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FIRST REPRINT

S.B. 151

SENATE BILL NO. 151—SENATORS ATKINSON, KIHUEN,
FORD; AND SETTELMAYER

FEBRUARY 12, 2015

JOINT SPONSORS: ASSEMBLYMEN KIRKPATRICK,
SPRINKLE; AND CARLTON

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Requires the Public Utilities Commission of Nevada to adopt regulations authorizing a natural gas utility to expand its infrastructure in a manner consistent with a program of economic development. (BDR 58-52)

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 public utilities; requiring the Public Utilities Commission of Nevada to adopt regulations authorizing a public utility which purchases natural gas for resale to expand its infrastructure in a manner consistent with a program of economic development proposed by the public utility and approved by the Commission; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

- 1 This bill requires the Public Utilities Commission of Nevada to adopt
- 2 regulations authorizing a public utility which purchases natural gas for resale to
- 3 expand the infrastructure of the public utility in a manner consistent with a program
- 4 of economic development proposed by the public utility and approved by the
- 5 Commission.



* S B 1 5 1 R 1 *

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

Section 1. Chapter 704 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Commission shall adopt regulations authorizing a public utility which purchases natural gas for resale to expand the infrastructure of the public utility in a manner consistent with a program of economic development, including, without limitation:

(a) Procedures for a public utility which purchases natural gas for resale to apply to the Commission for approval of an activity relating to the expansion of the infrastructure of the public utility in a manner consistent with a program of economic development; and

(b) Procedures for a public utility which purchases natural gas for resale to apply to the Commission for the recovery of costs associated with an activity approved by the Commission pursuant to paragraph (a).

2. The regulations adopted pursuant to subsection 1 must ensure the timely recovery by the public utility which purchases natural gas for resale of all prudent and reasonable costs associated with the expansion of the infrastructure of the public utility in a manner consistent with a program of economic development through the development of alternative cost-recovery methodologies that balance the interests of persons receiving direct benefits and persons receiving indirect benefits from the expansion of the infrastructure of the public utility.

3. As used in this section, "program of economic development" means a program to expand the infrastructure of a public utility which purchases natural gas for resale that is proposed by the public utility and approved by the Commission for one or more of the following purposes:

(a) Providing natural gas service to unserved and underserved areas within this State;

(b) Accommodating the expansion of existing business customers of the public utility;

(c) Attracting and retaining residential and business customers of the public utility;

(d) Attracting to this State new and diverse businesses and industries which use natural gas and which would otherwise locate or expand their business or industry within this State but for the absence of adequate natural gas infrastructure;

(e) Facilitating the implementation of the State Plan for Economic Development developed by the Executive Director of the



1 *Office of Economic Development pursuant to subsection 2 of NRS*
2 *231.053; and*

3 *(f) Facilitating any policy of the Legislature with respect to*
4 *economic development in this State.*

5 **Sec. 2.** This act becomes effective upon passage and approval.

