League):
The Nevada Conservation League supports S.B. 181.

MR. JOHNSON:
The Sierra Club also supports S.B. 181.

JAY PARMER (Builders' Association of Northern Nevada):
The Builders' Association of Northern Nevada has developed a program, Built Green Nevada, which is recognized by NV Energy, Truckee Meadows Water Authority and most of the local governments. Our industry wants to get back to work and our challenge is to get financial markets, regarding the EEMs, to keep up with the innovations already taking place in energy-efficiency within residential construction. The requirements in sections 2 and 3 of the bill will move things forward in this area. However, we have no associate members offering EEMs and we have not identified any mortgage lenders locally offering EEMs. This continues to be a challenge for us as we build more energy-efficient homes.

CHAIR SCHNEIDER:
We will be contacting the U.S. Department of Housing and Urban Development and some other organizations to determine where those mortgages are.

Both S.B. 181 and S.B. 182 will be going to subcommittees, and we will be available to work with all interested parties.

This meeting of the Senate Committee on Commerce, Labor and Energy is adjourned at 2:29 p.m.

RESPECTFULLY SUBMITTED:

Suzanne Efford,
Committee Secretary

APPROVED BY:

Senator Michael A. Schneider, Chair

DATE:

EXHIBITS			
Bill	**Exhibit**	**Witness / Agency**	**Description**
	A		Agenda
	B		Attendance Roster
	C	Everett A. Jesse, P.E.	Hydro Presentation
	D	John Owens	NV Energy Presentation
	E	John Owens	NV Energy Presentation
S.B. 182	F	Judy Stokey and John Owens	NV Energy Proposed Amendment
S.B. 182	G	Cadence Matijevich	City of Reno Proposed Amendment
S.B. 181	H	Chair Schneider	Consumer Energy Study