MINUTES OF THE MEETING OF THE ASSEMBLY COMMITTEE ON GROWTH AND INFRASTRUCTURE

Eightieth Session May 7, 2019

The Committee on Growth and Infrastructure was called to order by Chair Daniele Monroe-Moreno at 1:34 p.m. on Tuesday, May 7, 2019, in Room 3143 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/80th2019.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Daniele Monroe-Moreno, Chair Assemblyman Steve Yeager, Vice Chair Assemblywoman Shea Backus Assemblywoman Shannon Bilbray-Axelrod Assemblyman Richard Carrillo Assemblyman John Ellison Assemblyman Glen Leavitt Assemblyman Rochelle T. Nguyen Assemblyman Tom Roberts Assemblyman Greg Smith Assemblyman Howard Watts Assemblyman Jim Wheeler

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Senator Chris Brooks, Senate District No. 3

STAFF MEMBERS PRESENT:

Michelle L. Van Geel, Committee Policy Analyst Jessica Dummer, Committee Counsel Joan Waldock, Committee Secretary Alejandra Medina, Committee Assistant



OTHERS PRESENT:

Cameron Dyer, Clean Energy Program Staff Attorney, Western Resource Advocates Rudy Zamora, Program Director, Chispa Nevada

Judy Stokey, Vice President, Government and Community Strategy, NV Energy

Ernest E. Adler, representing International Brotherhood of Electrical Workers, Local 1245

Kyle J. Davis, representing Nevada Conservation League

Mary L. House, CEO, Caring, Helping and Restoring Lives, Inc.

Maria Liebermann, Private Citizen, Las Vegas, Nevada

Jennifer Cantley, representing Mom's Clean Air Force; and Member, Legislative Committee, Toiyabe Chapter, Sierra Club

Angela Dykema, representing Southwest Energy Efficiency Project

Jessica Ferrato, representing Advanced Energy Economies

Joelle Gutman, Government Affairs Liaison, Office of the District Health Officer, Washoe County Health District

Reverend Leonard B. Jackson, Director, Faith Organizing Alliance, North Las Vegas, Nevada

Mike Willoughby, Private Citizen, Las Vegas, Nevada

Ray Bacon, Executive Director, Nevada Manufacturers Association

Michael Brown, Past President, Board of Directors, Nevada Fire Chiefs Association

Rusty McAllister, Executive Secretary-Treasurer, Nevada State AFL-CIO

Thomas D. Dunn, Northern District Vice President, Professional Fire Fighters of Nevada

Mark Regan, representing Northern Nevada Fire Chiefs Association; and Nevada Chapter, International Association of Arson Investigators

Robert Johnston, Senior Staff Attorney, Western Resource Advocates

Hunter Stern, Assistant Business Manager, International Brotherhood of Electrical Workers, Local 1245 and Local 396

Chair Monroe-Moreno:

[Roll was called. Committee rules and protocol were explained.]

There are a few changes to our agenda. We will start with our work session. <u>Senate Bill 300</u> (1st Reprint) will be removed from today's schedule and rescheduled for a later date.

Senate Bill 300 (1st Reprint): Revises provisions governing the rates charged by electric utilities. (BDR 58-302)

Chair Monroe-Moreno:

We will open our work session on Senate Bill 426.

Senate Bill 426: Revises provisions related to transportation. (BDR 22-686)

Michelle L. Van Geel, Committee Policy Analyst:

Senate Bill 426 was heard in Committee on May 2, 2019, and was sponsored by the Senate Committee on Growth and Infrastructure (Exhibit C). It extends from December 31, 2020, to December 31, 2024, the deadline for a regional transportation commission (RTC) to submit to the board of county commissioners recommendations for the imposition of an additional tax on gross receipts of any retailer for the sale of all tangible personal property sold at retail to support certain transportation projects. A board of county commissioners may subsequently submit to the voters at the next general election a question asking whether the tax recommended by the RTC should be imposed in the county, if the next general election is held not later than December 31, 2024. There were no amendments for this measure.

Chair Monroe-Moreno:

I will entertain a motion to do pass Senate Bill 426.

ASSEMBLYMAN YEAGER MOVED TO DO PASS SENATE BILL 426.

ASSEMBLY WOMAN BILBRAY-AXELROD SECONDED THE MOTION.

Is there any discussion?

Assemblyman Leavitt:

I work for the RTC of Southern Nevada. I have been advised this bill does not affect my position there in any way. I do not gain anything by this measure, so I will be voting on it.

Chair Monroe-Moreno:

Is there any further discussion? [There was none.]

THE MOTION PASSED. (ASSEMBLYMAN WHEELER WAS ABSENT FOR THE VOTE.)

Assemblyman Yeager will take the floor statement.

We will now open the hearing on Senate Bill 299 (1st Reprint).

Senate Bill 299 (1st Reprint): Revises provisions relating to the Electric Vehicle Infrastructure Demonstration Program. (BDR 58-916)

Senator Chris Brooks, Senate District No. 3:

Public schools are among the most important institutions in the state of Nevada. They serve hundreds of thousands of students, many of whom use district-provided transportation in order to get to campus and back home every day. They also use this transportation when it comes to field trips and extracurricular activities such as sports and debates. Without this

critical service, it would be difficult, if not impossible, for many of our students to get to where they need to go. Unfortunately, such a high transportation demand has environmental consequences.

We know that cars and buses are among the primary contributors to greenhouse gas emissions in Nevada, second only to the electricity sector. Reports from the Nevada Division of Environmental Protection of the State Department of Conservation and Natural Resources, the Office of Energy of the Office of the Governor, and other agencies confirm this. This is why I have introduced Senate Bill 299 (1st Reprint). It will provide incentives for our public schools to adopt electric vehicles and the associated infrastructure for the purpose of transporting students.

The promotion of electric vehicles (EVs) is a bipartisan priority. Democrats and Republicans, including former Governor Brian Sandoval, worked to pass the Electric Vehicle Infrastructure Demonstration Program in the 79th Session [Senate Bill 145 of the 79th Session]. This bill is an extension of both this initiative and our unified commitment in creating a more sustainable future.

This bill would not solve the problem; however, it would be a step in the right direction. For this reason, I strongly urge legislators to support this bill. I have with me Cameron Dyer from Western Resource Advocates, and Rudy Zamora from Chispa.

Cameron Dyer, Clean Energy Program Staff Attorney, Western Resource Advocates:

I would like to provide more context on <u>S.B. 299 (R1)</u>. This bill seeks to amend *Nevada Revised Statutes* (NRS) Chapter 701B, which already authorizes incentives for rooftop solar, solar thermal, wind, low-income solar, and hydropower systems, as well as the Electric Vehicle Infrastructure Demonstration Program. <u>Senate Bill 299 (1st Reprint)</u> supports the goals of the electric vehicle program by explicitly authorizing incentives to be used for an electric school bus pilot program, authorizing incentives of up to 75 percent of the cost of a new electric bus to be awarded to public schools.

Practically, school buses generally are not used during school hours, specifically during the late morning and early afternoon. These times coincide with peak solar generation and lowest energy demand on the grid. As large batteries, buses could be used to absorb the solar generation coming from these generation applications, ensuring Nevada makes the best use of its abundant solar resources.

Of special concern right now is the continued shortage of funding for new school buses in school districts with regard to replacing their existing fleet. Given the relatively high cost of electric buses, unless incentives are authorized to support the adoption of these new electric buses, we will be stuck in a cycle of replacing diesel buses with diesel buses.

The intent of this bill is to provide incentives for a pilot program entailing at least ten electric school buses, which would cost between \$3 million and \$4 million. Our hope is that any

incentives awarded through the program would be paired with the Nevada Diesel Emission Mitigation Fund—Volkswagen (VW) Settlement and federal programs to ensure that school districts get the best opportunity to improve air quality for all of us and provide the cleanest atmosphere for our children to learn in.

Rudy Zamora, Program Director, Chispa Nevada:

Chispa Nevada is an organizing program of the League of Conservation Voters. Chispa Nevada strongly supports any measure that would provide additional funding for school districts to be able to invest in electric school buses that do not endanger the health of our schoolchildren.

Since 2017, Chispa Nevada has organized thousands of parents, students, and advocates through our Clean Buses for Healthy Niños campaign to urge lawmakers to put our children first by transitioning school bus fleets from dirty diesel to clean electric. We will remain committed to this goal. That is why we support S.B. 299 (R1). To date, we have collected more than 30,000 signatures from Nevadans urging lawmakers to support clean buses, including 174 Nevadans who just this week signed a petition asking you to support this bill.

Approximately 181,000 children in Nevada ride diesel buses to school each day. Diesel has been shown to cause numerous and significant health problems, especially in children whose lungs are still developing. These problems include decreased lung function, respiratory tract inflammation and irritation, aggravated asthma symptoms, and persistent wheezing. Diesel exhaust is also internationally recognized as a cancer-causing agent and is classified as a likely carcinogen by Environmental Protection Agency.

With so many children exposed to diesel toxins, it is no surprise that more than 1 in 12 children in our state suffer from asthma—including my own four-year-old son, William. As a father, it has been painful to watch my child suffer debilitating asthma attacks that have put him in the hospital for days at a time. I know that thousands of other families are suffering as well.

For communities of color, the problem is even more serious. Our families more often live near pollution sources and breathe polluted air. The federal government admits that Latino children are twice as likely to die from asthma, and African-American children are four times more likely to be hospitalized due to asthma. Our children have the right to breathe clean air, and polluting school buses should not endanger them in their pursuit to acquire an education. Dirty diesel buses are hurting the health and futures of our communities. We need an urgent transition to zero-emission electric school buses.

We support <u>S.B. 299 (R1)</u> as an investment in our children's health. We urge you to approve this bill.

Chair Monroe-Moreno:

Members, do you have any questions?

Assemblyman Carrillo:

I have a question regarding section 1, subsection 3, paragraph (e). Why is it limited to public school buses? Why does it not apply to Southwest Gas Corporation or NV Energy that might purchase many electric vehicles? Is there a reason we are not expanding it?

Senator Brooks:

This makes school buses eligible under the existing EV Infrastructure Demonstration Program that could apply to all kinds of different companies and applications. This bill includes the actual electric school bus in the applicable technologies that could be eligible for the rebate program, while currently only the charging infrastructure for companies, school districts, or governments is eligible. This is done without increasing the budget or expanding the program.

Assemblyman Carrillo:

Would Nye County be able to enjoy this rebate by putting in infrastructure for EVs?

Senator Brooks:

Absolutely. The funds in the existing program are rate-recovered through the utilities. Any customer of Sierra Pacific Power Company or NV Energy is eligible for the EV Infrastructure Demonstration Program. A public school district that is a customer of the utility would be able to apply for a rebate for the school bus itself.

Assemblyman Ellison:

What is the cost difference between a regular school and an electric school bus? Will schools have to install special units for charging the buses? Some schools use block heaters they might be able to plug into, but some do not.

Senator Brooks:

Charging infrastructure will need to be built to accommodate the high-current-draw charging system. The charging infrastructure is also part of the program. We will be adding electric buses themselves as an applicable technology, but the charging infrastructure is part of the program as well. It will absolutely need to be installed.

I cannot answer your question on the prices of the school buses. I will defer to Mr. Dyer.

Cameron Dyer:

According to producers of electric buses, electric buses cost about \$300,000 more than analogous diesel buses. A new diesel bus costs between \$100,000 and \$150,000; a similar electric bus would cost between \$400,000 and \$450,000. This is meant to defray the added

cost of the electric bus through the incentive program to make sure the cost is neutral between diesel-to-diesel and diesel-to-electric replacement.

Assemblywoman Nguyen:

Have other communities had much success with using electric buses? What is the mileage on them? Are there any air-conditioning issues?

Senator Brooks:

The information I have is anecdotal; I do not have data to fully answer your question. Air-conditioning and the combination of steep hills and air-conditioning have been issues in some hotter climates. The Regional Transportation Commission of Washoe County runs several electric buses year-round. The battery technology improves every year. Different municipalities have had mixed levels of success—Albuquerque, New Mexico is one. We recently had electric buses here at the Legislature that showed the latest technology of electric school buses that are suited for our climate.

Assemblyman Watts:

I would like to clarify that this is an existing pool of funds used for electric vehicle infrastructure. The VW Settlement Fund has been used to assist other fleets, including some corporate fleets, in replacing diesel vehicles with cleaner vehicles, including EVs. This is expanding the use of the existing pot of money, the idea being that the schools buses are dirtier diesel and have children around them all the time. We are trying to focus, as a public policy goal, on reducing the emissions and the public health impacts from that.

Senator Brooks:

That is absolutely correct. It is two-fold. It helps to incentivize the technology and gives us experience with electric school buses in our public schools while reducing emissions from diesel-burning buses that are directly affecting our children.

Assemblyman Watts:

I believe there are future rounds of funding from the VW Settlement Fund. Do you see the possibility of leveraging this pot of funding and VW Settlement Fund? Do you have any information on the reduced maintenance or other costs of electric versus diesel buses?

Senator Brooks:

I am not familiar with the status of the VW Settlement Fund and future rounds of funding for Nevada. Others have more information regarding maintenance and operation of the buses.

Cameron Dyer:

I have documents regarding the reduced cost of maintenance of electric buses that I will share with the Committee.

I believe there is another round of the VW Settlement Fund that will open shortly or has opened. Nevada's Division of Environmental Protection, State Department of Conservation and Natural Resources, would be better suited to answering your questions as the fund is administered by them.

Chair Monroe-Moreno:

Please get the bus maintenance information to our committee manager. She will send it to all the members of the Committee.

Assemblywoman Bilbray-Axelrod:

It was not clear to me if these were new or used buses. I am asking because I wondered if the buses would have seat belts. There was a distinction between new and used buses.

Senator Brooks:

There is no specific direction on new or used electric school buses, but I cannot image there would be a used electric school bus market available in the state of Nevada. I think a public school would most certainly want to get the most recent technology available. There is nothing directing or prohibiting new or used vehicles, but I cannot imagine a scenario in which a used electric bus would be purchased.

Assemblywoman Bilbray-Axelrod:

Would the new electric buses be equipped with seat belts?

Senator Brooks:

I am not familiar with the seat belt laws pertaining to school buses.

Rudy Zamora:

We have seen some models that are equipped with seat belts. Seat belt policy was passed in the 79th Session [Assembly Bill 485 of the 79th Session]. The manufacturers are willing to look at that.

Chair Monroe-Moreno:

Are there any other questions from the Committee? [There were none.] Is there anyone present who would like to testify in support of Senate Bill 299 (1st Reprint)?

Judy Stokey, Vice President, Government and Community Strategy, NV Energy:

We are here in support of <u>S.B. 299 (R1)</u>. Many sessions ago, there was legislation that provided that our customers pay into a fund for renewable rebates [<u>Senate Bill 188 of the 75th Session</u>]. Last session, that was changed to include EV infrastructure [<u>Senate Bill 145 of the 79th Session</u>]. This bill will definitely help us with the EV school buses, so we support it.

Ernest E. Adler, representing International Brotherhood of Electrical Workers, Local 1245:

International Brotherhood of Electrical Workers Local 1245 also endorses <u>S.B. 299 (R1)</u>. We believe this is a step forward in terms of implementing an electrical vehicle policy for the state of Nevada, and we strongly support it.

Kyle J. Davis, representing Nevada Conservation League:

We are in support of <u>S.B. 299 (R1)</u>. The bill presenters did a good job of explaining the environmental benefits that would come from such a policy. We would urge your support for the bill.

Mary L. House, CEO, Caring, Helping and Restoring Lives, Inc.:

I am in support of <u>S.B. 299 (R1)</u>. With communities of color being affected directly by asthma, I am asking the Committee to pass this bill.

Maria Liebermann, Private Citizen, Las Vegas, Nevada:

I am the deputy director with Battle Born Progress. I represent myself and our organization with its 20,000-plus subscriber network across the state. I was one of the children living in a place infested with pollution and having to ride a bus to school every day and for debate trips. It was awful walking along buses that were constantly blowing smoke in our faces. It also affects the larger community. If you have ever been in a bus yard, which I have for many years in a previous job, it is filled with buses idling for hours until they leave to take students to school or pick them up. One of those bus yards is on Eastern Avenue in a heavily Latino neighborhood. Those fumes and that pollution are not only in the bus yard but are going into the schools that surround it and into the neighborhood surrounding it, so it goes beyond affecting the students. It also affects our entire community. I highly urge you to support S.B. 299 (R1).

Jennifer Cantley, representing Mom's Clean Air Force; and Member, Legislative Committee, Toiyabe Chapter, Sierra Club:

I represent over 8,000 members of Mom's Clean Air Force. I also represent 30,000 members of the Toiyabe Chapter of the Sierra Club. We will "ditto" everything that was said today. I have submitted a letter in support (Exhibit D).

I want to speak on behalf of little kids who have suffered with asthma because of the diesel, going to school on the bus, having an asthma attack, and watching them cry and say they miss going to school. They want to be in school, and part of the reason they cannot go to school is because they have to take a school bus and they are getting an asthma attack on the way to school.

I urge you to pass this bill.

Angela Dykema, representing Southwest Energy Efficiency Project:

The Southwest Energy Efficiency Project appreciates the bill sponsor's effort and is strongly supportive of S.B. 299 (R1) for all of the health and economic benefits that have already been mentioned. Opening up the current Electric Vehicle Infrastructure Demonstration Program funding that was previously authorized under Senate Bill 145 of the 79th Session to cover the cost of the actual buses themselves will be key to helping to get any electric school bus pilot projects off the ground as this bill envisions.

When I was at the Office of Energy, Office of the Governor, we briefly explored how we might work with the school districts to get such a program started in partnership with Nevada Energy. It was clear that the cost of the buses themselves was one of the key considerations or barriers for the school districts—not just the charging infrastructure, which the current EV Infrastructure Demonstration Program covers.

We need the bill to help offset the up-front costs of the first electric buses, demonstrate that they work well, and move toward financing models that can help school districts realize savings on the fuel and maintenance costs.

There are studies showing that electric school buses have a lower cost of ownership than diesel on the order of about \$50,000 per bus. That means significant savings for our school districts. That information was taken from a 2018 United States Public Interest Research Group Education Fund report [Electric Buses: Clean Transportation for Healthier Neighborhoods and Cleaner Air, by Alan Miller, et alia]. I would be happy to supply that report to the Committee.

I want to state the timeliness of S.B. 299 (R1) in ensuring there is adequate funding available to allow the EV Infrastructure Demonstration Program to continue with its current incentives and also be more effective in future years, once we figure out how an actual pilot project might be structured. As noted by the presenter, the rough estimates provided by e-centricity, LLP, that funded the transportation electrification report that the Office of Energy did last year [Electrifying Nevada's 21st Century Transportation System: Actions, Opportunities, Aspirations, by Lauren Rosenblatt and Marie K. Steelel, show a range of \$3 million to \$4 million would likely be needed to get such a program started—depending on the number of buses; heating, ventilating, and air-conditioning; and wheelchairs and everything that goes with them. It is our understanding that, of the \$15 million that was allocated through the regulation by the Public Utilities Commission of Nevada (PUCN) for the Electric Vehicle Infrastructure Demonstration Program, about \$14.5 million is still available, roughly half of which has been allocated to the current infrastructure incentives and this year's proposed annual plan before the PUCN currently. The passage of S.B. 299 (R1) will allow us to utilize the remaining allocation to get a decently funded pilot project going and also allow for the existing infrastructure incentives to continue in future years.

We thank Senator Brooks [Senate District No. 3] and Senator Pat Spearman [Senate District No. 1] for sponsoring this bill. We strongly urge the Committee to support its passage so that we can move forward on implementation of an adequately funded EV school bus pilot in Nevada and reap the health and economic benefits that will result from helping to electrify our transportation sector.

Chair Monroe-Moreno:

Please get the report to our committee manager.

Jessica Ferrato, representing Advanced Energy Economies:

We are here in support of the bill. We think this, from a business perspective, makes complete sense. It opens up looping in additional technologies that are available and other companies looking at Nevada from out of state. We will be able to show that Nevada is making this a priority.

Joelle Gutman, Government Affairs Liaison, Office of the District Health Officer, Washoe County Health District:

I am here on behalf of the Air Quality Division of the Washoe County Health District. We are in support.

Reverend Leonard B. Jackson, Director, Faith Organizing Alliance, North Las Vegas, Nevada:

I would like to thank Senator Brooks and Senator Spearman for being up-front and sincere and presenting such a bill that would help our community move forward in a positive manner. Rudy Zamora already eloquently expressed the negative effect diesel fuel has on our community. For the sake of our future—for our children—there should not be an expression of how much this will cost. What it will cost is the future of our young people, so I ask that we wholeheartedly support this bill in a positive manner to make sure we ensure a positive effect for our children. We wholeheartedly support <u>S.B. 299 (R1)</u>. We thank you for your efforts, and we thank you for looking forward to our future.

Mike Willoughby, Private Citizen, Las Vegas, Nevada:

We have heard a lot today about the policy in front of you, but this is not just about policymaking or budgeting; this is also a moral choice. I am an asthmatic. This is my inhaler I carry with me every single day [he held up his inhaler]. This is what allows me to breathe. Much like Mr. Zamora's son, I have had asthma since I was a very young boy. I have carried an inhaler with me since I was around six years old. I need it every single day. My asthma is because I grew up in the shadow of Interstate 25, less than a block away from a major interstate. I grew up breathing the exact fumes we are in here talking about today. Like Mr. Zamora, I am also a father. I have an 18-month old daughter who is at home right now. Thankfully, as of now, she can breathe just fine. The situation Mr. Zamora's family is in is absolutely terrifying to my family and me. The possibility of my daughter losing her life over something as trivial to fix as this emission issue is just unconscionable to me.

Knowing there are thousands of other children just like my daughter, like Mr. Zamora's son, casts this in a moral aspect for me.

I see a lot of folks today wearing lapel pins honoring Assemblyman Tyrone Thompson [Assembly District No. 17]. I would like everyone to reflect on some of the things that were said about him yesterday and realize it is not often that this body gets to do something just legitimately good for the sake of doing something good. You have that opportunity today. So, I would beg you to please take this opportunity to do something good for the people of Nevada and for our communities here in Nevada. Please support this legislation.

Chair Monroe-Moreno:

Is there anyone else here to testify in support? [There was no one.] Is there anyone present who would like to testify in opposition to the bill? [There was no one.] Is there anyone present who would like to testify as neutral to the bill?

Ray Bacon, Executive Director, Nevada Manufacturers Association:

I am the owner of an electric vehicle. The general number you have been looking at on maintenance is it is at least 25 percent of what a conventional vehicle runs. You are looking at about a 4-to-1 decrease in maintenance costs.

There is nothing in this bill about this—and I am not sure there needs to be—but there will need to be something in regulations about the biggest area of pollution, which is when the buses are idling to keep the air-conditioning going. This is especially true in Clark County. If you want to move to full electric buses, that means you will probably want to have the buses plugged in while they are at the schools. That is a lot of power floating around a schoolyard to plug in those buses. I do not how you are going to do that from a safety and security standpoint, but it needs to be addressed in the implementation stage. That is a lot of power and a lot of students—those two do not necessarily mix well, but somebody has to think about that before they get into the implementation stage.

Chair Monroe-Moreno:

Have you discussed your concern with the sponsor of the bill?

Ray Bacon:

I have not. I only glanced at the bill initially. When I looked at it last night, I noticed it. I thought that somebody ought to at least think about that for the implementation. I do not think it affects the legislation; I think it affects the implementation.

Chair Monroe-Moreno:

Seeing no one else here to testify as neutral, I will invite the sponsor to make closing remarks.

Senator Brooks:

Thank you for taking the time to hear this bill and for your thoughtful questions. I urge you to support the bill.

Chair Monroe-Moreno:

With that, we will close the hearing on <u>Senate Bill 299 (1st Reprint)</u>. We will open the hearing on <u>Senate Bill 329 (1st Reprint)</u>.

Senate Bill 329 (1st Reprint): Revises provisions relating to the prevention of natural disasters. (BDR 58-1132)

Senator Chris Brooks, Senate District No. 3:

I will present <u>Senate Bill 329 (1st Reprint)</u>. Nevada is no stranger to natural disasters—from increased wildfires that have burned north and south to earthquakes, which we have more of than most other states. Such events have often posed a danger to our public safety; our economy; and critical infrastructure, such as the electric grid. Because of this reality, we owe it to ourselves to take proactive measures against natural disasters. That is why I am presenting <u>S.B. 329 (R1)</u>.

The legislation would require electric utilities to present a natural disaster plan to the Public Utilities Commission of Nevada (PUCN). Reports in this vein would be required every three years. The plan would be required to include: the identification within electric utility service jurisdictions that are at a heightened risk of fires or other natural disasters; cost-effective strategies and methods to mitigate fires and other natural disasters; preventative measures aimed at ensuring that fires do not start because of electrical equipment; and ways to de-energize distribution lines and disable reclosers in the event of a fire or other natural disaster. The plan would further be required to adhere to the International Wildland-Urban Interface Code as outlined in *Nevada Administrative Code* (NAC) Chapter 477 and *Nevada Revised Statutes* (NRS) Chapter 477 by the State Fire Marshal.

<u>Senate Bill 329 (1st Reprint)</u> would also include in section 1.7, subsection 4, paragraph (c) a definition of a "qualified electrical worker" as an individual who has completed a four-year certified electrical lineman apprenticeship or has performed 10,000 hours of work as a journeyman lineman and a minimum of 1,500 hours of documented live-line conductor work at a minimum voltage of 4,160 kilovolts or above. Apprentices are further required to be indentured in a certified electrical apprenticeship program to work on these preventative measures. This is to ensure that the people entrusted with our electrical system have the experience to handle everything safely and smartly.

The Camp Fire in California and similar events throughout the country recently have shown us that an improperly maintained electrical grid can wreak havoc on our residents. Pacific Gas and Electric Company is one of the largest companies in the country and is the largest utility in the country. It was bankrupted by these disasters. We lost the beautiful town of Paradise, California, with its loss of life and property. We want to make sure we prevent that in Nevada.

Michael Brown, Past President, Board of Directors, Nevada Fire Chiefs Association:

I am a retired fire chief and a member of the Nevada Fire Chiefs Association (Exhibit E). Thank you for allowing S.B. 329 (R1) to be heard today. We want to thank Senator Brooks for his sponsorship of this bill. I have provided testimony of the importance of this bill. I would like to add that our fire service partners have and will continue to support the prevention of disasters of any kind. We are very encouraged by this bill and the participation provided by all agencies, including our utility providers. This bill will create and maintain an avenue for our communities to ensure that our utility associates are partnered with programs such as the Community Wildfire Protection Plan. These plans will provide evaluations along with the participation of our utility partners' infrastructure in a manner that takes into account our communities to ensure equal protection of the utility infrastructure from disasters of many kinds, including fire.

City fire departments, county fire departments, fire protection districts, and state and federal agencies are tasked with the management of our forests, brushlands, and grasslands. Most commonly, we speak of these principles and responsibilities for creating defensible space for the safety of lives, homes, outbuildings, and commercial structures. This bill will take a harder look at our utility infrastructure as well. All land management agencies support and encourage the passage of this bill and hope this Committee will support it.

Chair Monroe-Moreno:

Please submit your testimony so all the members will have it.

Are there any questions from members of the Committee? [There were none.] Is there anyone present who would like to testify in support of the bill?

Rusty McAllister, Executive Secretary-Treasurer, Nevada State AFL-CIO:

We would like to extend our support for this legislation. We think it is a good, progressive step to move forward and to try to mitigate emergencies before they actually happen. It is a plan that is probably long overdue. This is a good step forward—a good starting point to get this project underway.

Judy Stokey, Vice President, Government and Community Strategy, NV Energy:

We are also here in support of <u>S.B. 329 (R1)</u>. We appreciate the work that Senator Brooks and the fire chiefs have done on this bill. It is something we think is very important and will help us.

Thomas D. Dunn, Northern District Vice President, Professional Fire Fighters of Nevada:

In my regular day job, I am a firefighter for the City of Reno Fire Department. Over the last 20 years, my career has taken me all over the western United States, through all parts of Nevada, to Hurricane Katrina in Louisiana and the Gulf Coast, as well as to Puerto Rico after Hurricane Michael. I can tell you that power infrastructure and utility infrastructure can be massively impacted by natural disasters—hurricanes, tornados, or wildfires. In Nevada, I have seen fires that have been started by vehicles hitting power poles and by wildlife

landing on power lines starting anywhere from 3- to 3,000-acre fires. We believe this bill is a good piece of legislation. We are here to support the bill.

Mark Regan, representing Northern Nevada Fire Chiefs Association; and Nevada Chapter, International Association of Arson Investigators:

I also represent Nevada arson investigators. We support <u>S.B. 329 (R1)</u>. This is a bill that, working together with the power companies, fire districts, and the fire departments in the state, can expand the programs we already have in place with the defensible space and the fuel management programs. This is another way we can expand the programs to work hand in hand. This year, we have had a fire started by electrical power lines into a tree. We have been working with NV Energy on improving these measures, but this bill will toughen them statewide.

Robert Johnston, Senior Staff Attorney, Western Resource Advocates:

Western Resource Advocates is a regional nonprofit environmental law and policy organization operating in the interior West, including Nevada. Western Resource is dedicated to preserving the West's lands, air, and water resources. We strongly support passage of S.B. 329 (R1).

Public utilities in Nevada, under existing law, are charged with providing safe and reliable service to their customers. I know from long experience in this arena that NV Energy, as an electricity supplier, and the Public Utilities Commission, as a regulator, take that responsibility very seriously. But, we are living in different times as we have seen with our neighbor to the west. Given the increased risks from extreme weather events and fire events, we believe there would be great value to adding a formal process where the utilities and the Public Utilities Commission, as interested parties, could take a harder look at the risks and prioritize measures to mitigate those risks. We thank Senator Brooks for bringing this bill forward and strongly support it.

Hunter Stern, Assistant Business Manager, International Brotherhood of Electrical Workers, Local 1245 and Local 396:

I am speaking on behalf of International Brotherhood of Electrical Workers (IBEW) Local 1245 and IBEW Local 396. We represent the workers at NV Energy. Local 1245 also represents workers at utilities in northern and central California. We urge you to vote "yes" on this bill. It is a very important step for all the reasons that have been given already.

Generally speaking, these electrical grids need to become more resilient, as we have learned from California. For 100 years, they were reliable; that was the goal—keep the power on at all times, make sure the power is there. That is not necessarily the goal anymore. There are times when weather conditions and other factors make it unsafe for the grid to operate just on reliability. We need to make it resilient so it can respond and weather these changed conditions, particularly high winds and dry tinder.

There are many steps utilities in California are exploring and have implemented. I will not list them out. They are laid out pretty well in section 1.3 of the bill. I would point out that

some of the best information has come from meteorologists who have been trained and worked at the National Weather Service in Reno. Those meteorologists are now working for the utilities in California to help them plan and respond to these issues. We urge your "yes" vote.

Chair Monroe-Moreno:

Before moving to testimony in opposition, the Committee has questions for Ms. Stokey.

Assemblyman Smith:

In section 1.3, subsection 6, there is mention of the separate monthly rate charged to the customers of the utility. Do you know what that might involve?

Judy Stokey:

We do not know what that amount would be. We want to have it on the bill so that customers will realize what we are doing and that we are planning for safety for them.

Assemblyman Smith:

Does this bill address only the plan? Should there be a catastrophe down the road that is a \$20 billion problem, will these same people be on the hook to pay for it?

Judy Stokey:

This is for the plan. There is nothing in the bill regarding liability. We hope we never have to deal with what happened in California.

Assemblyman Ellison:

I see the grids; there are thousands of miles of power lines. We have been lucky, having few problems even though we have high winds. Our lines are well constructed. I agree with the bill, but I see a problem with restrictions coming down eventually. Your poles are on Bureau of Land Management land, and you have sage grouse in the way. You cannot go out and put gravel around every pole. It will put you in a hard spot eventually. I do not see how the utilities can be blamed when you have to deal with multiple agencies. Am I wrong?

Judy Stokey:

I appreciate your recognizing the important work our people do out there. Our customers want to have reliable power, so they are going to help us pay for the plan and things we need to do for the plan. We work with all of our agencies, which is why this bill is important. It will make us work with all of the fire chiefs and local governments that put plans together to make sure we are all working on the same thing and what they believe—as they are experts in fire management and mitigation—to make sure that we are doing the right things that would help make sure our poles are reliable and our infrastructure is safe.

Chair Monroe-Moreno:

Seeing no one else here to testify in support, is there anyone here to testify in opposition to <u>Senate Bill 329 (1st Reprint)</u>? [There was no one.] Is there anyone present who would like to testify as neutral to the bill? [There was no one.]

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Are there any closing remarks? [There were none.] 329 (1st Reprint).	We will close the hearing on Senate Bill
Is there anyone here for public comment? [There wa	as no one.]
This meeting is adjourned [at 2:28 p.m.].	
	RESPECTFULLY SUBMITTED:
	Joan Waldock
	Committee Secretary
APPROVED BY:	
Assemblywoman Daniele Monroe-Moreno, Chair	
DATE:	

EXHIBITS

Exhibit A is the Agenda.

Exhibit B is the Attendance Roster.

Exhibit C is the Work Session Document for Senate Bill 426, dated May 7, 2019, presented by Michelle L. Van Geel, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit D</u> is a letter dated May 7, 2019, to the Assembly Committee on Growth and Infrastructure, authored and submitted by Jennifer Cantley, representing Mom's Clean Air Force; and Member, Legislative Committee, Toiyabe Chapter, Sierra Club, in support of Senate Bill 299 (1st Reprint).

<u>Exhibit E</u> is written testimony presented by Michael Brown, Past President, Board of Directors, Nevada Fire Chiefs Association, regarding <u>Senate Bill 329 (1st Reprint)</u>.