

SENATE BILL NO. 301—SENATOR BROOKS

MARCH 18, 2019

Referred to Committee on Growth and Infrastructure

SUMMARY—Revises provisions governing nonprofit cooperative corporations that supply electric services. (BDR 58-1037)

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 electric service; revising provisions governing the operations, authorities and duties of nonprofit cooperative corporations that supply electric services solely to their own members; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides that certain cooperatives, nonprofit corporations and associations supplying utility services in this State are subject to the jurisdiction of the Public Utilities Commission of Nevada only for certain limited purposes, including the filing of certain reports with the Commission and the requirement to obtain a certificate of public convenience and necessity. (NRS 704.675, 704.677) **Sections 2-20** of this bill create a new chapter of Nevada Revised Statutes (NRS) governing the operation of nonprofit electric cooperatives that supply electric services solely to their own members. **Sections 2-20** incorporate provisions of law which currently apply to such cooperatives into the new chapter of NRS, including: (1) a requirement to obtain a certificate of public convenience and necessity in certain circumstances; (2) a requirement to maintain uniform and detailed records regarding certain business engaged in by the nonprofit electric cooperative and provide an annual report of such business to the Commission; and (3) a simplified process for certain nonprofit electric cooperatives that have been in operation since April 26, 1963, to obtain a certificate of public convenience and necessity. **Section 33** of this bill provides that a certificate of public convenience and necessity issued to a nonprofit electric cooperative before October 1, 2019, is satisfactory for complying with the requirement to hold a certificate of public convenience and necessity under the new chapter of NRS.

Section 19 of this bill authorizes a nonprofit electric cooperative to: (1) supply community utility services other than electric service with approval of the majority of voting members of the cooperative or the board of directors of the cooperative;



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and (2) provide management or operating services by contract with certain entities which provide electric services.

Section 20 of this bill provides that a nonprofit electric cooperative which is a foreign corporation qualified to do business in this State and organized under the laws of a bordering state may serve its members in this State as the law provides for nonprofit electric cooperatives generally.

Sections 21-32 of this bill make conforming changes.

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

Section 1. Title 58 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 2 to 20, inclusive, of this act.

Sec. 2. *As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 3 to 8, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 3. *“Board of directors” means the group of members who are elected by the members to manage the business and affairs of a nonprofit electric cooperative.*

Sec. 4. *“Certificate of public convenience and necessity” means a certificate obtained from the Commission pursuant to this chapter that the present or future public convenience or necessity require or will require such continued operation or commencement of operations or construction.*

Sec. 5. *“Commission” means the Public Utilities Commission of Nevada.*

Sec. 6. *“Member” means any person, including, without limitation, an original incorporator of a nonprofit electric cooperative, that receives electric service and participates in the management of a nonprofit electric cooperative.*

Sec. 7. *“Nonprofit electric cooperative” means a nonprofit cooperative corporation formed in the manner prescribed by NRS 81.410 to 81.540, inclusive, that supplies electric services solely to its own members.*

Sec. 8. *“Person” means:*

1. A natural person;

2. Any form of business or social organization and any other nongovernmental legal entity including, but not limited to, a corporation, partnership, association, trust or unincorporated organization;

3. A government or an agency or instrumentality of a government, including, without limitation, this State or an agency or instrumentality of this State; and



1 4. A political subdivision of this State or an agency or
2 instrumentality of a political subdivision of this State.

3 **Sec. 9.** Every nonprofit electric cooperative is hereby
4 declared to be affected with a public interest, to be a public utility,
5 and to be subject to the jurisdiction, control and regulation of the
6 Commission for the purposes of this chapter but not to any other
7 jurisdiction, control and regulation of the Commission.

8 **Sec. 10. 1.** Every nonprofit electric cooperative shall,
9 before beginning operation as a nonprofit electric cooperative or
10 continuing operations or construction of any line, plant or system
11 or any extension of a line, plant or system within this State, obtain
12 from the Commission a certificate that the present or future public
13 convenience or necessity requires or will require such continued
14 operation or commencement of operations or construction.

15 2. The provisions of this section do not require a nonprofit
16 electric cooperative to secure such a certificate for any extension
17 within any town or city within which it lawfully has commenced
18 operations or for any other extension if the extension remains
19 within the boundaries of the service area which have been
20 established by the Commission for its line, plant or system, and not
21 then served by a public utility or another nonprofit electric
22 cooperative of like character.

23 3. Upon the granting of any certificate of public convenience
24 and necessity, the Commission may make such an order and
25 prescribe such terms and conditions for the location of lines,
26 plants or systems to be constructed, extended or affected as may be
27 just and reasonable.

28 4. When a complaint has been filed with the Commission
29 alleging that any nonprofit electric cooperative is being operated
30 without a certificate of public convenience and necessity as
31 required by this section, or when the Commission has reason to
32 believe that any provision of this section is being violated, the
33 Commission shall investigate such operations and the Commission
34 may, after a hearing, make its order requiring the nonprofit
35 electric cooperative to cease and desist from any operation in
36 violation of this section. The Commission shall enforce
37 compliance with such an order under the powers vested in the
38 Commission by law.

39 5. If any nonprofit electric cooperative, in constructing or
40 extending its line, plant or system, interferes or is about to
41 interfere with the operation of the line, plant or system of any
42 other nonprofit electric cooperative or public utility already
43 constructed, the Commission, on complaint of the nonprofit
44 electric cooperative or public utility claiming to be injuriously
45 affected, after hearing, may make such an order prohibiting the



1 construction or extension, or prescribing such terms and
2 conditions for the location of the lines, plants or systems affected,
3 as to it may seem just and reasonable.

4 6. If the Commission, after a hearing upon its own motion or
5 upon complaint, finds that there is or will be a duplication of
6 service by nonprofit electric cooperatives or a public utility and a
7 nonprofit electric cooperative in any area, the Commission shall
8 either issue a certificate of public convenience and necessity
9 assigning specific territories to one or to each of such nonprofit
10 electric cooperatives or public utilities, or, by certificate of public
11 convenience and necessity, otherwise define the conditions of
12 rendering service and construction, extensions within such
13 territories, and shall order the elimination of such duplication, all
14 upon such terms as are just and reasonable, having due regard to
15 due process of law and to all the rights of the respective parties
16 and to public convenience and necessity.

17 7. Except as otherwise provided in section 11 of this act, the
18 Commission shall have the power, after hearing, to issue or refuse
19 such certificate of public convenience and necessity, or to issue it
20 for the construction of a portion only of the contemplated line,
21 plant or systems, or extension thereof, and may attach thereto
22 such terms and conditions as, in its judgment, the public
23 convenience and necessity may require.

24 **Sec. 11. 1.** Every nonprofit electric cooperative which has,
25 prior to April 26, 1963, supplied electric services for the use of its
26 own members, or has constructed facilities to provide such
27 services and has done so prior to March 15, 1963, is hereby
28 entitled to receive a certificate of public convenience and necessity
29 from the Commission to cover such facilities and such area as it
30 served prior to April 26, 1963.

31 2. Every nonprofit electric cooperative which has, prior to
32 April 26, 1963, supplied such services and is thereby entitled to a
33 certificate of public convenience and necessity for such facilities
34 and area served shall file with the Commission a statement setting
35 forth:

36 (a) The name or names of the nonprofit electric cooperative by
37 whom the facilities have been operated.

38 (b) A physical description of all of the plan and facilities used
39 by the nonprofit electric cooperative in rendering such service.

40 (c) A general description of the area or territory served.

41 (d) Such other information as the Commission may reasonably
42 prescribe.

43 3. The Commission shall, within 60 days after receiving such
44 statement, issue a certificate of public convenience and necessity
45 to the nonprofit electric cooperative. The certificate of public



1 *convenience and necessity shall contain a description of the*
2 *territory which has been served by the nonprofit electric*
3 *cooperative prior to April 26, 1963, and such territory shall be*
4 *considered the service area within which the nonprofit electric*
5 *cooperative may conduct its business within the State of Nevada.*

6 **Sec. 12.** *Every applicant for a certificate of public*
7 *convenience and necessity pursuant to this chapter shall furnish*
8 *such evidence of its corporate character and of its franchise or*
9 *permits as may be required by the Commission.*

10 **Sec. 13.** *All hearings and investigations under sections 10 to*
11 *17, inclusive, of this act shall be conducted substantially as is*
12 *provided for hearings and investigations of tolls, charges and*
13 *service pursuant to chapter 704 of NRS.*

14 **Sec. 14.** *Any nonprofit electric cooperative beginning,*
15 *prosecuting or completing any new construction in violation of*
16 *this chapter is not permitted to levy any tolls or charges for*
17 *services rendered, and all such tolls and charges are void.*

18 **Sec. 15.** *It is unlawful for any nonprofit electric cooperative*
19 *to discontinue, modify or restrict service to any city, town,*
20 *municipality, community or territory theretofore serviced by it,*
21 *except upon 30 days' notice filed with the Commission, specifying*
22 *in detail the character and nature of the discontinuance or*
23 *restriction of the service intended, and upon order of the*
24 *Commission, made after hearing, permitting such discontinuance,*
25 *modification or restriction of service.*

26 **Sec. 16.** *Every order refusing or granting any certificates of*
27 *public convenience and necessity, or granting or refusing*
28 *permission to discontinue, modify or restrict service, as provided*
29 *in this chapter is prima facie lawful from the date of the order*
30 *until changed or modified by the order of the Commission or*
31 *pursuant to NRS 703.373 to 703.376, inclusive.*

32 **Sec. 17.** *1. Any nonprofit electric cooperative subject to the*
33 *provisions of this chapter to which a certificate of public*
34 *convenience and necessity has been issued may transfer the*
35 *certificate to any person qualified as a nonprofit electric*
36 *cooperative pursuant to this chapter. Such a transfer is void and*
37 *unenforceable and is not valid for any purpose unless:*

38 *(a) A joint application to make the transfer has been made to*
39 *the Commission by the transferor and the transferee; and*

40 *(b) The Commission has authorized the substitution of the*
41 *transferee for the transferor.*

42 *2. The Commission shall conduct a hearing on the transfer.*
43 *The hearing must be noticed and conducted in the same manner*
44 *as other contested hearings before the Commission.*



1 3. In determining whether the transfer of a certificate of
2 public convenience and necessity to an applicant transferee should
3 be authorized, the Commission must take into consideration:

4 (a) The utility service performed by the transferor and the
5 proposed utility service of the transferee;

6 (b) Other authorized utility services in the territory for which
7 the transfer is sought;

8 (c) Whether the transferee is fit, willing and able to perform
9 the services of a nonprofit electric cooperative; and

10 (d) Whether the transfer will be in the public interest.

11 4. The Commission may make such amendments, restrictions
12 or modifications in a certificate upon transferring it as the public
13 interest requires.

14 5. No transfer is valid beyond the life of the certificate
15 transferred.

16 **Sec. 18. 1. Each nonprofit electric cooperative shall:**

17 (a) Keep uniform and detailed accounts of all applicable
18 business transacted in this State as required by the Commission by
19 regulation, and render them to the Commission or an affected
20 governmental entity upon its request.

21 (b) Furnish an annual report, with respect to all applicable
22 business transacted in this State, to the Commission and each
23 affected governmental entity in the form and detail which the
24 Commission prescribes by regulation.

25 2. The report required by this section must be prepared for
26 each calendar year and submitted not later than May 15 of the
27 year following the year for which the report is submitted.

28 3. If the Commission or an affected governmental entity finds
29 that necessary information with respect to applicable business
30 transacted in this State is not contained in a report submitted
31 pursuant to this section, the Commission or affected governmental
32 entity may call for the omitted information at any time.

33 **Sec. 19. 1. A nonprofit electric cooperative may, in addition**
34 **to supplying electric services solely to its own members:**

35 (a) Supply or furnish other community utility services as
36 requested and approved by a majority of the voting members or by
37 the board of directors of the nonprofit electric cooperative.

38 (b) Provide management or operating services by contract with
39 any cooperative, public power district, municipal electric utility or
40 other entity engaged in the provision of electric power or energy
41 services.

42 2. As used in this section:

43 (a) "Municipal electric utility" means a utility established
44 pursuant to chapter 709 or 710 of NRS which supplies electricity
45 to the public.



(b) "Public power district" means a general improvement district established pursuant to chapter 318 of NRS which supplies electricity to the public.

Sec. 20. A nonprofit electric cooperative which is a foreign corporation qualified to do business in this State and organized under the laws of any state bordering this State may serve its members in this State as provided for by this chapter.

Sec. 21. NRS 703.130 is hereby amended to read as follows:

703.130 1. The Commission shall, within the limits of legislative appropriations or authorizations, employ and fix the salaries of or contract for the services of such professional, technical and operational personnel and consultants as the execution of its duties and the operation of the Commission may require.

2. The Commission shall appoint an Executive Director, who must be:

(a) Knowledgeable and experienced in public administration and fiscal management;

(b) Knowledgeable in the areas of utility regulation by the Commission; and

(c) Independent of and have no pecuniary interest in any entity regulated by the Commission.

3. The Executive Director shall:

(a) Serve as Chief Financial Officer for the Commission;

(b) Direct the daily operation of the Commission, including, without limitation:

(1) Budget preparation;

(2) Administration;

(3) Human resources;

(4) Purchases and acquisitions made by the Commission; and

(5) Contracts and leases entered into by the Commission;

(c) Develop and implement policies and procedures to ensure the efficient operation of the Commission;

(d) Oversee:

(1) The review of applications for certificates, permits and modifications of tariffs;

(2) The maintenance of a hearing calendar of all matters pending before the Commission; and

(3) Compliance with and enforcement of statutes and regulations pertaining to utilities which are regulated by the Commission; and

(e) Authenticate documents and serve as custodian of all agency records.

4. The Executive Director is in the unclassified service of the State.



5. The Executive Director, with the approval of the Commission, shall designate a Secretary who shall perform such administrative and other duties as are prescribed by the Executive Director. The Executive Director, with the approval of the Commission, shall also designate an Assistant Secretary.

6. The Executive Director may employ such other clerks, experts or engineers as may be necessary.

7. Except as otherwise provided in subsection 8, the Commission:

(a) May appoint one or more hearing officers for a period specified by the Commission to conduct proceedings or hearings that may be conducted by the Commission pursuant to NRS 702.160 and 702.170 and chapters 704, 704A, 704B, 705, 708 and 711 of NRS ~~§~~ *and sections 2 to 20, inclusive, of this act.*

(b) Shall prescribe by regulation the procedure for appealing a decision of a hearing officer to the Commission.

8. The Commission shall not appoint a hearing officer to conduct proceedings or hearings:

(a) In any matter pending before the Commission pursuant to NRS 704.7561 to 704.7595, inclusive; or

(b) In any matter pending before the Commission pursuant to NRS 704.061 to 704.110, inclusive, in which an electric utility has filed a general rate application or an annual deferred energy accounting adjustment application.

9. As used in this section, "electric utility" has the meaning ascribed to it in NRS 704.187.

Sec. 22. NRS 703.164 is hereby amended to read as follows:

703.164 1. The Commission may employ, or retain on a contract basis, legal counsel who shall:

(a) Except as otherwise provided in subsection 2, be counsel and attorney for the Commission in all actions, proceedings and hearings.

(b) Prosecute in the name of the Commission all civil actions for the enforcement of NRS 702.160 and 702.170 and chapters 704, 704A, 704B, 705 and 708 of NRS *, and sections 2 to 20, inclusive, of this act,* and for the recovery of any penalty or forfeiture provided for therein.

(c) Generally aid the Commission in the performance of its duties and the enforcement of NRS 702.160 and 702.170 and chapters 704, 704A, 704B, 705 and 708 of NRS ~~§~~ *and sections 2 to 20, inclusive, of this act.*

2. Each district attorney shall:

(a) Prosecute any violation of chapter 704, 704A, 705, 708 or 711 of NRS *and sections 2 to 20, inclusive, of this act* for which a



1 criminal penalty is provided and which occurs in the district
2 attorney's county.

3 (b) Aid in any investigation, prosecution, hearing or trial held
4 under the provisions of chapter 704, 704A, 705, 708 or 711 of NRS
5 *or sections 2 to 20, inclusive, of this act* and, at the request of the
6 Commission or its legal counsel, act as counsel and attorney for the
7 Commission.

8 3. The Attorney General shall, if the district attorney fails or
9 refuses to do so, prosecute all violations of the laws of this state by
10 public utilities under the jurisdiction of the Commission and their
11 officers, agents and employees.

12 4. The Attorney General is not precluded from appearing in or
13 moving to intervene in any action and representing the interest of
14 the State of Nevada in any action in which the Commission is a
15 party and is represented by independent counsel.

16 **Sec. 23.** NRS 703.197 is hereby amended to read as follows:

17 703.197 1. The Commission may collect fees for the filing of
18 any official document required by this chapter and chapters 704,
19 704A, 704B, 705 and 708 of NRS *and sections 2 to 20, inclusive, of*
20 *this act* or by a regulation of the Commission.

21 2. Filing fees may not exceed:

22 (a) For applications, \$200.

23 (b) For petitions seeking affirmative relief, \$200.

24 (c) For each tariff page which requires public notice and is not
25 attached to an application, \$10. If more than one page is filed at one
26 time, the total fee may not exceed the cost of notice and publication.

27 (d) For all other documents which require public notice, \$10.

28 3. If an application or other document is rejected by the
29 Commission because it is inadequate or inappropriate, the filing fee
30 must be returned.

31 4. The Commission may not charge any fee for filing:

32 (a) A complaint.

33 (b) A request for a refund pursuant to NRS 702.160.

34 **Sec. 24.** NRS 703.377 is hereby amended to read as follows:

35 703.377 1. Any certificate of public convenience and
36 necessity, permit or license issued or transferred in accordance with
37 the provisions of NRS 704.001 to 704.754, inclusive, *or sections 2*
38 *to 20, inclusive, of this act* is not a franchise or irrevocable.

39 2. Upon receipt of a written complaint or on its own motion,
40 the Commission may, after investigation and hearing, revoke any
41 certificate, permit or license, except that the Commission may not
42 revoke the certificate of a public utility unless the Commission has
43 arranged for another public utility to provide the service for which
44 the certificate was granted.



3. If the Commission revokes any certificate, permit or license, the person who held the certificate, permit or license may seek judicial review pursuant to the provisions of NRS 703.373 to 703.376, inclusive.

Sec. 25. NRS 703.380 is hereby amended to read as follows:

703.380 1. Unless another administrative fine is specifically provided, a person, including, without limitation, a public utility, alternative seller, provider of discretionary natural gas service, provider of new electric resources or holder of any certificate of registration, license or permit issued by the Commission, or any officer, agent or employee of a public utility, alternative seller, provider of discretionary natural gas service, provider of new electric resources or holder of any certificate of registration, license or permit issued by the Commission who:

(a) Violates any applicable provision of this chapter or chapter 704, 704B, 705 or 708 of NRS, *or sections 2 to 20, inclusive, of this act*, including, without limitation, the failure to pay any applicable tax, fee or assessment;

(b) Violates any rule or regulation of the Commission; or

(c) Fails, neglects or refuses to obey any order of the Commission or any order of a court requiring compliance with an order of the Commission,

➤ is liable for an administrative fine, to be assessed by the Commission after notice and the opportunity for a hearing, in an amount not to exceed \$1,000 per day for each day of the violation and not to exceed \$100,000 for any related series of violations.

2. In determining the amount of the administrative fine, the Commission shall consider the appropriateness of the fine to the size of the business of the person charged, the gravity of the violation, the good faith of the person charged in attempting to achieve compliance after notification of a violation and any repeated violations committed by the person charged.

3. An administrative fine assessed pursuant to this section is not a cost of service of a public utility and may not be included in any new application by a public utility for a rate adjustment or rate increase.

4. All money collected by the Commission as an administrative fine pursuant to this section must be deposited in the State General Fund.

5. The Commission may bring an appropriate action in its own name for the collection of any administrative fine that is assessed pursuant to this section. A court shall award costs and reasonable attorney's fees to the prevailing party in an action brought pursuant to this subsection.



6. The administrative fine prescribed by this section is in addition to any other remedies, other than a monetary fine, provided by law, including, without limitation, the authority of the Commission to revoke a certificate of public convenience and necessity, license or permit pursuant to NRS 703.377.

Sec. 26. Chapter 704 of NRS is hereby amended by adding thereto a new section to read as follows:

The provisions of NRS 704.675 and 704.677 do not apply to a nonprofit electric cooperative, as defined in section 7 of this act.

Sec. 27. NRS 704.3296 is hereby amended to read as follows:

704.3296 As used in NRS 704.3296 to 704.410, inclusive, unless the context otherwise requires ~~[, "electric"]~~ :

1. "*Electric* utility" has the meaning ascribed to it in NRS 704.7571.

2. "*Nonprofit electric cooperative*" has the meaning ascribed to it in section 7 of this act.

Sec. 28. NRS 704.330 is hereby amended to read as follows:

704.330 1. Except as otherwise provided in this section, any person owning, controlling, operating or maintaining or having any contemplation of owning, controlling or operating any public utility shall, before beginning such operation or continuing operations or construction of any line, plant or system or any extension of a line, plant or system within this State, obtain from the Commission a certificate that the present or future public convenience or necessity requires or will require such continued operation or commencement of operations or construction.

2. The provisions of this section do not require a public utility to secure such a certificate for any extension within any town or city within which it lawfully has commenced operations or for any other extension if the extension:

(a) Is undertaken by a small-scale provider of last resort to serve a telephone toll station or stations to be located not more than 10 miles from existing telephone facilities;

(b) Is undertaken for any purpose by a competitive supplier; or

(c) Remains within the boundaries of the service area which have been established by the Commission for its railroad, line, plant or system, and not then served by a public utility *or nonprofit electric cooperative* of like character.

3. Upon the granting of any certificate of public convenience, the Commission may make such an order and prescribe such terms and conditions for the location of lines, plants or systems to be constructed, extended or affected as may be just and reasonable.

4. When a complaint has been filed with the Commission alleging that any utility is being operated without a certificate of public convenience and necessity as required by this section, or



1 when the Commission has reason to believe that any provision of
2 this section is being violated, the Commission shall investigate such
3 operations and the Commission may, after a hearing, make its order
4 requiring the owner or operator of the utility to cease and desist
5 from any operation in violation of this section. The Commission
6 shall enforce compliance with such an order under the powers
7 vested in the Commission by law.

8 5. If any public utility in constructing or extending its line,
9 plant or system interferes or is about to interfere with the operation
10 of the line, plant or system of any other public utility *or nonprofit*
11 *electric cooperative* already constructed, the Commission, on
12 complaint of the public utility *or nonprofit electric cooperative*
13 claiming to be injuriously affected, after hearing, may make such an
14 order prohibiting the construction or extension, or prescribing such
15 terms and conditions for the location of the lines, plants or systems
16 affected, as to it may seem just and reasonable.

17 6. Except as otherwise provided in subsections 7 and 8, if the
18 Commission, after a hearing upon its own motion or upon
19 complaint, finds that there is or will be a duplication of service by
20 public utilities *or a public utility and a nonprofit electric*
21 *cooperative* in any area, the Commission shall either issue a
22 certificate of public convenience and necessity assigning specific
23 territories to one or to each of such utilities ~~H~~ *or nonprofit electric*
24 *cooperatives*, or, by certificate of public convenience and necessity,
25 otherwise define the conditions of rendering service and
26 construction, extensions within such territories, and shall order the
27 elimination of such duplication, all upon such terms as are just and
28 reasonable, having due regard to due process of law and to all the
29 rights of the respective parties and to public convenience and
30 necessity.

31 7. The Commission may allow and regulate a duplication of
32 service by telecommunication providers in an area where the
33 provider of last resort is a small-scale provider of last resort if the
34 Commission finds that the competition should occur and that any
35 duplication of service is reasonable.

36 8. The Commission:

37 (a) Shall allow a duplication of service or facilities by
38 telecommunication providers in an area where the provider of last
39 resort is a competitive supplier; and

40 (b) On or after January 1, 2012, shall not regulate a duplication
41 of service or facilities by telecommunication providers in an area
42 where the provider of last resort is a competitive supplier.

43 9. A competitive supplier that is a provider of last resort:

44 (a) Must provide to the Commission a description of and map
45 depicting the boundaries of the service area in which the



Commission has designated the competitive supplier as the provider of last resort; and

(b) May change the boundaries of that service area by filing an application with the Commission. The application shall be deemed approved if the Commission does not act on the application within 120 days after the date the application is filed with the Commission.

10. As used in this section, "nonprofit electric cooperative" has the meaning ascribed to it in section 7 of this act.

Sec. 29. NRS 704.675 is hereby amended to read as follows:

704.675 ~~Every~~ *Except as otherwise provided in section 26 of this act, every* cooperative association or nonprofit corporation or association and every other supplier of services described in this chapter supplying those services for the use of its own members only is hereby declared to be affected with a public interest, to be a public utility, and to be subject to the jurisdiction, control and regulation of the Commission for the purposes of NRS 703.191, 704.330 and 704.350 to 704.410, inclusive, but not to any other jurisdiction, control and regulation of the Commission or to the provisions of any section not specifically mentioned in this section.

Sec. 30. NRS 704.677 is hereby amended to read as follows:

704.677 1. ~~Every~~ *Except as otherwise provided in section 26 of this act, every* cooperative association or nonprofit corporation or association and every other supplier of services described in this chapter which has, prior to April 26, 1963, supplied such services for the use of the public or for the use of its own members, or has constructed facilities to provide such services and has done so prior to March 15, 1963, is hereby entitled to receive a certificate of public convenience and necessity from the Commission to cover such facilities and such area as it served prior to April 26, 1963.

2. ~~Every~~ *Except as otherwise provided in section 26 of this act, every* cooperative association or nonprofit corporation or association and every other supplier of services described in this chapter which has, prior to April 26, 1963, supplied such services and is thereby entitled to a certificate of public convenience and necessity for such facilities and area served shall file with the Commission a statement setting forth:

(a) The name or names of the cooperative association or nonprofit corporation or association, as the case may be, by whom the facilities have been operated.

(b) A physical description of all of the plan and facilities used by such association in rendering such service.

(c) A general description of the area or territory served.

(d) Such other information as the Commission may reasonably prescribe.



3. The Commission shall, within 60 days after receiving such statement, issue a certificate of public convenience and necessity to the cooperative association or nonprofit corporation or association **submitting the statement.** The certificate of public convenience and necessity shall contain a description of the territory which has been served by such cooperative association or nonprofit corporation or association prior to April 26, 1963, and such territory shall be considered the service area within which the cooperative association or nonprofit corporation or association may conduct its business within the State of Nevada.

Sec. 31. NRS 82.246 is hereby amended to read as follows:

82.246 1. Except as otherwise provided in subsection 2, and unless otherwise provided in its articles or bylaws, a member of a corporation may resign at any time. The resignation of a member does not relieve the member from any obligations the member may have to the corporation for dues, assessments or fees or charges for goods or services. No member may avoid liability for dues, assessments, fees or charges by resigning if the member owes them as a condition of or by reason of the ownership of an interest in real property.

2. Unless otherwise provided in its articles or bylaws, no member of a corporation, including, but not limited to, a cooperative corporation, which supplies services described in chapter 704 of NRS **or sections 2 to 20, inclusive, of this act** to its members only, and no person who is a member of a corporation as a condition of or by reason of the ownership of an interest in real property, may resign pursuant to subsection 1.

Sec. 32. NRS 92A.370 is hereby amended to read as follows:

92A.370 1. Except as otherwise provided in subsection 2, and unless otherwise provided in the articles or bylaws, any member of any constituent domestic nonprofit corporation who voted against the merger may, without prior notice, but within 30 days after the effective date of the merger, resign from membership and is thereby excused from all contractual obligations to the constituent or surviving corporations which did not occur before the member's resignation and is thereby entitled to those rights, if any, which would have existed if there had been no merger and the membership had been terminated or the member had been expelled.

2. Unless otherwise provided in its articles of incorporation or bylaws, no member of a domestic nonprofit corporation, including, but not limited to, a cooperative corporation, which supplies services described in chapter 704 of NRS **or sections 2 to 20, inclusive, of this act** to its members only, and no person who is a member of a domestic nonprofit corporation as a condition of or by



1 reason of the ownership of an interest in real property, may resign
2 and dissent pursuant to subsection 1.

3 **Sec. 33.** 1. A valid certificate of public convenience and
4 necessity that was issued to a nonprofit electric cooperative pursuant
5 to chapter 704 of NRS before October 1, 2019, shall be considered a
6 certificate of public convenience and necessity for the purposes of
7 complying with section 10 of this act.

8 2. As used in this section, “nonprofit electric cooperative” has
9 the meaning ascribed to it by section 7 of this act.

