

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON COMMERCE AND LABOR
SUBCOMMITTEE ON ENERGY**

**Seventy-Ninth Session
April 3, 2017**

The Committee on Commerce and Labor Subcommittee on Energy was called to order by Chair Chris Brooks at 4:35 p.m. on Monday, April 3, 2017, in Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/79th2017.

COMMITTEE MEMBERS PRESENT:

Assemblyman Chris Brooks, Chair
Assemblywoman Irene Bustamante Adams
Assemblyman Paul Anderson
Assemblyman Nelson Araujo
Assemblywoman Maggie Carlton
Assemblywoman Sandra Jauregui
Assemblyman Jim Marchant

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Assemblyman James Ohrenschall, Assembly District No. 12

STAFF MEMBERS PRESENT:

Marji Paslov Thomas, Committee Policy Analyst
Wil Keane, Committee Counsel
Earlene Miller, Committee Secretary



OTHERS PRESENT:

Fred Voltz, Private Citizen, Carson City, Nevada
Matt Griffin, representing Energy Choice Nevada
Terry K. Graves, representing Retail Energy Supply Association
Brendan D. Bussmann, representing Americans For Electricity Choice
Brant Olson, Program Director, ClimateTruth.org
Garrett C. Weir, General Counsel, Public Utilities Commission of Nevada

Chair Brooks:

Today we are going to hear Assembly Bill 452, and then we will make recommendations from the Subcommittee to the full Assembly Committee on Commerce and Labor on Assembly Bill 206, Assembly Bill 223, Assembly Bill 270, Assembly Bill 342, Assembly Bill 405, and Assembly Joint Resolution 10. We will hear the bills we recommend on Wednesday in the Commerce and Labor meeting.

The Speaker of the Assembly indicated that Assembly Rule No. 57 is waived for the purpose of Assembly Bill 452, which will be heard today. I am going to turn the meeting over to Assemblywoman Bustamante Adams in order for me to present Assembly Bill 452.

[Assemblywoman Bustamante Adams assumed the Chair.]

Vice Chair Bustamante Adams:

I will open the hearing on Assembly Bill 452.

Assembly Bill 452: Directs the Legislative Committee on Energy to conduct an interim study concerning energy choice. (BDR S-1113)

Assemblyman Chris Brooks, Assembly District No. 10:

I would like to introduce Assembly Bill 452, which is sponsored by the Assembly Committee on Commerce and Labor. I will go over some of the reasons for the bill and then what the bill actually does.

Last election cycle, Question No. 3 was introduced and overwhelmingly passed by the public. Question No. 3 is a ballot initiative for a constitutional amendment that would require the Nevada Legislature to reregulate the retail electric markets in Nevada. We came up with a request for this bill so the Legislative Committee on Energy could meet during the interim to look at what this means to the people of Nevada. We could also look at the recommendations from the Governor's Committee on Energy Choice. The full line-up of this committee was just announced today. The Committee on Energy Choice will take up the subject of energy choice and make recommendations to the Nevada Legislature. The Legislative Committee on Energy will study the issue as well, including the recommendations from the Governor's Committee on Energy Choice. The Committee on Energy Choice will make a report and, if appropriate, request bill drafts from their allotted bill draft requests they have available.

Section 1 of the bill describes what the ballot initiative was, and also describes what the Governor's Committee on Energy Choice was set up to do. Section 2 puts into the powers of the Legislative Committee on Energy a directive to consider all of the things I just discussed. It is a very straightforward bill to create a directive for the Legislative Committee on Energy to do something that is currently in their ability to do, but this bill makes it crystal clear on what we want to look at. I would be happy to answer any questions.

Vice Chair Bustamante Adams:

Are there any questions from the Subcommittee? [There were none.] As you said, the bill is pretty straightforward. Is there anyone wishing to testify in opposition to the bill?

Fred Voltz, Private Citizen, Carson City, Nevada:

I have an observation. It seems as though we have a duplicative process going on between the Governor's Committee on Energy Choice and the Legislative Committee on Energy. When the Governor's New Energy Industry Task Force met last year, there was no such duplication. I would suggest either one or the other do this review, but not both.

Vice Chair Bustamante Adams:

Is there anyone else wishing to testify in opposition to the bill? [There was no one.] Is there anyone wishing to testify in support of the bill?

Matt Griffin, representing Energy Choice Nevada:

The Energy Choice Initiative was a campaign that was started last year and will appear again on the general ballot in 2018. We would like to thank Assemblyman Brooks for sponsoring this legislation. The issue put forth in the petition is obviously one of great importance, and it is very complicated as well. I think the outline of A.B. 452 does a very good job of explaining what needs to be accomplished between now and 2023, if the initiative should be successful in the next election.

I know there is some issue as to whether it is duplicative or not. I do not believe it is. If you read the language of the petition itself, it puts the actual open market and what that is going to look like in the purview of this body. This body alone will have the deliberations and the consideration of different policies as they go forward. This is such a task of great significance, I think it is proper and prudent to look at it in the interim and prepare yourselves, should this be successful in the next election, to move on legislation next session. I thank the Subcommittee, and I thank the sponsor.

Terry K. Graves, representing Retail Energy Supply Association:

As this process goes forward, the Retail Energy Supply Association stands ready to provide assistance. We have good resources on these issues, and we just want to inform everyone that we are going to be active participants.

Brendan D. Bussmann, representing Americans For Electricity Choice:

Like my colleagues, Americans For Electricity Choice stands ready to help on the Energy Choice Initiative. We have followed Nevada, along with other states, and are actively involved across the United States to offer retail electricity choice for all ratepayers. We look forward to participating in the process in the interim. We do not believe this is duplicative because, as Mr. Griffin said, this ultimately comes back to the Legislature to pass in subsequent years to come. You need a true evaluation of all the issues out there, including unbundled billing to open transparent markets. We stand ready to help and look forward to supporting A.B. 452.

Vice Chair Bustamante Adams:

Is there anyone else wishing to testify in support of the bill? [There was no one]. Is there anyone wishing to testify in the neutral position? [There was no one.] I will close the hearing on A.B. 452.

[Assemblyman Brooks reassumed the Chair.]

Chair Brooks:

I would like to open the next discussion with public comment. We will close with public comment as well.

Brant Olson, Program Director, ClimateTruth.org:

I am here today in support of Assembly Bill 270. I am speaking on behalf of 2,300 of our supporters in Nevada who have signed on to a petition calling on the Legislature to act on rooftop solar to bring solar jobs and investment back to Nevada, while reducing pollution and increasing the state's competitiveness in the growing market for renewable energy.

I would like to highlight three supporters who have signed on to the petition. The first is Connie Barry, who is a working mother of two in Las Vegas. Her desire is to work doing something good for her community and her family. She found that opportunity in a job as a rooftop solar installer for Robco Electric, Inc. in Las Vegas. She lost that job, along with more than half the company's workforce, after regulators rewrote the rules on rooftop solar in 2015. Scott Lee is another signatory of our petition. He is a retired homeowner in Blue Diamond, Nevada. He built his dream home with the goal of going solar, reducing pollution, and being more self-sustaining. He ran the numbers and was planning to build the home and solar installation last year, but now it does not make financial sense. Rooftop solar is just too expensive. I also want to highlight a comment that was made by Barbara Young of Sparks, Nevada. She said Nevada can be first in the nation for renewable solar energy.

Assemblyman Brooks:

Keep in mind, this Subcommittee has had the hearings on these bills. At this point, we are going to make recommendations as a Subcommittee. Is there any further public comment? [There was none.] I will turn it over to Ms. Thomas, the Committee Policy Analyst, to read the recommendations. We will start with Assembly Bill 206.

**Assembly Bill 206: Revises provisions relating to the renewable portfolio standard.
(BDR 58-746)**

Marji Paslov Thomas, Committee Policy Analyst:

Today you have a worksheet before you ([Exhibit C](#)) listing the bills Chair Brooks referenced earlier. Assembly Bill 206 was heard by this Subcommittee on March 1, 2017. There is a proposed amendment ([Exhibit D](#)) that was prepared by the Legal Division of the Legislative Counsel Bureau. The proposed amendment would add a new section, section 2.5, to the bill to provide that, for calendar year 2018 and each calendar year thereafter, the persons and entities which currently are excluded from the term "provider of electric resources," pursuant to paragraphs (a) to (e) of subsection 3 will qualify as a "provider of electric resources" if the person or entity sells one million megawatt hours of electricity or more during the calendar year in question. The amendment also amends section 3 of the bill to modify the portfolio standard targets beginning in calendar year 2018 through calendar year 2030 and for each calendar year thereafter. It would also amend section 3 of the bill to add a new subsection, subsection 8, which provides that, for calendar year 2018 and each calendar year thereafter, for a person or entity that is a provider of electric resources pursuant to subsection 3 of *Nevada Revised Statutes* (NRS) 704.7808, as revised in section 2.5 of the bill, the total amount of electricity sold by a provider to its retail customers in Nevada during a calendar year for the purposes of the portfolio standard in subsection 1 of NRS 704.7821, as revised by section 3 of the bill, does not include the first one million megawatt hours of electricity sold by the provider to its retail customers. Section 4 of the bill would be amended to retain the existing language and apply only to orders issued before July 1, 2012.

Finally, section 5 of the bill would be amended to require the Public Utilities Commission of Nevada (PUCN) to revise the portfolio standard as established in this bill for a provider of new electric resources for orders issued within five years before the effective date of this bill. Any such orders issued by the PUCN for a provider of new electric resources for the calendar year 2018 and each calendar year thereafter must comply with the revised portfolio standard established in this bill. [Submitted but not discussed was ([Exhibit E](#)).]

Chair Brooks:

Are there any questions from the members regarding A.B. 206 or the amendment that has been proposed ([Exhibit D](#))? [There were none.] I will entertain a motion.

Assemblywoman Carlton:

I want to make sure we are all on the same page. Basically, the Subcommittee will be recommending to the full Assembly Committee on Commerce and Labor and then that committee will discuss the bill further. The problem I am having is I am looking at the amendment ([Exhibit D](#)), but I am not looking at it as a bill in format. Sometimes things are seen in one place and not another. I understand voting to recommend it back to the Committee on Commerce and Labor is not necessarily in favor or opposition to the bill. Would the motion be to amend and do pass?

Chair Brooks:

I believe members have the proposed amendment ([Exhibit D](#)) available. If the Subcommittee agrees, the recommendation would be to send the bill with the proposed amendment to the Committee on Commerce and Labor so it can be reviewed there. It is just a recommendation. It does not mean there will not be future amendments in the Committee on Commerce and Labor.

Assemblywoman Carlton:

Are you looking to amend and do pass with a recommendation back to the full committee?

Chair Brooks:

That is correct.

ASSEMBLYMAN ARAUJO MADE A MOTION TO RECOMMEND THE
FULL COMMITTEE AMEND AND DO PASS AS AMENDED
ASSEMBLY BILL 206 WITH PROPOSED AMENDMENT 3191.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

Assemblyman Paul Anderson:

I appreciate the opportunity we have had to sit and discuss A.B. 206. I know there is still a lot of discussion needed. I am certainly supportive of the concept and where we are heading with this, and I think the amendment does a lot to get there. However, in the bill's current form, I cannot support an amend and do pass. I do look forward to continuing the discussions.

Assemblyman Marchant:

I would like to echo Assemblyman Paul Anderson's comments.

Assemblywoman Bustamante Adams:

I want to make sure that the amendment carries it out to 2040, or is it 2030?

Chair Brooks:

Section 1, subsection 2, paragraph (a) does not change the goals of generating or acquiring renewable energy production from the original bill. It is 50 percent by 2030 and 80 percent by 2040. There are compliance steps to 2030.

Assemblywoman Carlton:

I would be willing to support this bill to go back to the Committee on Commerce and Labor because I really want to look at it in an actual draft so I can understand it a little better.

THE MOTION PASSED. (ASSEMBLYMEN PAUL ANDERSON AND MARCHANT VOTED NO.)

Chair Brooks:

We will move on to Assembly Bill 223.

Assembly Bill 223: Revises provisions relating to energy efficiency programs. (BDR 58-660)

Marji Paslov Thomas, Committee Policy Analyst:

Assembly Bill 223 was sponsored by Assemblyman McCurdy and was heard by this Subcommittee on March 1, 2017. There is a proposed amendment ([Exhibit F](#)) that was proposed by Assemblyman McCurdy during the hearing and is detailed on page 2 of the worksheet ([Exhibit C](#)).

The amendment provides for section 3 of the bill to require the Public Utilities Commission of Nevada (PUCN) to account for nonenergy benefits of energy efficiency programs and plans. The amendment also deletes section 5 of the bill, which defines "utility cost test," and deletes references to the "utility cost test" in section 8, subsection 5 of the bill. Finally, section 8, subsection 4 of the bill will be amended to require the PUCN to accept an electric utility's energy efficiency plan if it is cost effective unless including energy efficiency programs for low-income customers in the plan makes the plan not cost effective.

Chair Brooks:

Are there any questions from the members regarding A.B. 223?

Assemblywoman Bustamante Adams:

In my notes from the hearing, one of the things we still need to do is define "low-income." I do not see it included in the proposed amendment.

Chair Brooks:

The PUCN already uses a definition for "low-income." Would someone from the PUCN be willing to come up and clarify the definition the PUCN uses, and would that definition apply to this bill as well? In the meantime, are there any other questions?

Assemblywoman Carlton:

I remember asking questions about determining if the program is cost effective, and accounting for all the nonenergy benefits of the program is very broad to me. I understand what Assemblyman McCurdy is trying to do for low-income customers, but this bill is still quite broad. It seems that almost anything could be taken into consideration, and I am not sure how that would end up affecting everything. I realize I was only here for part of that hearing, and I apologize for that, but I still have concerns about the language in section 3.

Chair Brooks:

If I recall, when we had that hearing, the bill sponsor and the PUCN got together to discuss the definition of "low-income" that would be used. I believe the PUCN is already using the definition of "low-income" in other programs. Mr. Keane, would you provide clarification about the question Assemblywoman Carlton has regarding the cost test on some of the potential programs?

Wil Keane, Committee Counsel:

I want to clarify that in the amendment ([Exhibit F](#)) for A.B. 223, the language that is being suggested for section 3 and the definition of "cost effective" would require the PUCN to select and define a test. ". . . the Commission shall account for the non-energy benefits of the plan or program" requires the PUCN to consider those when creating the test. The test itself would set forth what those benefits would be in a more specific fashion.

Chair Brooks:

The representative from the PUCN has not come back to the room yet. I will go ahead and close A.B. 223 and reopen it later. We will move to Assembly Bill 270.

Assembly Bill 270: Revises provisions governing net metering. (BDR 58-686)

Marji Paslov Thomas, Committee Policy Analyst:

Assembly Bill 270 [page 2, ([Exhibit C](#))] is sponsored by Assemblyman Watkins and was heard in this Subcommittee on March 27, 2017. There are two proposed amendments to the bill. Assemblyman Watkins' amendment ([Exhibit G](#)) adds the definition of "customer-generator" to include a rooftop solar system. The amendment would also add a definition for "net billing," which means the measuring of the net electricity generated by a customer-generator which is fed back to the distribution system of the utility over the applicable billing period and not used by the customer-generator to offset the customer generator's requirements for electricity. The amendment would also amend the bill to add the definition for "customer renewable energy system," which is the same definition for "net metering system" as defined in *Nevada Revised Statutes* 704.771.

Finally, the amendment would add a new section establishing a Renewable Energy Net Billing Tariff, which would include: clarifying the retail rate of net energy metering is reinstated pending the adoption of a new net billing tariff by the Public Utilities Commission of Nevada (PUCN); providing factors for the PUCN to establish a monetary value of rooftop solar energy when reviewing and approving a new export tariff; requiring the PUCN to

consider such benefits for purposes of the tariff and to determine whether rooftop solar unreasonably shifts costs to nonsolar customers; grandfathering existing customers in retail rate net metering for the life of their rooftop solar system or 20 years, whichever is longer, unless there is a cost savings to use the export tariff.

The proposed amendment from Daniel Witt from Tesla, Inc. ([Exhibit H](#)) adds a new section to the bill requiring an electric utility that primarily serves densely populated counties, on or before August 1, 2017, to file with the PUCN a supplemental rate schedule to the general rate application requesting the PUCN establish an optional time-variant rate schedule specifically for customers who have an energy storage system. The PUCN must conduct a review of each rate schedule and issue an order approving or disapproving the rate schedule not later than March 15, 2018.

Chair Brooks:

Are there any questions from the members? [There were none.] I will entertain a motion.

Assemblywoman Carlton:

I think I would be most comfortable with referring the amendments along with the bill back to the Assembly Committee on Commerce and Labor without a recommendation knowing it is still a work in progress. That would allow further work to be done. This is very complicated and not quite baked yet.

ASSEMBLYWOMEN CARLTON MADE A MOTION TO REFER
ASSEMBLY BILL 270 AND PROPOSED AMENDMENTS TO THE FULL
COMMITTEE WITHOUT RECOMMENDATION.

ASSEMBLYMAN PAUL ANDERSON SECONDED THE MOTION.

Assemblyman Paul Anderson:

I appreciate all the work that has gone into the bill. I obviously concur with Assemblywoman Carlton. I look forward to further discussion.

Chair Brooks:

The motion is to refer A.B. 270 back to Commerce and Labor with the amendments [[Exhibit F](#)] and [[Exhibit G](#)] but with no recommendation. The Commerce and Labor Committee would then hear this bill and any further amendments suggested.

THE MOTION PASSED UNANIMOUSLY.

Chair Brooks:

We will now refer back to Assembly Bill 223. Mr. Weir from the Public Utilities Commission of Nevada is here, and he might be able to help us with the definition for "low-income" as it pertains to energy users.

**Assembly Bill 223: Revises provisions relating to energy efficiency programs.
(BDR 58-660)**

Garrett C. Weir, General Counsel, Public Utilities Commission of Nevada:

I wanted to make sure to take a full inventory of all the various definitions of "low-income" that we sometimes refer. There is a universal energy charge, which is used to assist low-income energy customers in the state. That particular standard is 150 percent of the federal poverty level. However, for a prior solar program under *Nevada Administrative Code* (NAC) 701B.073, the definition of "low-income" was adopted in our regulations, and low-income is defined to be a person whose income does not exceed 80 percent of the median family income for the county in which the person resides. Those are two different approaches.

One other possible approach we use in some instances for telecommunication rates is a lifeline program where we are able to refer to a database maintained by the Division of Welfare and Supportive Services, Department of Health and Human Services, where they can check against a list of participants in the Supplemental Nutrition Assistance Program and Temporary Assistance for Needy Families Program.

There are some options to choose from. The one we have used previously for solar programs is the 80 percent of the median income within the county.

Assemblywoman Bustamante Adams:

For a family of four in Clark County, is the 80 percent calculated?

Garrett Weir:

It is not calculated in the regulation. However, I can get that information for you.

Chair Brooks:

Are there any further questions on A.B. 223?

Assemblyman Paul Anderson:

On the first page of the amendment ([Exhibit F](#)) under "Intent," it states, "The first amendment requires the Public Utilities Commission to account for non-energy benefits of energy efficiency programs and plans." Is there an actual definition for that as well, or can you give me some examples of what a "non-energy" benefit would be when the development of these plans would be considered?

Chair Brooks:

When we heard this bill, we had a conversation with NV Energy's program manager and also the Public Utilities Commission of Nevada (PUCN). Would someone from the PUCN be comfortable explaining to the Subcommittee a non-energy benefit it would be considering and what approving a program would be?

Garrett Weir:

It could be anything that is not energy, such as economic development benefits, environmental benefits, or other societal benefits. Basically, it would be things beyond the cost of energy or the value that energy provides.

Chair Brooks:

Is there any further discussion? [There was none.] I will entertain a motion to amend and do pass with a recommendation to the full Committee on Commerce and Labor.

ASSEMBLYWOMAN JAUREGUI MADE A MOTION TO RECOMMEND
THE FULL COMMITTEE AMEND AND DO PASS AS AMENDED
ASSEMBLY BILL 223 WITH THE PROPOSED AMENDMENT.

ASSEMBLYWOMAN BUSTAMANTE ADAMS SECONDED THE
MOTION.

Assemblywoman Carlton:

I am still a little uncomfortable with this bill. I follow my instincts, and the broadness gives me pause. I know the full Committee on Commerce and Labor will be looking at it, but I still have some concerns.

Chair Brooks:

When we hear Assembly Bill 223 in the full Committee on Commerce and Labor, I will make sure Assemblyman McCurdy, the sponsor, comes armed with all the information you need. Is there any further discussion? [There was none.] We have a motion to recommend the full Committee on Commerce and Labor amend and do pass.

THE MOTION PASSED. (ASSEMBLYMEN PAUL ANDERSON,
CARLTON, AND MARCHANT VOTED NO.)

Chair Brooks:

We will move on to Assembly Bill 342.

Assembly Bill 342: Revises provisions relating to renewable energy. (BDR 58-1107)

Marji Paslov Thomas, Committee Policy Analyst:

Assembly Bill 342 is sponsored by Assemblyman Ohrenschall and was heard in this Subcommittee on March 29, 2017. There are no proposed amendments [page 3, ([Exhibit C](#))].

Chair Brooks:

Is there any discussion or questions on A.B. 342?

Assemblyman James Ohrenschall, Assembly District No. 12:

The idea I was trying to push with this bill was to create the framework for development of ReGen Villages for communities to be off the grid and to use renewable energy and share it with the community. I understand this idea may be ahead of its time, depending upon who you talk to. Some people may think it belongs in the past. I wonder if the Subcommittee might consider, in lieu of processing this bill today, recommending that the Legislative Committee on Energy consider studying the issue of off-grid community solar and how it might be developed in the future?

Chair Brooks:

Thank you for bringing the bill forward and for making the recommendation on the record that the Legislative Committee on Energy take a look at the subject in the interim. We will make that recommendation.

Assemblywoman Carlton:

When we get to the full Assembly Committee on Commerce and Labor, I think it would be good to have Chair Bustamante Adams send a letter to whomever ends up chairing the committee in the future and tell him or her the Subcommittee would appreciate the bill being put on an upcoming agenda. That way, there is official notice from the Assembly Committee on Commerce and Labor to the Legislative Committee on Energy that we would like to make sure it is addressed.

Chair Brooks:

Thank you for making that recommendation for the record also, Assemblywoman Carlton. We will move on to Assembly Bill 405.

Assembly Bill 405: Establishes certain protections for and ensures the rights of a person who uses renewable energy in this State. (BDR 52-959)

Marji Paslov Thomas, Committee Policy Analyst:

Assembly Bill 405 [page 4, ([Exhibit C](#))] is sponsored by Assemblyman Brooks and was heard in this Subcommittee on March 29, 2017. There was a proposed conceptual amendment submitted by Assemblyman Brooks ([Exhibit I](#)), as well as a mock-up amendment ([Exhibit J](#)). The first change would be to amend section 24 of the bill to clarify provisions in the Renewable Energy Bill of Rights, including energy storage and access to the customers' side of the electricity meter in certain circumstances. The amendment would also require each of the three types of agreements addressed by A.B. 405—an agreement for the lease of a distributed generation system, an agreement for the purchase of a distributed generation system, and a power purchase agreement—that the cover page must include the statement provided in *Nevada Revised Statutes* (NRS) 624.520 which contains a notice of the existence of a Recovery Fund administered by the State Contractors' Board pursuant to NRS 624.470; contact information for the State Contractors' Board, including a telephone number; and a statement that payment may be available from the Recovery Fund to reimburse persons financially damaged by a licensed contractor who performs work on a residence.

The proposed conceptual amendment ([Exhibit I](#)) would also provide for a private right of action for a person who enters into any of the agreements addressed by A.B. 405. The private right of action would allow a person who entered into one of the agreements to institute a civil action in court to enforce the applicable provisions of A.B. 405 and seek damages for injuries caused by a violation of the applicable provisions of A.B. 405. The private right of action would allow for the recovery of treble damages and reasonable attorney costs and fees. Finally, the proposed conceptual amendment ([Exhibit I](#)) would revise section 24, subsection 6.

[Submitted but not discussed is ([Exhibit K](#)).]

Chair Brooks:

Are there any questions from the Subcommittee on A.B. 405?

Assemblywoman Bustamante Adams:

In my notes, we were looking at section 24 in combination with section 9, but I cannot read the rest of my writing. It was regarding Assemblyman Paul Anderson's question. Ms. Paslov Thomas just mentioned that there are changes to section 24. Can she state again the changes made in section 24?

Marji Paslov Thomas:

There are two changes to section 24 ([Exhibit I](#)). The first would be to clarify provisions in the Renewable Energy Bill of Rights, including energy storage and access to the customers' side of the electricity meter in certain circumstances. The second would be to revise section 24, subsection 6 by removing the language "a resource of first choice for this State by giving it." Section 24, subsection 6 would then read, "Have his or her generation of renewable energy be given priority in planning and acquisition of energy resources by an electric utility."

Assemblyman Paul Anderson:

I think part of my question was referenced in discussion, and I think we have had this discussion as well offline, regarding the certainty of terms contained in the Renewable Energy Bill of Rights in conjunction with some of the other sections where it talked about having to estimate outcomes and terms and things that may or may not be within the control of the person either purchasing the equipment or selling the equipment. I think we had that discussion during the hearing, and I certainly appreciate the efforts you have put in to hear many of our concerns. I think I am comfortable supporting the amendment and moving it forward because I think we have heard the concerns still open to the discussion. When we get to that point, I am happy to support it moving forward. However, if it ends up in the full Assembly Committee on Commerce and Labor in its current status, I would not be able to support it from there.

Assemblywoman Bustamante Adams:

Also in my notes was to look at the community solar language in another bill. Is that included?

Chair Brooks:

There are no proposed amendments around that issue.

Assemblywoman Carlton:

Under section 24, subsection 3, paragraph (b) in the mock-up amendment ([Exhibit J](#)), it states, "Without any unnecessary, burdensome, or restrictive requirements." I want to make sure we understand what may be unnecessary to one person may be necessary to someone else. The Public Utilities Commission of Nevada will probably be setting all of this, I would imagine. The health/safety issue has to come first. Someone may think a requirement is burdensome, but it may be a health/safety issue. We do not want someone hooking up to the system and blowing something up so others do not have power. That impacts all the neighbors. When we talk about that, I want to make sure whatever authority has the power to say safety standards come first. I do not want someone building something in a shed and trying to hook it up, and then using the excuse that the regulation for safety was burdensome or restrictive. As long as we have something like that on the record, I would be comfortable.

Chair Brooks:

Are you referring specifically to section 24, subsection 3, paragraph (b) and subsection 9?

Assemblywoman Carlton:

I think so.

Chair Brooks:

Subsection 9 states ". . . do not compromise the safety and reliability of the utility grid." Subsection 3, paragraph (b) states, ". . . meet reasonable safety requirements."

Assemblywoman Carlton:

As long as that is all together in the same component, I just want to make sure it all applies. It is hard to tell. Thank you for taking all the suggestions we made in the hearing as far as making sure there is an actual hammer, and I do not believe a penalty of a deceptive trade practice gives the consumer an avenue to court.

Chair Brooks:

We may hear from some folks who may not agree with us when the Assembly Committee on Commerce and Labor hears this bill on Wednesday, but I agree with you.

Assemblywoman Bustamante Adams:

In section 9, subsection 6 of the bill, there was a lot of discussion about the rate of any payment increase. I think we defined it, but I do not know if we were going to write it better. We had a lot of discussion on what that meant. On the record, we had clarity of what that meant. I just do not see that we made any changes, and I do not know if we need to as long as the intent is on the record. It was to make sure we understood what "The rate of any payment increases" meant.

Chair Brooks:

I do not see any proposed amendment for section 9, subsection 6, and I cannot recall that from the hearing. We definitely can make a recommendation for a further amendment if we hear it in the full Committee on Commerce and Labor.

Assemblyman Paul Anderson:

I think that was rolled into the previous discussion of certainty of terms and talking about how when customers sign up with a solar arrangement, there are fee increases each year, and those fee increases or rate increases would be to whatever certainty available, or if there are any lease payments that would increase over time, or anything to that effect. I do not mean to speak to your bill, Chair Brooks, but if that is what you meant by those sections, that is how I understood it.

Chair Brooks:

I will answer with sort of. I believe what Assemblywoman Bustamante Adams is referring to in section 9, subsection 6, is the contractual arrangement between the service provider and the system owner. In section 24, subsection 6 regarding the certainty of terms, I think it applies more to a utility, a service provider, and the customers themselves and more broadly defining that those folks have the right to have certainty of terms with their counter party no matter what. Even if the certainty of terms changes daily, that is still a term they all agree to and is defined.

Assemblyman Paul Anderson:

I think that is what I meant to say. It came up during the same conversation when we were talking about certainty of terms. We had rate increases and other terms that, at least during the hearing, we wanted clarified. I believe that is where the discussion landed.

Chair Brooks:

Is there any further discussion on A.B. 405? [There was none.] I will entertain a motion to recommend the Assembly Committee on Commerce and Labor amend and do pass Assembly Bill 405.

ASSEMBLYWOMAN BUSTAMANTE ADAMS MADE A MOTION TO
RECOMMEND THE FULL COMMITTEE AMEND AND DO PASS
ASSEMBLY BILL 405.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Brooks:

We will move on to Assembly Bill 452.

Assembly Bill 452: Directs the Legislative Committee on Energy to conduct an interim study concerning energy choice. (BDR S-1113)

Marji Paslov Thomas, Committee Policy Analyst:

Assembly Bill 452 is sponsored by the Assembly Committee on Commerce and Labor and was heard in this Subcommittee on April 3, 2017 [page 5, ([Exhibit C](#))]. There are no proposed recommendations to the bill.

Chair Brooks:

Are there any questions on A.B. 452? [There were none.] I will entertain a motion.

ASSEMBLYWOMAN CARLTON MADE A MOTION TO RECOMMEND THE FULL COMMITTEE DO PASS ASSEMBLY BILL 452.

ASSEMBLYMAN PAUL ANDERSON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Brooks:

We will move on to Assembly Joint Resolution 10.

Assembly Joint Resolution 10: Expresses opposition to the development of a repository for spent nuclear fuel and high-level radioactive waste at Yucca Mountain in the State of Nevada. (BDR R-1012)

Marji Paslov Thomas, Committee Policy Analyst:

Assembly Joint Resolution 10 is sponsored by Assemblyman Brooks and was heard in this Subcommittee on March 20, 2017 [page 5, ([Exhibit C](#))]. There are no proposed recommendations.

Chair Brooks:

Are there any questions on A.J.R. 10? [There were none.] I will entertain a motion.

ASSEMBLYMAN ARAUJO MADE A MOTION TO RECOMMEND THE FULL COMMITTEE DO PASS ASSEMBLY JOINT RESOLUTION 10.

ASSEMBLYMAN PAUL ANDERSON SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMAN MARCHANT VOTED NO.)

Chair Brooks:

Those are all the bills and the joint resolution we will refer to the full Assembly Committee on Commerce and Labor. At that point, there will be opportunity for comments in either opposition, support, or neutral, or to ask questions of the Subcommittee. Many of these bills are works in progress, and I appreciate everyone's input and help in this process. Is there anyone here for public comment? [There was no one.] This meeting is adjourned [at 5:33 p.m.].

RESPECTFULLY SUBMITTED:

Earlene Miller
Recording Secretary

Lori McCleary
Transcribing Secretary

APPROVED BY:

Assemblyman Chris Brooks, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a document titled "Assembly Subcommittee on Energy Worksheet," dated April 3, 2017, presented by Marji Paslov Thomas, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

[Exhibit D](#) is a proposed amendment to [Assembly Bill 206](#), dated April 2, 2017, submitted by Assemblyman Chris Brooks, Assembly District No. 10.

[Exhibit E](#) is a proposed amendment to [Assembly Bill 206](#) submitted by David Gibson, Private Citizen, Reno, Nevada.

[Exhibit F](#) is a proposed amendment to [Assembly Bill 223](#), dated March 1, 2017, submitted by Assemblyman William McCurdy II, Assembly District No. 6.

[Exhibit G](#) is a proposed amendment to [Assembly Bill 270](#), dated March 8, 2017, submitted by Assemblyman Justin Watkins, Assembly District No. 35.

[Exhibit H](#) is a proposed amendment to [Assembly Bill 270](#), dated March 27, 2017, submitted by Daniel Witt, Manager, Business Development and Policy, Tesla, Inc.

[Exhibit I](#) is a proposed conceptual amendment to [Assembly Bill 405](#) submitted by Assemblyman Chris Brooks, Assembly District No. 10.

[Exhibit J](#) is a proposed mock-up amendment to [Assembly Bill 405](#), dated March 29, 2017, submitted by Assemblyman Chris Brooks, Assembly District No. 10.

[Exhibit K](#) is a proposed amendment to [Assembly Bill 405](#) submitted by David Gibson, Private Citizen, Reno, Nevada.