# MINUTES OF THE SENATE COMMITTEE ON GROWTH AND INFRASTRUCTURE

# Eighty-second Session April 12, 2023

The Senate Committee on Growth and Infrastructure was called to order by Chair Dallas Harris at 3:33 p.m. on Wednesday, April 12, 2023, in Room 2144 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. <a href="Exhibit A">Exhibit A</a> is the Agenda. <a href="Exhibit B">Exhibit B</a> is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

# **COMMITTEE MEMBERS PRESENT:**

Senator Dallas Harris, Chair Senator Pat Spearman, Vice Chair Senator Julie Pazina Senator Scott Hammond Senator Ira Hansen

# **GUEST LEGISLATORS PRESENT:**

Senator Skip Daly, Senatorial District No. 13 Senator Fabian Doñate, Senatorial District No. 10 Senator Roberta Lange, Senatorial District No. 7 Assemblywoman Sabra Newby, Assembly District No. 10

# **STAFF MEMBERS PRESENT:**

Kristin Rossiter, Policy Analyst Jessica Dummer, Counsel Paula Peters, Committee Secretary

# **OTHERS PRESENT:**

Danny Thompson, International Union of Operating Engineers Local 12 and Local 3

Tom Morley, Laborers' Union Local 169 and Local 872 Paul Catha, Culinary Workers Union Local 226 Marc Ellis, President, Communication Workers of America Local 9413

Greg Esposito, Nevada State Pipe Trades

Justin Brown, President, Southwest Gas Holdings

Todd Ingalsbee, Professional Fire Fighters of Nevada

Rick McCann, Nevada Association of Public Safety Officers

John Abel, Las Vegas Police Protective Association

Jake McNeill, Laborers' Union Local 169

John Sande, Western States Petroleum Association

Glen Leavitt, Nevada Contractors Association

Lindsay Knox, Nevada Home Builders Association; Southern Nevada Home Builders Association; Builders Association of Northern Nevada

Alexis Motarex, Nevada Chapter Associated General Contractors

Bryan Wachter, Retail Association of Nevada

Susie Martinez, Nevada State AFL-CIO

Regan Comis, Nevada Mining Association

Terry Graves, Nevada Manufacturers Association

Rob Benner, Building and Construction Trades Council of Northern Nevada

Bobby Ernaut, TC Energy

Andy Donahue, Southern Nevada Laborers-Employers Cooperation and Education Trust

Jason Begun, Las Vegas Police Protective Association, Civilian Employees

Peter Guzman, President, Latin Chamber of Commerce Nevada

Shawn Thibeault, President, Henderson Police Officers Association

Christi Cabrera-Georgeson, Nevada Conservation League

Ernest Figueroa, Consumer's Advocate, Bureau of Consumer Protection, Office of the Attorney General

Chelsea Capurro, National Resources Defense Council; Environmental Defense Action Fund

Angie Dykema, Southwest Energy Efficiency Project

Jermareon Williams, Western Resource Advocates

Joanne Leovy, Nevada Clinicians for Climate Action

Hector Fong, Jr., Progressive Leadership Alliance of Nevada

Leonard Jackson, Executive Director, Faith Organizing Alliance

Nikolai Christenson, Sierra Club

Sarah Steinberg, Advanced Energy United

Rachel Rakowski

Mercedes McKinley, Moms Clean Air Force

Mary Dungan

Kelly Trombley, Ceres

Tracy Byrd, CHR, Inc.

Eric Jeng

Garrett Weir, General Counsel, Public Utilities Commission of Nevada

Marie Steele, Integrated Energy Services, NV Energy

David Cherry, City of Henderson

Leonardo Benavides, City of North Las Vegas

Leslie Mujica, Las Vegas Power Professionals

Ronnie Young, International Brotherhood of Electrical Workers Local 357

Dionne Klug, United Food and Commercial Workers Local 711

Thomas Bird, Nevada Alliance for Retired Americans

Matt Walker, Howard Hughes Corporation

Jeremy Newman, International Brotherhood of Electrical Workers Local 396

Edward Goodrich, International Alliance of Theatrical Stage Employees Local 363

Larry Wilson, President, United Auto Workers Retirees Local 2162

Liz Sorenson, President, Nevada State AFL-CIO

Jessica Ferrato, Solar Energy Industries Association

Russell Rowe, Tesla

Matt Morris, Nevada Resort Association

Carlos Fernandez, American Institute of Architects Nevada

Ben Airth, Freedom Forever

Stephen Lassiter, Sunrun

Scott Leedom, Southwest Gas Corporation

Steven Hamile, Chief Operating Officer, Sol-Up

Mark Krueger, Consumer Counsel, Bureau of Consumer Protection, Office of the Attorney General

Ernie Adler, International Brotherhood of Electrical Workers Local 1245

Jonathan Norman, Nevada Coalition of Legal Service Providers

Devlin Daneshforouz, NV Energy

Misty Grimmer, State Contractors' Board

Peter Aldous, Legal Aid Center of Southern Nevada

Mathilda Guerrero, Battle Born Progress

Brian Reeder, Sunrun

David Bandbaz

Constance Brooks, University of Nevada, Las Vegas

Warren Hardy

Wiz Rouzard

Laniqua McCloud

Amy Davey, Director, State Highway Safety Office, Nevada Department of Public Safety

Sean Sever, Deputy Administrator, Division of Research and Project Management, Nevada Department of Motor Vehicles

## CHAIR HARRIS:

We will open the hearing on Senate Bill (S.B.) 116.

SENATE BILL 116: Establishes provisions governing natural gas infrastructure. (BDR 58-540)

SENATOR SKIP DALY (Senatorial District No. 13):

<u>Senate Bill 116</u> addresses many issues, including an issue of concern identified by the U.S. Department of Transportation (DOT), the Public Utilities Commission of Nevada (PUCN) and gas utilities in Nevada.

The Pipeline and Hazardous Materials Safety Administration (PHMSA), a DOT agency, issued an advisory bulletin which reads:

To alert operators using Driscopipe 8000 High Density Polyethylene Pipe (Drisco8000) of the potential for material degradation. Degradation has been identified on pipe between one-half inch to two inches in diameter that was installed between 1978 and 1999 in desert-like environments in the southwestern United States.

However, since root causes of the degradation have not been determined, PHMSA cannot say with certainty that this issue is isolated to these regions, operating environments, pipe sizes, or pipe installation dates.

While the manufacturer has attempted to communicate with known or suspected users, PHMSA and the National Association of Pipeline Safety Representatives (NAPSR) have identified several operators currently using Drisco8000 pipe who had not received communications about the issue.

PHMSA is issuing this advisory bulletin to all operators of Drisco8000 pipe in an effort to ensure they are aware of the issue, communicating with the manufacturer and their respective regulatory authorities to determine if their systems are susceptible to similar degradation, and taking measures to address it.

The pipe discussed in this bill primarily includes the Drisco8000 pipe. I spent eight weeks gaining an understanding of the issues and concerns of Southwest Gas, the gas utility in this case, and the PUCN.

Southwest Gas and the PUCN reached an agreement regarding an appropriate process for addressing the identified pipe types, which resulted in the amended bill before you today.

Some of the issues and concerns discussed included the pace—how much and in what time frame the pipe would be replaced—subject to PUCN oversight and determination in this proposed amendment (Exhibit C) and the impact on customers' rates. We discussed a cost recovery mechanism that provides a timely cost recovery for a utility but neither an opportunity for excessive returns nor assurance of customer protection.

The proposed amendment accomplishes those goals.

Under this amendment, in exchange for the ability to have a stable predictable process under complete PUCN oversight and recover costs associated with replacing this pipe through an accelerated recovery process, Southwest Gas has agreed to accept a reduced return on investment (ROI).

To summarize, PHMSA is issuing the advisory bulletin to all operators of Drisco8000 pipe to ensure they are aware of the issues and communicating with the manufacturer and its respective regulatory authorities to determine if such systems are susceptible to similar degradation. The advisory bulletin states that gas utilities need to work with their regulatory authorities and take measures to address them. That is what this bill was designed to do.

This bill addresses a known concern in a fair and responsible way to ensure Nevada's infrastructure is reliable and safe and the pipe in question is replaced at a reasonable pace with full PUCN oversight and safeguards for the ratepayer.

Many people have received emails making untrue statements. I will review a few of the false talking points.

First talking point: <u>S.B. 116</u> is bad for ratepayers and would make gas customers pay billions of dollars to unnecessarily replace thousands of miles of existing gas distribution infrastructure.

Gas customers over time will eventually pay for all gas distribution infrastructure to be replaced at the authorized rate of return applicable to all Southwest Gas capital improvements. The PUCN will almost certainly find that replacement of this pipe is prudent, and, as usual, the cost will be passed onto the ratepayers.

Thousands of miles need to be replaced but not all at once. Replacement will be over an extended period. This replacement is not unnecessary; it is necessary per the PHMSA advisory bulletin.

However, under this bill with a reduced ROI, the ratepayers will pay less for the replacement of this suspect pipe compared to when the utility seeks recovery of costs through the general rate case process with the PUCN.

Second talking point: The bill will provide little oversight from the PUCN.

The PUCN will have full oversight. The PUCN's concern with previous versions of this proposal was its inability to review the prudence of expenditures and protect customers from unjust unreasonable rates.

It is unreasonable to think the PUCN would suddenly abandon its concerns or responsibility and agree to this amendment if it limited PUCN oversight. I question the credibility of the people spreading this untrue narrative.

Third talking point: The bill will burden Nevadans experiencing historically high gas bills with volatile methane gas prices.

Under this bill as amended with the reduced ROI, ratepayers will pay less for the replacement of this suspect pipe.

I cannot dispute that natural gas prices have increased, but do you know what has increased more than natural gas? Electricity. If costs to consumers are a real concern, they should stop pushing higher-cost energy options.

Fourth talking point: This bill would take a step in the wrong direction from achieving our State's clean energy and net-zero emissions goals.

To the contrary, replacing this pipe will not only improve safety and reliability but reduce emissions by reducing the risks of leaks.

My environmentalist friends view this bill and natural gas in general as a manticore to be slain. A manticore is a mythical beast typically depicted as having the body of a lion, the face of a man and the sting of a scorpion.

They oppose this bill because they want a trophy, something to brag about. They have legitimate environmental concerns. I do not expect them to abandon their goals, but I ask that they acknowledge logic when confronted with it.

These are the facts. Real concerns have been identified regarding the pipe covered in this bill. This bill only applies to the replacement of the pipe identified in this bill.

Natural gas will be a vital part of this Country's energy portfolio for at least several generations into the future and is included as part of our Nation's energy future by President Joe Biden.

When consumers have the choice between natural gas and more expensive electricity, they are choosing natural gas, 50-year natural gas infrastructure assets are going into the ground every day in Nevada.

Under this bill, ratepayers will pay less than the otherwise authorized rate of return to replace the pipe.

Other than wanting to oppose natural gas as a mythical animal to be slain, there is no logical reason for any critical-thinking person to oppose this measure.

People may bring up concerns like single-issue ratemaking, which already exists in Nevada statute and regulation. But what does not exist anywhere in Nevada law is a process allowing the PUCN to implement an ROI less than that in this bill.

Additionally, more than half the states have recognized the need for infrastructure replacement tracks and have similar mechanisms.

People may suggest that natural gas infrastructure assets could become stranded assets. Under that theory, the asset would become obsolete because fewer people will be using natural gas in the future.

Natural gas will be a vital part of our Nation's energy future. New gas infrastructure is being installed every day. There are more customers, not less, and natural gas has already helped our State move closer to its net-zero emission goals by replacing coal.

Real people at the end of these pipes want a reliable, safe product delivered in a reliable and safe infrastructure. Yes, the gas utility has the responsibility to ensure that happens, but it is not the only one with that responsibility.

The State has a role to play through the PUCN. The Legislature has a role to play in addressing this situation and replacing this pipe in a systematic, prudent, responsible and efficient manner. This bill will do that, so the Legislature can fulfill its responsibility by passing this bill.

I will run through the bill, but keep in mind I do not know all the technical details. We have the PUCN and others who can answer questions.

Sections 2 through 5 provide definitions and a few other provisions. Section 6 allows the gas utility to apply to the PUCN, which regulates the pipe replacement process that I discussed earlier. Section 7 pertains to the recovery of costs. Section 8 covers the labor standards and bid process agreed to by Southwest Gas.

DANNY THOMPSON (International Union of Operating Engineers Local 12 and Local 3):

An old adage often used in law enforcement is, "if you can predict it, you can prevent it." This bill is not an environmental bill; this is not an environmental problem. This is a safety problem that exists, and we know about it; therefore, we can prevent it from becoming a bigger problem.

When the company became aware of the thousands of miles of that pipe, it came to the Legislature with a solution. The bill was not heard last Session for numerous reasons, but we are here to rectify this safety problem.

It is a safety problem for your constituents because your constituents live on top of this pipe. It is not a matter of whether it happens but when it will happen and how bad it will be.

This bill would prevent a problem because if you replaced this pipe during the normal course of business, it would take 120 years. We urge your support of this bill.

TOM MORLEY (Laborers' Union Local 169 and Local 872):

I represent Laborers' Union Local 169 in the north and Laborers' Local 872 in the south. This is not only a safety bill but a jobs bill, and we support it.

PAUL CATHA (Culinary Workers Union Local 226): We echo the comments of the other supporters.

MARC ELLIS (President, Communication Workers of America Local 9413): We echo the comments.

GREG ESPOSITO (Nevada State Pipe Trades):

I have worked with this pipe; I have worked with gas pipe. I have dug up old gas pipe. I have seen pipe crumble in my hands once it comes out of the ground after it has been there for a while and not properly sleeved and installed.

I am personally aware of how dangerous the pipes are under the streets of Las Vegas. This bill was proposed two Sessions ago and again last Session. I have been worried ever since that something was going to happen without us having acted first. I urge passage of this bill so we can start repairing the leaking pipes under Las Vegas.

JUSTIN BROWN (President, Southwest Gas Holdings):

This bill does not invent new infrastructure replacement opportunities. The work is occurring now and will continue to occur with the focus on safety by Southwest Gas and its Pipeline Safety Division.

Without this bill and modernization of our regulatory framework, the pipeline replacement will cost everyone more. Southwest Gas is assuming greater risk in the short term by not proactively replacing more facilities known to present greater risk within the industry than what we can do under the regulatory framework.

This legislation is necessary and complementary to the existing regulatory process in place, enhances safety and reduces short-term risk by supporting an increased level of proactive replacement of specific pipe types known within the

industry to present a greater risk and helps bring down the long-term costs of infrastructure replacement for the benefit of all consumers.

The bill empowers the PUCN to provide greater oversight of these projects and to assign a lower return on equity (ROE), which means short-term work is performed at a discount for the benefit of customers. It supports the utilities' ability to develop and maintain a more consistent contractor base, helping attract and retain local contract labor, creating jobs and supporting the local economy.

The bill creates new customer protections, including clawback provisions to ensure no overpayment potential for discounted ROEs and PUCN oversight for controlling what projects are targeted and the pace of that pipe replacement.

TODD INGALSBEE (Professional Fire Fighters of Nevada):

Gas leaks are dangerous for our members when we respond and for your constituents. Therefore, we support this bill. Beyond gas leaks, a lot of these explosions are more dangerous and deadly, and we are seeing them across the U.S. We ask the Committee to support this bill.

RICK McCann (Nevada Association of Public Safety Officers):

I am a member of the Nevada Law Enforcement Coalition. You know why I am here. This is a public safety matter. All the other stuff, the other 127,000 pages to get to the other stuff, deal with it. We are dealing with public safety. This situation deals with protecting the community, cops and firefighters. We will always be here to support public safety.

JOHN ABEL (Las Vegas Police Protective Association):

The Las Vegas Police Protective Association, along with our firefighter brothers and sisters, respond to these gas leaks, and most of my members have natural gas in their homes. I want to ensure that the infrastructure is as safe as possible. For these reasons, we support this bill.

JAKE McNeill (Laborers' Union Local 169):

I am here as a member and a representative of the Laborers' Union Local 169. We support this bill as well.

JOHN SANDE (Western States Petroleum Association):

Fuel supply into all of Nevada, particularly Las Vegas Valley, is of tremendous importance. Few pipelines run into the Valley and support the Valley.

You might have noticed that before Session started, a disruption of fuel supply had a profound impact on the economy. Pipe replacement is vital for the economy and the safety of Las Vegas and Nevadans. It benefits all ratepayers and deserves to be funded by ratepayers.

GLEN LEAVITT (Nevada Contractors Association):

The Nevada Contractors Association represents over 450 contractors, subcontractors and industry affiliates primarily in southern Nevada. We support S.B. 116.

LINDSAY KNOX (Nevada Home Builders Association; Southern Nevada Home Builders Association; Builders Association of Northern Nevada):

We support a safe and modern natural gas system in Nevada so that we can continue to provide options for our builders to include natural gas services in new homes. We support this bill because the reliable gas system is a benefit to all of our members and customers.

ALEXIS MOTAREX (Nevada Chapter Associated General Contractors): This bill will provide jobs and enhance safety, and we support it.

BRYAN WACHTER (Retail Association of Nevada):

We are in strong support of <u>S.B. 116</u>. Nevada's economy is our lifeline. It is important to have strong and safe infrastructure to enable us to continue growing our small businesses. We urge the passage of this bill.

Susie Martinez (Nevada State AFL-CIO):

On behalf of over 150,000 members and 120 unions, the Nevada State AFL-CIO is in full support of  $\underline{S.B. 116}$ .

REGAN COMIS (Nevada Mining Association):

We voice our support for S.B. 116.

TERRY GRAVES (Nevada Manufacturers Association):

Many manufacturing operations rely on natural gas. We are in support of the bill.

ROB BENNER (Building and Construction Trades Council of Northern Nevada): We are in support of this bill.

BOBBY ERNAUT (TC Energy): We are in support of S.B. 116.

ANDY DONAHUE (Southern Nevada Laborers-Employers Cooperation and Education Trust):

We are in support of this bill and the lifeline it represents to every part of our diverse community, especially the lifeline to resolving the urgent public safety matters as described.

JASON BEGUN (Las Vegas Police Protective Association, Civilian Employees): The Las Vegas Police Protective Association, Civilian Employees, represents the civilian employees at the Las Vegas Metropolitan Police Department. We are in support of S.B. 116.

PETER GUZMAN (President, Latin Chamber of Commerce Nevada):

We fully support this bill for safety reasons, echoed by many of my colleagues, and for economic development. This will create incredible paying jobs; the Latin Chamber of Commerce Nevada is always about creating great jobs.

SHAWN THIBEAULT (President, Henderson Police Officers Association):

I will double down on the predictable prevention comment. The improvements to this infrastructure in <u>S.B. 116</u> will undoubtedly enhance the safety of our communities and mitigate the risk of a potential disaster harmful to the community that would require emergency service responses. As first responders, we support this bill.

CHRISTI CABRERA-GEORGESON (Nevada Conservation League):

We strongly oppose <u>S.B. 116</u>. The gas modernization proposed in this bill is unnecessary, not in alignment with our decarbonization goals and bad for ratepayers. There is already an effective process for replacing aging or leaking pipes. Earlier this Session, the PUCN testified that Nevada is rated No. 1 in the Nation for pipeline safety.

A bill before the Legislature this Session would provide long-term planning for gas utilities. We need more transparency and input when discussing gas

infrastructure, not less. Nevada produces almost no gas and spends \$1.4 billion every year on out-of-state fossil fuel.

This wholesale replacement of the existing gas system would lock in our dependence on fossil fuels for decades, even as new more efficient technologies become available.

Nevadans are experiencing historically high gas bills, and volatile methane gas prices are largely to blame. Our overreliance on gas puts consumers at risk, and they should not be burdened more than they already are. This is not the time to increase rates even more by saddling gas customers with billions of dollars in costs to replace pipelines.

We submitted a letter (<u>Exhibit D</u>) in opposition that goes through our concerns in more depth, but we will leave it at that and urge the Committee to oppose this bill.

ERNEST FIGUEROA (Consumer's Advocate, Bureau of Consumer Protection, Office of the Attorney General):

It is important to remember that Southwest Gas is a State-sanctioned monopoly mainly exempt from our State antitrust laws and regulated strictly by the PUCN. As a Nevada-sanctioned monopoly, Southwest Gas has a duty to provide reliable and safe service, replacing pipes that leak and are no longer reliable. To its credit, it has operated one of the safest systems in the U.S.

I am opposed to <u>S.B. 116</u>. First and foremost, t

his legislation is insensitive to the Southwest Gas ratepayers. For example, in southern Nevada, the rate division affected most by this legislation is a single-family residential customer who has seen average monthly Southwest Gas bills increase 116 percent from April 2021 through April 2022.

Ratepayers are angry, confused and venting on social media, neighborhood applications and to this Body, asking why this is being allowed. No doubt S.B. 116 would add additional charges to ratepayer gas bills as rate increases are expressly allowed in the proposed amendment.

Second, <u>S.B. 116</u> is extravagant, over and above what is necessary. It would be one thing if the proponents of <u>S.B. 116</u> could state that while the bill would increase rates, it would at least add a benefit of serving an important function

that does not currently exist. But that is not the case. Southwest Gas is already required to replace unsafe pipes under statute and regulations. Therefore, everything that <u>S.B. 116</u> seeks to accomplish with safety is already being accomplished through the existing regulatory process.

Third, <u>S.B. 116</u> is costly. The cost of accelerating pipeline replacement is above and beyond what is required by federal safety regulations. Using conservative estimates, the cost is in excess of \$3 billion. Unfortunately, our ratepayers, mostly in southern Nevada, would be footing this bill for many years to come because most of the Drisco8000 pipe is in southern Nevada.

Fourth and finally, as Nevada moves toward a zero-carbon future, new investments in fossil fuel infrastructure should be scrutinized, not expedited. New pipe has an estimated useful life of 50 years and carries an obvious risk of stranded assets.

There is a challenge in managing costs for the shrinking base of captive ratepayers. As wealthier customers take advantage of incentives to electrify or purchase new all-electric homes, a smaller rate base of Nevada's less fortunate citizens will be left to pay for the gas system. Effectively navigating this transition requires the type of prudent, thoughtful planning that <u>S.B. 116</u> is designed to preclude.

I submitted a 29-page FAQ document (<u>Exhibit E</u>) regarding gas infrastructure replacement in Nevada. It could be helpful as you evaluate gas infrastructure replacement and gas modernization infrastructure in Nevada.

CHELSEA CAPURRO (National Resources Defense Council; Environmental Defense Action Fund):

Safety upgrades are not necessary for the Southwest Gas system, which is already comprised of materials—coated steel pipe protected from corrosion and plastic pipe—generally viewed as the most modern and lowest-risk categories.

According to data reported to the PHMSA for the Southwest Gas Nevada system, 48 percent of all pipeline miles of Southwest Gas and 54 percent of all services are less than 20 years old. This system has lower leak rates than the average of their peers falling in the lowest twenty-fifth percentile when evaluating the grades on services and means in cases where safety upgrades are needed.

The PUCN has the authority to review and approve gas safety investments to ensure they are necessary and in the best interest of gas customers. This bill may interfere with the Commission's ability to protect gas customers from both gas safety risks and unfettered costly gas utility spending. We urge your opposition.

ANGIE DYKEMA (Southwest Energy Efficiency Project):

The Southwest Energy Efficiency Project (SWEEP) is opposed to this bill because it is not aligned with our State's climate goals and creates a huge financial burden to Nevadans.

To become 100 percent clean power and zero greenhouse gas (GHG) emissions by 2050, we must reduce the use of fossil fuels like methane gas, not increase it by allowing an unnecessary expansion of pipelines with no requirement to look at alternatives or replacement projects which show no evidence of leaking or failure.

Recent research commissioned by SWEEP has shown the Southwest Gas system in Nevada is modern, consists of no piping materials considered to be leak-prone and is performing well by all metrics related to gas leakage.

While there will always be required investments to maintain a system's safety, no evidence supports the large-scale investments this bill would allow for Southwest Gas. This bill would weaken PUCN oversight authority and allow expensive and unnecessary projects to be built at significant cost to Nevadans.

Our existing process for replacing aging and leaking infrastructure is already effective. We do not need legislation to fix a problem that does not exist.

JERMAREON WILLIAMS (Western Resource Advocates):

This bill looks at replacing gas pipe infrastructure and assumes this is always the best course of action. This is done without considering alternative solutions that may be the better option and more cost-effective.

Replacing gas pipe infrastructure is expensive, and the cost is often shifted to customers already paying a high gas bill. The cost of this bill would disproportionately affect low-income households and small business owners.

We cannot continue investments in natural gas. The replacement of natural gas infrastructure systems created by <u>S.B. 116</u> would keep our State dependent on fossil fuels for decades to come. Western Resource Advocates opposes this bill.

JOANNE LEOVY (Nevada Clinicians for Climate Action):

I am a family physician and a member of Nevada Clinicians for Climate Action. We respect Senator Daly's amendment that appears to restore full authority to the PUCN. We hope that is true. We are not opposed to any needed repairs to dangerous infrastructure. However, we cannot support this modernization plan that allows for ongoing development of new natural gas infrastructure which is incompatible with the State's climate action plan.

Methane is a powerful GHG, facilitating climate change which the WHO has deemed the biggest threat to global public health. In addition to the greenhouse effect, methane extraction and processing uses harmful per- and polyfluoroalkyl substances known as PFAS, chemicals likely associated with reproductive, developmental and immune system effects that may cause cancer.

Methane extraction emits VOCs that form ozone smog associated with asthma, heart disease, reproductive harms and premature death. Children are especially at risk of harm for methane. When methane is burned, it releases harmful and carcinogenic chemicals including benzene, toluene and hydrogen sulfide.

In terms of jobs, instead of spending a lot of time and ratepayer money on this gas infrastructure modernization, I want the PUCN to modernize and upgrade electric infrastructure and the grid so we can move toward rapidly building electrification and transition to a clean, nonfossil fuel-dominated energy sector.

I have submitted an opposition letter (<u>Exhibit F</u>) on behalf of the Nevada Clinicians for Climate Action.

HECTOR FONG, JR. (Progressive Leadership Alliance of Nevada):

I am a lifelong Nevadan here on behalf of the Progressive Leadership Alliance of Nevada (PLAN) to testify in opposition of <u>S.B. 116</u>. The PLAN was started in 1994 by Nevada activists to build a more fair and just Nevada "that puts people and planet first." We have organized with frontline communities to hold extractive industries accountable to ensure all Nevadans can thrive with clean air and water.

Utility bills are too high, and working families are struggling to pay their Southwest Gas bills. Customers are often carrying the burden of its expansion. This month, Southwest Gas has increased its rate for the third quarter in a row. My neighbors and I have seen the increases in our gas bills. Most of your constituents have seen increases, and I am sure that most of the Committee members have seen these increases too.

Nevada needs to cut its reliance on fossil fuels, including methane gas, which is too dirty, volatile and expensive for Nevadans. Our utilities and State investments must focus on clean energy and home efficiency programs.

Spending on so-called gas pipe modernization puts our pocketbooks at risk. Gas modernization is completely unnecessary when Nevada should be investing in cost-effective renewable energy in a conscientious and just manner. There are already measures in place that require gas leaks to be immediately addressed and updated as needed.

We should be working toward reducing Nevada's dependence on out-of-state gas, not keeping us hooked on a fast track for new pipeline infrastructure projects and burdening consumers with the cost. We want a fossil-free Nevada. We ask the Committee to oppose S.B. 116.

LEONARD JACKSON (Executive Director, Faith Organizing Alliance):

Our mission at the Faith Organizing Alliance is to increase civic participation through faith-based organizations along with civic organizations. We in Las Vegas deserve a break to equal the playing field. I am here today in opposition to  $\underline{S.B.\ 116}$  because of its detrimental impact on gas utility customers.

This winter, Southwest Gas bills were at a record high and hurting Nevadan families. These families have sacrificed necessities—medicine, food, retirement savings and more—to afford the cost of heating their homes, cooking their meals and other expenses. The rate increases were primarily due to the price of methane gas skyrocketing this winter on top of repeated rate hikes which Southwest Gas has implemented in recent years.

Anything that increases Nevada's dependency on methane gas is moving in the wrong direction. States across the Nation are transitioning to energy-efficient homes powered by clean energy to lock in more affordable energy bills, reduce

indoor air pollution and tackle the climate crisis. Nevada, a clean energy-producing State, should be leaning toward a moment that will reduce cost for households and create thousands of clean-energy jobs.

# NIKOLAI CHRISTENSON (Sierra Club):

I am a volunteer member of the Sierra Club's Nevada Legislative Committee. On behalf of the Sierra Club, our members and Statewide supporters, I am speaking today in opposition to S.B. 116.

Let me be clear, there are laudable goals stated in section 6, subsection 4 of this bill, namely repairing methane leaks and mitigating risks to property and loss of human lives. We support these goals wholeheartedly. We appreciate the effort in the amendment to limit customer costs.

However, we still have serious reservations about this bill. We see no discussion in this bill of the necessity of Nevada reducing its overall use of methane gas over time as part of our State's decarbonization future. Moreover, we are concerned that spending excessive money on new gas infrastructure while heading into our decarbonized future will result in numerous stranded assets for customers.

We should not be funding new gas infrastructure that will end up being retired before it is paid for, especially since it will be those who do not have the financial resources to transition off methane gas quickly who are likely to bear the financial burden for any new infrastructure we build now.

We want to plug leaks and alleviate gas infrastructure that poses a risk to anyone in our State; adequate mechanisms are in place now to accomplish this. We have serious concerns about many aspects of this bill. I have submitted an opposition letter (Exhibit G) on behalf of the Toiyabe Chapter of the Sierra Club.

# SARAH STEINBERG (Advanced Energy United):

Advanced Energy United is an industry association comprised of businesses making the energy we use clean, affordable and reliable. I am here today in opposition to <u>S.B. 116</u>.

Nevada's gas system is relatively new for a gas utility. More than 80 percent of the Southwest Gas system has been installed since 1990, and only 8 percent of

the distribution system is older than 40 years. Most of the gas system is made of materials with the typical longevity of over 80 years.

In the southern part of the State, we get half the rate of comparable utilities. This means that relatively fewer capital investments are needed to maintain safe operation. All capital expenditures put upward pressure on rates; as such, they should be reviewed carefully and in context by the PUCN. Recently, the volatility of natural gas prices has exacerbated the energy burden, so additional investment should be scrutinized carefully for necessity and cost effectiveness.

This Committee is also considering S.B. 281.

**SENATE BILL 281**: Revises provisions governing natural gas utilities. (BDR 58-693)

This bill creates a more comprehensive gas integrated resource planning (IRP) process which offers a holistic look at the system and all available supply- and demand-side investment options to meet system needs most cost effectively.

The framework under <u>S.B. 281</u> offers a pathway within which a gas utility can propose replacement and modernization projects, while giving the Commission and stakeholders a fuller picture of the system and cumulative rate impacts of all proposed projects, essential to protecting ratepayers.

Moving both <u>S.B. 116</u> and <u>S.B. 281</u> at the same time would erode benefits of a system-wide optimization that takes place in an IRP and create a duplicative process, stressing resources of the Commission, utility and stakeholders.

# RACHEL RAKOWSKI:

I am a Nevadan who opposes this bill because it does not align with our climate goals, and everybody in support of this bill seems to have something to gain from it in the short-term. However, all of us have a lot to lose with this bill in the long-term because of climate change. We need to stop investing in the fossil fuel industry and put all of our energy, time and money into developing renewable clean energy.

MERCEDES McKINLEY (Moms Clean Air Force):

I am the Nevada coordinator of Moms Clean Air Force, and I represent EcoMadres, which is our Latino Hispanic engagement program.

As a lifelong Nevadan and former Clark County School District teacher, I am concerned about the health of our children. I left a polluted environment and moved to East Las Vegas. I later moved to a nice clean air neighborhood in Henderson.

When I moved to Nevada, I did not have a choice. I was forced to take a methane stove and become a Southwest Gas customer. I then learned about the health dangers that methane poses for all of us but especially for my two-year-old daughter whose lungs are still developing.

I echo most of the points brought up by people who oppose this bill. We support fixing gas infrastructure, but as said, systems are already in place for Southwest Gas to repair its infrastructure.

Developing more infrastructure for methane goes against our Nevada climate plan. For all of those reasons and for the health of our children and our future, we oppose S.B. 116.

## MARY DUNGAN:

I am here to oppose <u>S.B. 116</u>. This bill would put an undue and unfair burden on gas customers, including myself. It would take us in the wrong direction of achieving our clean energy and zero-emission goals and moving away from the use of fossil fuels.

More importantly, it affects consumers already experiencing historically high bills. I live alone in a small one-bedroom apartment, and I only use gas for my hot water heater and clothes dryer. Over the last six months, my gas bill has gone from \$32 a month to \$108 last month.

Last month, my electric bill was only \$40. This is inexcusable and unfair for customers, including me, to be the ones that finance gas company projects when we are already strapped financially. I urge all of you to vote against <u>S.B. 116</u>.

## KELLY TROMBLEY (Ceres):

Ceres is a nonprofit sustainability organization with over 200 members in our investor network. Collectively, we have over \$60 trillion in assets under management. Ceres has over 80 members in our Businesses for Innovative

Climate and Energy Policy network, a coalition of major employers, leading consumer brands and Fortune 500 companies, many with operations in Nevada.

We respectfully comment in opposition to <u>S.B. 116</u> and want to share some private-sector concerns with this bill.

First, as large employers and major energy consumers, our members understand how energy resource decisions affect the cost of doing business. Like many leading businesses, they have set goals to cut emissions, invest in clean energy and reduce energy use.

Eighteen out of Nevada's 20 largest employers have set targets to procure renewable energy or reduce their energy consumption. That is because these commitments make business sense, helping businesses hedge against volatile fossil fuel prices of which natural gas has been particularly unpredictable.

This bill is presented against the backdrop of no formal gas infrastructure planning process in Nevada. As a result, there is a lack of stakeholder access, transparency and oversight as to understanding whether gas infrastructure project expenditures are prudently encouraged. It is likely that more competitive, less-polluting options may never be fully considered.

Investment decisions must be carefully and holistically considered as to whether they increase the likelihood of stranded assets in the future and hinder investment and competitive renewable energy storage and demand-side management. Unfortunately, this bill does the opposite, and we urge your opposition. Please consider the clean energy transparency and cost preferences of Nevada businesses as you evaluate this bill.

## TRACY BYRD (CHR, Inc.):

I am calling on behalf of CHR—Caring, Helping & Restoring Lives—, Inc., led by Dr. Mary L. House, our President and CEO. Many of the people CHR helps are considered low-income utility customers who often have a higher energy burden than wealthier customers.

We oppose <u>S.B. 116</u>. We did not support this bill when introduced in 2021, and our stance has not changed. I want to echo all the comments made in opposition today. This bill is completely unnecessary. A process for replacing old or leaking pipelines already exists with oversight from the PUCN.

Instead of further hooking us on these expensive systems, we must find ways to help families reduce their dependency on methane gas because it is a volatile and expensive fossil fuel. This past winter, Southwest Gas customers saw their gas bills double, triple, even quadruple because of soaring gas prices. Low- and fixed-income households suffer.

We need to chart a path forward that does not tie Nevadans to methane gas and these systems for decades to come. Please join me in opposing this bill.

## **ERIC JENG:**

I agree with all the previously mentioned points of opposition. I advocate for the fast-growing number of Asian/Pacific Islanders and their hardworking families here in Nevada. We cannot afford the financial burden or environmental cost of this bill and ask the Committee to oppose S.B. 116.

GARRETT WEIR (General Counsel, Public Utilities Commission of Nevada):

I wish to express our appreciation for the early outreach from Senator Daly on this bill. As he mentioned, there were bills in prior sessions where the PUCN did not have as much of an opportunity to be engaged on the front end as we were this time around.

Through hard work primarily with Southwest Gas, we have established a reasonable framework in this language that facilitates timely replacement of suspect pipe while still protecting customers from excessive costs and rate impacts.

If the Committee has any questions about the implementation of this bill by the PUCN, I would be happy to attempt to answer them.

## SENATOR HAMMOND:

We have heard testimony today for and against the bill. During testimony in talking about ratepayers, someone mentioned that this bill provides a better deal for ratepayers than the current structure. Is that an accurate statement?

## Mr. Weir:

It depends on the timing of rate cases and when costs are included in rates. In rate cases, if replacement costs are determined to be prudent, costs are incorporated and recovered in the rates charged to customers. To date, no one in Southwest Gas rate cases has argued that these are not prudent

expenditures. But when those replacements are under the status quo, those costs would receive a return at the full authorized rate set by the Commission. Under this proposal, a lower rate determined by the Commission would apply to these particular costs. This could be an elegant and creative solution to this problem. We have not gone through the exercise yet at the Commission, but it could theoretically reduce costs compared to the counterfactual costs being recovered through the normal ratemaking process.

## SENATOR HAMMOND:

That is helpful.

## SENATOR HANSEN:

How much of the electricity produced in Nevada comes from natural gas?

#### Mr. Weir:

I will have to get back to you with exact numbers there. I do not want to speculate.

# **SENATOR HANSEN:**

Would you estimate it at 75 percent or even 90 percent?

# Mr. Weir:

A large percentage.

# **SENATOR HANSEN:**

It is important. I have been doing my homework. In 2004, the U.S. produced 1,674 million metric tons of carbon dioxide, our "carbon footprint." By 2020, we reduced that to 1,286 million metric tons for a net drop of 388 million metric tons. In 2004, China's production was 1,493 million metric tons of carbon dioxide. In 2020, it had jumped to 2,906 million metric tons, an increase of 1,413 million metric tons in 16 years.

We are hamstringing our industries. We have people convinced we will die from global warming in the not-too-distant future. While we have taken actions and reduced our carbon footprint by 388 million metric tons over the last 16 years, China has expanded its carbon footprint by 1,413 million metric tons.

I do not understand certain testimonies. Mr. Figueroa, the Consumer's Advocate, talks about further eliminating the use of gas that is a carbon fuel,

yet China built 30 coal-fired power plants last year. At the same time, he worries about prices going up and people on the phone talking about gas prices skyrocketing. At what point will the PUCN stop saying we need to stop eliminating the natural gas production method of creating electricity?

Is there a relationship between the amount of natural gas production in the U.S. and the cost to produce energy inexpensively for the poor people in our Country?

# MR. WEIR:

I am not sure what the question is. The PUCN implements the State's policies. Transitioning the portfolio of energy resources to those that are carbon-free, is in compliance with State policy, the renewable portfolio standard. We try to implement these State policies as cost effectively as possible.

## **SENATOR HANSEN:**

It is important for people in the audience to realize that all our best efforts in the U.S. are being offset by China. I realize this is way off topic for you, but as we discuss these issues going forward, in this Body especially, we need to understand that we all share the same environment. When China is producing so much more carbon dioxide than the U.S., all our efforts are totally worthless, superfluous.

By the way, how long have you been with PUCN? Were you there in 2013 when we had a big fight to disallow Warren Buffett from buying NV Energy because that would become a monopoly under your jurisdiction? The Nevada Legislature allowed NV Energy to become a monopoly when it should have remained a public utility.

## Mr. Weir:

I have been at the PUCN for around 13 years.

# SENATOR HANSEN:

Then you were there during that window. It is important as we go forward with these issues to recognize the absolute essential nature of natural gas to our future for electrical production. If we think we will switch 100 percent to solar and wind or whatever, you only have to do the math to realize that is not going to happen.

If we continue down this path, the cost for the poorest people in our State and our Nation will continue to skyrocket, and people will continue to call and complain about the rising prices. Prices will continue to increase as we reduce production of natural gas and other forms of fossil fuels in our Nation, and it will continue to get worse for the poorest people in our Country.

# CHAIR HARRIS:

Senator Hansen, most public utilities are monopolies, which is why they need their own separate regulator because there is no market competition to check behavior and prices. But they are all monopolies.

#### SENATOR HANSEN:

Well, kind of, but that is because Mr. Buffett bought a series of public utilities throughout the West. Prior to his purchase of NV Energy, it was controlled by the PUCN and was considered a publicly traded company.

## CHAIR HARRIS:

Not quite. The PUCN has been regulating NV Energy since NV Energy has existed. It is a public utility, hence it is registered by the PUCN, but that is separate from whether it is owned by a private company.

## SENATOR HANSEN:

You and I can take it up afterward, but I will tell you right now that as of 2013, Warren Buffett did not own NV Energy and now he does.

## SENATOR DALY:

This bill is not in conflict with any other piece of legislation coming forward, and the other legislation does not cover this particular issue. It is a gas planning bill, so I do not know why people are opposed to that because we are planning for gas. Is gas the scourge of the world? No. It is a fossil fuel, but it is cleaner than coal. Although we are making transitions all across the Country, natural gas will be a part of our Country's energy future for multiple generations.

We have a live issue right now of concern: suspect pipe that needs to be addressed is the genesis and why we are bringing this bill. As we have heard, this bill does not interfere with the PUCN's oversight. If the PUCN did not have the oversight it needs to implement this bill, then it would not have agreed to the amendment.

This is not a new expansion of gas infrastructure. It addresses an issue of existing infrastructure that will not last as long as predicted, and it needs to be replaced. The PHMSA Advisory Bulletin addressed the issue, and everyone is supposed to be working on it.

Senator Hansen brought up that a large part of the electricity we use in this State comes from burning natural gas. Spend time around this building long enough, and you will hear all of the stories. Gas was perfectly fine and acceptable and the bridge fuel when we were trying to kill coal. Coal was dirty and gas was better. But when you make that transition, you will not do it overnight, and it will last for some time into the future.

Another Committee Chair reminds us all the time that if you state an opinion as if it is a fact, you should back it up. I have heard a lot of opinions.

I have two months invested in this amended bill, so I am hoping we can pass it and move forward.

## CHAIR HARRIS:

Before we close out the hearing, I will invite Mr. Weir back up. My apologies, I neglected to ask one question. Is it the PUCN's opinion that there is a risk that some of this pipe will harm consumers if we do not pass this bill?

#### Mr. Weir:

That is part of the tension in this discussion. As you heard from Mr. Figueroa, the PUCN Consumer's Advocate, a utility has an obligation to provide safe and reliable service. In the course of fulfilling that duty, costs are part of the normal course of business, and the utility would have to recover those costs in the normal course of business.

This bill provides a mechanism for more timely recovery. When I answered Senator Hammond's question, I may have neglected to mention that the reason the timing matters is because there is accelerated recovery through this rate mechanism versus waiting until the costs are included in a rate case.

The Commission has not found that it presents the kind of imminent risk that would trigger that duty for Southwest Gas to replace the pipe in the normal course of business.

However, the Commission has recognized a heightened risk relative to other pipe. As a result, there is an existing framework established by the Commission in regulation for gas infrastructure replacement. It just does not provide for the same quarterly adjustments and other timing included in the amended bill.

There have been contentious proceedings, but the Commission has in the past recognized a heightened susceptibility to early degradation for this type of pipe.

## CHAIR HARRIS:

Is it fair to say the PUCN is not worried of some imminent threat with the pipes underneath our grounds?

## Mr. Weir:

I cannot make any definitive declarations as to the degree of risk. There is risk with anything. You would have a 100 percent reduction of risk if we replaced everything early. It is a balancing of the costs versus reducing the risk. The balance has not required the replacement of that susceptible pipe. But relative to other pipe, it has certainly been identified as riskier.

#### CHAIR HARRIS:

Assuming there is risk, the risk level is acceptable to the Commission?

## Mr. Weir:

The Commission has not proactively required the accelerated replacement as part of the normal course of business for the gas utility.

#### CHAIR HARRIS:

Thank you, sir. We will close out the hearing on  $\underline{S.B. 116}$  and open the hearing on S.B. 356.

**SENATE BILL 356**: Revises provisions relating to electric utilities. (BDR 58-865)

# SENATOR ROBERTA LANGE (Senatorial District No. 7):

Over the past few Legislative Sessions and through the efforts of this Committee, Nevada has set aggressive carbon reduction goals. <u>Senate Bill 356</u> will help Nevada accelerate this progress toward reaching these goals.

This bill builds on the progress achieved through current energy efficiency programs offered to customers of electric utilities. The bill expands the tools

available to reduce customers' energy burden and reach our climate goals. It will help ensure that Nevadans benefit from federal funds available from the recently passed Inflation Reduction Act of 2022 (IRA).

I have a proposed amendment (Exhibit H).

MARIE STEELE (Integrated Energy Services, NV Energy):

I will talk about a way to accelerate the aggressive goals the Committee and this Legislature have put around carbon reduction and renewable energy development.

<u>Senate Bill 356</u> builds on the progress achieved through energy efficiency programs offered to customers. It expands the tools we have to reduce the customers' energy burden and to reach our climate goals.

From a broad perspective, we have four goals. The first is optimize. We want to optimize federal funding to unlock benefits for NV Energy customers. We are already doing this work related to our stakeholder groups for different customer programs with various State agencies that have federal funding and the Nevada Clean Energy Fund as well.

Second, we want to better align our customers' programs with Nevada's net-zero carbon policy. Our energy efficiency programs are specifically related to kilowatt-hour reduction and program design tools and services to meet those GHG goals while maintaining energy efficiency as a pillar. This does not replace conservation; we are expanding the things we can do for our customers.

Our third goal is to expand. We are expanding solutions and options for NV Energy customers and our grid operators to meet these carbon reduction goals to better optimize and integrate renewable energy into our system.

Finally, we want to transform our customer solutions into a meaningful grid resource that benefits all customers.

We have discussed the broader integrated resource planning (IRP) process. The purpose of our demand-side management programs is to create an alternative to generation. We are looking to create an ability for demand-side management to include programs for conservation and supply; this broader planning process is something we have been looking at for quite some time.

About a year and a half ago, NV Energy created the Integrated Energy Services business unit because some customer programs created through policy were in different areas and organizations not optimized for the grid and our customers.

Our customers do not care about the regulatory treatment or to which plan their solutions are put forward. My team has put all the customer programs together into an integrated grid planning group. Our goal is to optimize all of those solutions for the benefit of all customers.

Specifically, <u>S.B. 356</u> addresses two of those customer programs, the energy efficiency and conservation plan and the distributed resources plan. But other plans relate to transportation electrification, renewable energy and more under that broader umbrella of the IRP.

For the energy efficiency and conservation plan, <u>S.B. 356</u> expands the scope of program offerings to better achieve Nevada's net-zero carbon goals. It reduces the energy burden on low-income customers by requiring programs to be designed to provide energy savings.

Last Session, as part of S.B. No. 448 of the 81st Session, a commitment of around 10 percent of expenditures related to low-income programs. We are proposing to ensure that the benefits get there; not just how much money we are spending on potentially more expensive programs that are not as cost effective, but to drive our program design to outcome versus spend.

There is a cost recovery reform to remove the disincentive to invest in energy efficiency and ensure that conservation and generation are on equal footing from a financial perspective.

The second program is the distributed resources plan, and  $\underline{S.B.\ 356}$  updates numerous definitions. The proposed amendment cleans up definitions and allows for the plan to consider the needs of historically underserved communities.

Our distributed resources plan allows for locational net benefits. It is very much a system-specific plan where battery storage, renewable energy and all our distributor energy resources are defined. We are proposing to add the ability to evaluate the needs of those communities. Those definitions were created last Session in S.B. No. 448 of the 81st Session.

We are still working with stakeholders on <u>S.B. 356</u> to ensure that we can meet the State's goals. Some topics you will hear from the many stakeholders include ensuring the protection of traditional conservation programs. Since energy efficiency is the pillar of conservation, we are proposing to add tools, not take them away.

Energy supply initiatives will continue to remain separate from the energy efficiency and conservation plan. There is a definition related to thermal solar in the existing energy efficiency definition. We want to make it clear that we are not trying to put supply inside of the conservation plan. Certainly, solar would remain in the distributed resources plan and obviously in the IRP related to supply. The whole point of conservation is to compare it to generation/electricity production.

Nothing in this bill prohibits any other ownership option. We are making sure utility ownership is there. Our customers wanted more ownership options which the bill will provide.

Why is flexible load so important? In Nevada, we have excess solar capacity most hours of the day, most months of the year. We want to use more tools to utilize the existing capacity we already have.

That is the point of this, we want to grow more flexible load. For example, the PUCN has already approved moving our off-peak times for electric vehicles from 12:00 a.m. to 12:00 p.m. to put this new load where we have excess renewable.

We are avoiding the curtailment of renewable energy and have already approved tariffs. We are already working on expanding demand response technologies, which are more than just thermostats. We are also implementing a Distributed Energy Resource Management System to facilitate more integration of that flexible load.

What does excess capacity mean? We have the ability to serve some of this new load with existing resources, and the proposals in front of you give us more tools in the toolbox for the benefit of all customers.

#### SENATOR LANGE:

I met with Senator Pazina over a couple of weeks, and we merged her bill and my bill together to craft <u>S.B. 356</u>, that meets both of our goals. We met with stakeholders for a couple of weeks hammering out good language to accomplish the amended bill.

### SENATOR HANSEN:

Section 4, subsection 11, paragraph (a), subparagraph (5) of the bill states, "reduce energy consumption by low-income users." Is increasing prices not one of the most effective ways to do that? Typically, higher prices drive down demand and consumption.

I am mentioning this because we recently received numerous phones calls from upset people about the rising home gas utility bills. To what do you attribute the current cost increases?

## Ms. Steele:

This bill allows the ability for tariffs, via the cost of energy and sending those price signals for when it is most expensive to use and produce energy. That is a big part of what the bill does.

Tariff design and price signaling is certainly a component of the strategy of bringing down the total cost of energy to all customers by utilizing existing capacity.

# SENATOR HANSEN:

But your goal in the bill is to reduce energy consumption by low-income users. That means high-income people probably are not nearly as affected as prices increase.

It appears we are singling out the wrong body of people who are probably using the least amount of energy in the first place. I am looking out for the little guy in all this because wealthier people can certainly afford whatever NV Energy charges. But people in those low-income brackets are already upset. If the trend continues, those energy prices are not going down.

#### Ms. Steele:

I may have misunderstood your question. The program and policy already in place focuses on programs to lower the energy burden for low-income and

historically underserved communities. Statute directs us to spend a certain amount of money on programs that do not necessarily help low-income customers. We are proposing to change the program to ensure benefits and savings specifically get to them.

From a broader perspective, on the rates and other ratepayers, we are utilizing existing capacity to put downward pressure on rates for all customers. NV Energy is doing many things to achieve our goals.

## SENATOR HANSEN:

You did mention keeping production down because it might expand our carbon footprint. Obviously, if you drive production down, costs go up. I understand the reason gas prices have gone through the roof in the last few years is because the U.S. has dramatically decreased our energy production, including natural gas. There has to be a relationship there.

## Ms. Steele:

Earlier I discussed programs we are proposing to utilize existing capacity in different months and hours. It is not just a reduction, we are utilizing what we already have from price signaling in different program designs.

## **SENATOR HANSEN:**

China has dramatically expanded its carbon footprint in the last few years. Nevada is producing about one million metric tons of carbon dioxide a year, and China has increased its production to 1,413 million metric tons in 16 years.

Whatever we are doing here, we still share the same atmosphere with China. Are we spinning our wheels? Is NV Energy looking at the global picture because we are reducing our carbon footprint in Nevada but all of our efforts are being offset by China and other countries.

## Ms. Steele:

We serve Nevada, so we are focused on Nevada, but we are managing and watching global trends. Given GHG reduction, it also affects local air quality as well.

In transportation electrification and similar things, we are utilizing renewable energy. It is a resource here as well, so moving programs to utilize more renewable energy will also provide local air benefits related to transportation

electrification. I hear your global perspective, but we can optimize opportunities here in Nevada.

## SENATOR HANSEN:

I salute you for doing this under our policies. I am looking at the big picture. We are absolutely hamstringing our energy production and driving costs through the roof for the poorest people while allowing China to build 30 coal-fired plants a year, and it blows my mind.

## SENATOR SPEARMAN:

As I recall, it was 2017 when we had that omnibus bill, and distributed generation and energy efficiency were established as part of the IRP. How is that working? Because part of the IRP includes what you are saying now, I want to be clear that I understand it.

## Ms. Steele:

Senate Bill No. 145 of the 79th Session amended the renewable energy programs, which created the Electric Vehicle Infrastructure Demonstration Program and established the energy storage system. The distributed resources plan was defined and required by S.B. No. 146 of the 79th Session.

That was the point of the lengthy list of plans. We have found ourselves on the customer side of the distributed resources plan, and the integrated grid planning group is inside of Integrated Energy Services next to and partnered with all of the customer programs.

Although they are related to each other, the various plans all sit on their own islands. The programs are going well, but the point of the bill is to harmonize all of those things. How do we match all of them when some are filed at various times? This is the work we are already doing inside of our 2024 IRP. We are actively working toward a triennial IRP next year to harmonize all those things together. None of this is an either/or, it is an all.

Pairing them together, energy efficiency is defined in the proposed distributed energy resources, but they are in both things related to energy efficiency and conservation. We are looking at them together, we harmonize them together the best we can, but they are still two separate plans. But inside the 2024 IRP, all of them will be together as we look at a holistic IRP.

#### SENATOR SPEARMAN:

A lot of times it is split. And to my colleague who talked about the foreign country, when we start talking about renewable energy and making that switch, we have to recognize it will not happen all at once.

Senator Hansen mentioned low-wealth communities being harmed. If we do not pair energy efficiency with supply, reduction, distribution, and all the other components, I am not sure that we can reduce GHG as most people want us to do. That is because so many people are still living in homes with inadequate R-factor insulation, single-pane windows, inadequately insulated doors and a lack of other energy-saving things.

In 2017, we were talking about how to marry those things so they are not competing interests. One must complement the other because if you do not have energy efficiency, you can forget it because the appetite for energy is too big.

## Ms. Steele:

We recognize that as well. The Integrated Energy Services business unit was created to harmonize all those things together because it will take all of it. Our customers want different technologies, and we help them evaluate all of them.

It is renewable energy development. It is utilizing existing resources such as natural gas and then transforming these customer solutions into a meaningful grid resource. We are actively working on evaluating them together toward the 2024 IRP. That would be the first triennial where all of this is truly coming together to optimize the grid and put downward pressure on rates.

I am fortunate to have members on my team who have led distribution planning and live in those communities as well. We are as passionate about the grid as we are protecting our customers.

## SENATOR SPEARMAN:

In 2019, we passed legislation for a goal to reach 50 percent renewable by 2030. We may get there, but I am not sure because we continue to have this disjointed energy policy, not only with NV Energy.

How will this bill help us get to 50 percent renewable by the year 2030? For people who are unaware, we have Legislative Sessions every other year. We

will come back in 2025 to work on it, then 2027; if we do not have some idea by 2029, legislation will push it out.

## Ms. Steele:

Specifically for this bill, the energy savings modification points us to create programs that limit curtailment of renewable energy. We are designing programs such as the electric vehicle time-of-use rates, putting new load where we have excess renewables. We are also designing programs, portfolios and tariffs to support the development of renewable energy so we can continue to push toward that renewable portfolio standard.

## SENATOR SPEARMAN:

We are only talking about electrification and electric vehicles (EV). There was mention of low-wealth and BIPOC communities. Many people who do not own a home would find it far-fetched to say "I am going to own an EV" because where in the world would they charge it if they live in an apartment, a condo or share or rent a room from someone?

In this whole planning, are you working with other options for renewable energy so that we might get there? For me, it has to be practical. If we are only talking about one sort of renewable energy, I question that we can get there because EVs are out of reach for many low-wealth communities.

## Ms. Steele:

This bill is not addressing the Transportation Electrification Plan. The presentation of the EV times of service was an example of utilizing excess renewables, showing our progress versus just a concept.

We are looking at all resources to serve load, but that is the part of the broader energy supply plan in the IRP. From the company's perspective, we are looking at all ways to meet renewable portfolio standards—battery storage, long-duration storage and other fuel types like hydrogen. We are actively looking at all of those things. This is one component of the demand side to help meet all of those needs together.

# **SENATOR PAZINA:**

Assistant Majority Leader Lange and I have been working closely together with our stakeholders trying to find collaboration with S.B. 353 and S.B. 356. We

received our bills a little late, so we have not had a lot of time to collaborate until finding ourselves in a hearing today with deadlines.

**SENATE BILL 353**: Revises provisions governing energy efficiency and conservation programs. (BDR 58-558)

If we were to move this bill forward as a Committee, would there be continued collaboration on an amendment between our stakeholders?

## SENATOR LANGE:

Yes, we will continue to collaborate no matter where the bill is to make it the best bill we can to become law in Nevada.

# **SENATOR PAZINA:**

That is what I was looking to hear, and I appreciate all the efforts today.

## CHAIR HARRIS:

Stakeholder discussions are still happening per the discussion from Senator Pazina. How long will the discussion take? How far are we from resolving those four bullet points to achieve the collective goals of the State?

## SENATOR LANGE:

We are not far. We need to work out some details. If we pass this out of Committee, we may work it into amended during a Senate Floor Session before it heads to the Assembly.

#### CHAIR HARRIS:

All right, it is another week or two before first House passage.

## Ms. Martinez:

On behalf of over 150,000 members in 120 unions, the Nevada State AFL-CIO is in full support of <u>S.B. 356</u>.

Energy costs are already a burden on our families, and we are expecting them to skyrocket again as we approach another hot summer in Nevada. It is vital that we implement energy-efficient programs to not only reduce our impact on the environment but bring down Nevadans' energy bills each month. This legislation will specifically benefit low-income Nevadans by ensuring certain investments in communities that have been neglected for far too long.

# DAVID CHERRY (City of Henderson):

Discussion on this bill today has left me energized. The City of Henderson supports this legislation because it will assist our State's electric utility in meeting a series of important goals related to reliability, conservation and meeting the needs of historically underserved communities.

We have seen our own success as a municipality in achieving energy savings through conservation efforts and investments in energy efficiency, including using smart technology. The benefit to the community from these efforts has been a reduction in the City's contribution to conventional sources of air pollution linked to asthma and shrinking our carbon footprint. We are seeing the same benefits on a larger scale due to investments in conservation and renewable energy by NV Energy. Senate Bill 356 will expand on this record of success.

# LEONARDO BENAVIDES (City of North Las Vegas):

I echo the sentiments from our colleague from Henderson, and we are in support of <u>S.B. 356</u>. The bill is important for our City and will provide energy savings, especially for our underserved communities.

### LESLIE MUJICA (Las Vegas Power Professionals):

We represent the union electrical construction industry. We support <u>S.B. 356</u> which aligns perfectly with the Nevada 2050 net-zero carbon goal. It will accelerate the adoption of energy efficiency measures that will reduce Nevada's carbon footprint and energy costs. This bill will help leverage federal funds available to Nevadans under the IRA of 2022.

The bill will promote economic development and bring jobs to Nevada that will expand rooftop solar and energy storage options available to customers. These projects will help create work opportunities for our union members who live in Nevada. We support the passage of <u>S.B. 356</u> which supports grid reliability and helps advance Nevada's clean energy future.

RONNIE YOUNG (International Brotherhood of Electrical Workers Local 357):

I represent Local 357 in southern Nevada. This bill will greatly help Nevada reach the net-zero carbon goals for 2030 and 2050. It will help everyday Nevadans by building on the energy efficiency programs already offered by NV Energy. The bill will benefit working families, and we urge the Committee to vote yes on S.B. 356.

DIONNE KLUG (United Food and Commercial Workers Union Local 711): I represent Local 711 out of Las Vegas, and we strongly urge the Committee to support S.B. 356.

THOMAS BIRD (Nevada Alliance for Retired Americans):

I am here representing 18,500 retired members across the State. We support S.B. 356.

MATT WALKER (Howard Hughes Corporation):

<u>Senate Bill 356</u> will expand the tools available to reach State and local climate goals. The bill as amended holds a promise to expand rooftop solar storage options in a way that benefits all ratepayers. The bill would promote these important conversations in a public forum where costs and benefits can be appropriately considered. It will give our State the best chance to reach our community's necessary GHG emission goals in the most cost-effective means possible. We are in full support of S.B. 356.

JEREMY NEWMAN (International Brotherhood of Electrical Workers Local 396): I am here on behalf of the membership of Local 396 which supports <u>S.B. 356</u>. We urge the Committee to support the passage of the bill.

EDWARD GOODRICH (International Alliance of Theatrical Stage Employees Local 363):

I represent Local 363 in Reno. We support and strongly urge the Committee to support <u>S.B. 356</u>. This bill will put Nevada on track to achieve its net-zero carbon goal and reduce energy costs in the long run for working families in our State.

LARRY WILSON (President, United Auto Workers Retirees Local 2162): I am the President of Local 2162, and I strongly urge the support of S.B. 356.

LIZ SORENSON (President, Nevada State AFL-CIO):

We strongly support  $\underline{S.B.~356}$  and urge this Committee to support the bill as well.

Ms. Cabrera-Georgeson:

The Nevada Conservation League is in opposition to <u>S.B. 356</u>. We absolutely support GHG reduction, but this bill does not contain the safeguards for energy efficiency that are crucially important for historically underserved communities.

We should be prioritizing programs that lower energy demand and save Nevadans money.

One of our priorities this Session was advancing beneficial electrification as part of energy efficiency programs. While we have worked with the bill sponsors and stakeholders to merge these bills, the beneficial electrification concepts were ultimately left out.

We have concerns about costs being passed on to ratepayers. Nevadans are already being hit hard with record high energy bills due to the skyrocketing price of methane gas imported from out of state. This is not the time to add additional costs. The utility should focus on efforts that reduce energy costs for consumers.

#### Ms. DYKEMA:

The Southwest Energy Efficiency Project is opposed to this bill. We are a supporter of beneficial electrification as an essential tool for decarbonizing buildings. To support beneficial electrification, SWEEP began working on a bill concept with our partners and a different bill sponsor earlier this Session. When the bill sponsors agreed to merge the bill draft with this one, a number of the original components which we supported were left out. One of these is, as written, this bill contains no guardrails for actual energy efficiency.

While SWEEP is not opposed to allowing energy efficiency programs to focus on GHG reductions, this bill does not do that. Instead, it changes the definition of energy efficiency to only GHG reductions which does not guarantee energy reductions and bill savings for customers. It is important to keep energy savings targets and not allow load building to count as distributed resources.

Issues surrounding utility ownership and cost recovery are problematic. While the intent of this bill may have started off in the right place, it has not ended up in a form we can support.

### Mr. WILLIAMS:

Western Resource Advocates opposes <u>S.B. 356</u>. While we appreciated the bill sponsor's effort to work with our organization on this bill, we cannot support it. One of our major concerns is the lack of safeguards for energy efficiency programs. These programs are vital for our State moving forward and especially beneficial for Nevadans in low-income areas.

Energy efficiency programs would help Nevadans save more money during times when the cost of living is increasing, and the lack of safeguards for these programs in the bill is worrying.

Western Resource Advocates supports beneficial electrification and would appreciate continuing to work with the bill sponsor. We want to identify pathways that would allow Nevada to advance beneficial electrification while providing safeguards for energy efficiency programs.

JESSICA FERRATO (Solar Energy Industries Association):

The Solar Energy Industries Association is the national trade association for the solar industry and opposes S.B. 356.

The Association's concerns center on the portion of the proposed amendment that would allow the utility to enter the rooftop solar and distributed generation marketplace. Under this scenario, the utility would compete in the marketplace while passing the cost of rooftop solar on to consumers. This would increase costs for all ratepayers for a service already provided by a robust industry.

These provisions are unnecessary. There are no examples across the Country where a regulated utility sells and leases solar systems to residential and commercial customers. While our concerns on the bill are specific to solar, this bill includes complex issues that have a significant impact on consumers across the State. We remain concerned.

### Ms. Capurro:

The Natural Resources Defense Council and the Environmental Defense Action Fund support NV Energy's goal of maximizing efficiency programs at high carbon, high-cost times of the day. But this bill as written does not safeguard actual energy efficiency programs which will benefit ratepayers and reduce energy use.

The bill authorizes NV Energy to increase the kilowatt hours it sells. The bill increases costs to ratepayers by authorizing high-cost recovery and new authorizations for utility ownership of types of distributed energy resources, including at customers' homes. These authorizations should be decided by the PUCN. We do not support utility ownership of distributed energy resources to this degree.

#### Mr. Figueroa:

The Bureau of Consumer Protection opposes <u>S.B. 356</u>. Nevada electricity utility bills have gone up over 54 percent in southern Nevada and 50 percent in northern Nevada for ratepayers from January 2021 to January 2023. Due to public policy costs, legislation and high natural gas prices, these rates will continue to go up for the foreseeable future.

Ratepayers are angry and concerned about affordability. There is never a good time, but with severe potential rate increases on the horizon and for the foreseeable future, now is certainly the worst time for experimenting on Nevada ratepayers.

I have provided a document (<u>Exhibit I</u>) that show my resources for the rate increases and other pertinent information.

<u>Senate Bill 356</u>, as drafted, would have dramatic effects on how demand-side management is reviewed and analyzed in Nevada. It would change methods in place for over 40 years. Many changes seem straightforward but have much deeper consequences to the detriment of the ratepayer.

Second, the use of pricing signals including time-variant dynamic rates is unfair in principle. It is essentially saying that electricity is limited; those who can afford to pay the most may access it, while those who cannot may not have access. Electricity should be reliable and affordable to all Nevadans.

Finally, section 11 provides an incentive, basically an interest payment on things NV Energy should be doing anyway to ensure safe, reliable, just and reasonable rates.

### SENATOR HANSEN:

You mentioned a 54 percent increase from 2021 to 2023. As the Consumer's Advocate, what do you attribute that to?

### Mr. Figueroa:

There are a number of factors, but the main driver is associated with the cost of natural gas prices on the wholesale market.

#### SENATOR HANSEN:

The bottom line is that the price of natural gas has gone up, and that is what we primarily use to generate electricity in Nevada?

# Mr. Figueroa:

That is correct.

### SENATOR HANSEN:

If we wanted to reduce costs for consumers, would we expand production to reduce the energy cost back to what it was prior to 2021?

### Mr. Figueroa:

I do not disagree.

### RUSSELL ROWE (Tesla):

On behalf of Tesla, I am speaking in opposition to the proposed amendment itself. Tesla manufactures, installs and manages distributed energy resources behind the meter, such as rooftop solar and battery storage products. The latter are manufactured here in Nevada and have become one of the top Nevada exports to the world.

Tesla's launch of its virtual power plant program in partnership with California utilities is providing utility benefits through added capacity or demand response while providing customer compensation for the value their solar and storage systems provide at the most critical times. We submitted an article regarding Tesla Powerwall from California, *Electrek* (Exhibit J contains copyrighted material. Original is available upon request of the Research Library.).

The proposed amendment to <u>S.B. 356</u> includes a new paragraph with a definition for the term "demand response" in section 3, subsection 7, paragraph (b). The definition provides the utility with direct control of customer end use loads using automation technology, giving the utility authorization to develop controls for the direct aggregation of behind-the-meter, customer-owned energy resources.

This would be a significant policy shift and departure from energy policies and generally provide the utility with control of energy resources from in front of the meter to directly controlling energy resources owned by the customers through their personal investments and rooftop solar and energy storage products.

Plus, it would bring the utility into a private market where private-sector companies such as Tesla already have the technology and capability of providing such services for its customers as already done in conjunction with utilities in California.

The utility could obtain such services from today's existing energy market without incurring the added cost to ratepayers by standing up its own system. This is possible today, providing the utility developed tariffs to appropriately compensate customers for the value of their distributed resources.

Providing direct control by a utility will be more burdensome on Nevada's ratepayers and stifle the market's continued development of distributed resource energy aggregation.

While Tesla supports the use of traditional demand response programs, we recommend the deletion of this demand response language and instead suggest development of tariffs to compensate customers, spurring competition while providing cost-effective utilities and customer-friendly utilization of distributed energy resources.

The technology is already here with the vast expertise of private energy companies already partnering with Nevada residents to help them better manage their energy needs and costs.

MATT MORRIS (Nevada Resort Association):

We are opposed to <u>S.B. 356</u>. Our membership includes some of Nevada's largest employers and energy customers. Our members are leading the way in supporting renewable energy development, promoting conservation initiatives and reducing GHG emissions.

While we appreciate the stated intent behind <u>S.B. 356</u>, overall, the bill raises serious concerns regarding significant costs that could be passed along to the ratepayers. The bill lacks clear guidelines to ensure a thorough regulatory review of the utility's energy programs and that meaningful benefits accompany the costs that may be passed on to customers.

We appreciate Senator Lange's efforts to facilitate stakeholder input, but as others have mentioned, stakeholders have had little time to evaluate a bill draft that includes highly technical and potentially far-reaching policy changes.

We are concerned about proposals to eliminate performance measures that are tied to the utility's cost recovery. <u>Senate Bill 356</u> appears to replace performance-based measures with mandatory cost recovery, that risks passing costs on to customers without guaranteeing tangible benefits.

Finally, we are concerned that the bill could restrict energy regulators' discretion to fully and fairly evaluate proposed energy efficiency programs, including their costs and benefits. The PUCN should retain its existing discretion to assess the cost of proposed efficiency programs based on measurable and verifiable effects to advance energy efficiency as *Nevada Revised Statutes* (NRS) 704.785 provides. Senate Bill 356, as drafted, appears to eliminate this discretion.

CARLOS FERNANDEZ (American Institute of Architects Nevada):

We have genuine concerns about <u>S.B. 356</u>. Energy efficiency and beneficial electrification are essential components of sustainable design. Unfortunately, this bill falls short of prioritizing these crucial elements. As the architects' association, we strive to create buildings that not only conserve energy but have a positive impact on the environment and reduce costs for occupants.

Another significant concern is this bill's potential effect on low-income communities. We want to ensure that sustainable design benefits are accessible to all, but the change in metrics proposed in <u>S.B. 356</u> could inadvertently reduce the benefits for these vulnerable populations.

As responsible architects and designers, my members advocate for energy policies that protect ratepayers, promote conservation and encourage sustainable design practices. Regrettably, this bill's cost recovery provisions may result in higher energy costs for Nevadans, a troubling prospect. We urge you to consider these concerns and our opposition to <u>S.B. 356</u>. We look forward to working with the bill sponsors to prioritize energy efficiency, reduce GHG emissions and ensure equity.

### Ms. Steinberg:

Advanced Energy United is an industry association comprised of businesses making the energy we use clean, affordable and reliable. I am here today in opposition to S.B. 356.

We have several serious concerns with this bill. To highlight a few, I will begin with the lack of protection for the traditional energy efficiency program. Energy

efficiency is a key resource that serves the grid and lowers long-term energy burden.

Utilities already have a disincentive to invest in energy efficiency, and this bill gives NV Energy permission in the name of energy efficiency programs to increase the kilowatt hours rather than reduce them. Whether it plans to act on that or not, the framework allows for an erosion of the traditional programs at an especially high cost to ratepayers, offering more generous cost recovery than is standard in the industry or necessary to remove the disincentives.

With unprecedented utility ownership of resources inside and at people's homes, a monopoly utility should not enter into an already competitive marketplace. An example is the rooftop solar space because utilities can undercut the private market and crowd out investment and business growth at the expense of all of their ratepayers.

At a time of rising energy costs due to aging infrastructure, extreme weather and volatile fuel markets, we should be doubling down on energy efficiency instead of weakening existing laws and programs and capitalizing on third-party markets to optimize delivery of services and development of resources at lower costs to Nevadans.

At a high level, this bill proposes a major framework shift from the way things are done today. Many of its provisions were a surprise to us this past week. Advanced Energy United and its member companies have not had nearly enough time to carefully consider or deliberate on what is needed to make this work best for the advanced energy industry or for the State. We ask that you do not advance this concept at this time.

### BEN AIRTH (Freedom Forever):

We have significant problems with this legislation. Utility ownership of behind-the-media resources will drastically affect cost recovery. It is extremely problematic. The key line for us is a level playing field. Allowing utilities that have a rate-based market to compete with solar companies is unfair. It boils down to this analogy—letting the wolf in the henhouse and allowing it to make money—which cannot be allowed to happen.

### STEPHEN LASSITER (Sunrun):

Sunrun is the leading provider of rooftop solar and home batteries in Nevada and across the Country. We are the leading provider of grid services from distributed energy resources across the Country.

We have not been a part of the collaborations on this bill to date but would welcome the opportunity. We have partnered with utilities across the Country on programs similar to the ones proposed to utilize distributed energy resources to reduce GHGs and electric bills for all customers.

We appreciate the bill sponsor's leadership to expand demand response programs. However, from the utility's brief presentations, I do not have a good idea of what this bill would do. Further collaboration with stakeholders is warranted, especially private-sector companies that, as Tesla said, are already providing the grid services, solutions and benefits that this legislation seeks to accomplish.

For Sunrun, one benefit of operating across dozens of states is that we can observe utility proposals and public utility regulation across the Country. That broad view allows me to know how rare, and frankly unprecedented, it would be for the utility to enter the competitive rooftop solar market. State legislatures and public utility commissions across the Country have decided not to allow the utility to enter the rooftop solar market.

The PUCN's role to protect the public interest and keep rates down in Nevada should be respected. Allowing the utility to own any rate-based rooftop solar would eliminate the market's level playing field. It would give the utility anticompetitive advantages. It would harm private-sector businesses in the State, and it would threaten thousands of jobs. We are open to working with the bill sponsor and all stakeholders to address these concerns and advance demand-side programs in the future.

# MR. WEIR:

This bill presents an opportunity to improve demand-side management by adding tools to our toolbox to cost effectively reduce GHG emissions and maintain reliable service. But as introduced, we have some questions regarding what it would look like in practice at the PUCN. However, we are committed to continuing to work with NV Energy and stakeholders on an amendment to

provide clarity and focus that will assist the Commission in implementing the policy.

SCOTT LEEDOM (Southwest Gas Corporation):

Southwest Gas Corporation has some concerns with the current language as well. We have been working with NV Energy to address those concerns. NV Energy is working in good faith to make sure they are addressed. Southwest Gas looks forward to continuing to work with them on a proposed amendment.

### Mr. Esposito:

On behalf of Nevada State Pipe Trades, I echo Mr. Leedom's comments.

### Ms. Steele:

I will address concerns raised. Conservation energy efficiency is the pillar of <u>S.B. 356</u>. We are committed to that and anxious to work on language related to relieving those concerns. We want to ensure NV Energy is a leader on distributed energy resources and demand response given the available and excess capacity.

When we think of our air conditioners, it takes almost 222 megawatts to 250 megawatts a load to meet peak needs. We are already working on a battery storage program approved by the Commission.

We are expanding different technologies and have received approval from our advanced Distributed Energy Resource Management System in the latest Distributed Resources Plan in 2021. We are aggressively looking at it and some of the technologies and things mentioned by stakeholders.

We want to maximize the benefits put forward from the renewable-energy programs related to battery storage and renewable-energy systems through the IRP. We are committed to working with the stakeholders, and we will provide feedback.

#### CHAIR HARRIS:

We will close out the hearing on S.B. 356 and open up the hearing on S.B. 293.

SENATE BILL 293: Revises provisions relating to renewable energy and energy conservation. (BDR 58-459)

SENATOR FABIAN DOÑATE (Senatorial District No. 10):

<u>Senate Bill 293</u> is a personal bill as it involves an issue that has impacted my family. This bill can continue to restore equity in consumer protection provisions already agreed to by the Legislature.

Last year when knocking on doors and meeting my neighbors, I learned about issues that the families in my district cared about the most. D uring that same time frame, my own family encountered an issue we did not expect that many other residents in Nevada are encountering.

In the last few years, we have seen an influx of solar panels being installed in our neighborhoods. We live in downtown Las Vegas, and it is great seeing them installed as the transition to solar energy can reduce the burden of carbon emissions. But let me be clear, not every solar panel is installed the same or in our case sold the same. Within a short time, we saw one of our family members had solar panels installed on the roof of his home.

The installation sparked an internal debate within my immediate family. How could we have let our 70-year-old relative have these panels installed, knowing full well he could not afford to do so. When we asked our relative why, he said it was fine as it would reduce the electric bill, and they would recoup their investment within a few years.

From the perspective of my family, and after that experience, it is clear we need to address the gaps in our consumer protection laws and make changes.

Over the last two years, we have seen a massive change in the selling practice of these solar panel systems. We are now seeing fake public notices being left on homes encouraging the installation of solar panels.

We need to continue our efforts to reform the trade practices being exhibited in our community that include taking advantage of our seniors and residents, and failing to disclose adequate information in the appropriate language of the participating parties.

Before you today is a gut and replace of the bill. We have proposed conceptual amendment, version 1 ( $\underbrace{\mathsf{Exhibit}\ \mathsf{K}}$ ) with consumer protection provisions and proposed conceptual amendment, version 2 ( $\underbrace{\mathsf{Exhibit}\ \mathsf{L}}$ ) with a few stylistic changes.

STEVEN HAMILE (Chief Operating Officer, Sol-Up):

We are in support of this commonsense bill which would promote best business practices and hold solar companies and their contractors accountable for the representations and warranties, whatever they may be.

We have seen a proliferation of these third-party lead generators. These salespeople contract to a Nevada-qualified C2 electrical contractor and are given what is called a redline. This redline range could be somewhere in the \$2.00 to \$2.20 range. The sole motivation is to sell solar for as much as possible, as anything above that range is their profit.

These salespeople are not trained; they are left unhinged and unleashed, and few of them have an understanding of solar. Solar is not simple. In Nevada, we are looking at two different issues, coefficients and snow loads.

In southern Nevada, we worry about heat coefficients. During the summer, it is 115 degrees F, maybe even hotter. Solar panels, despite what people are told by some of these third parties, operate much less efficiently in hot weather, even though that concept is counterintuitive. The heat coefficient determines the reliability or the output of that system.

In Carson City, we deal with snow loads. Many companies here do not perform site surveys. They use a geospatial mapping application and take a picture of the roof. They never crawl up into the attic, and they do not recognize if roof rafter upgrades are needed. Ostensibly, we are now putting heavy loads on top of a roof and adding snow loads on top of that without any engineering. This is not a good practice.

With regard to representations, we see it, we unwind it. We have been here since 2008. When many of the companies left Nevada after 2015, we saw the aftermath. We are dealing with customers being told solar should be free, they would never see a bill, that their solar system would work in the event of a blackout. They thought they did not need batteries.

These third-party, lead-generation sources neither have the education nor the understanding of solar needed to adequately sell it. They are taking advantage of people most generally in disadvantaged communities and the elderly.

It is not a 15-minute presentation. You need to understand the consumption and needs of a customer and articulate the difference in the materials and the quality of the products you are selling. The redline system does not work. What happened to Senator Doñate's family is happening every day and hundreds of times each week.

You will see a larger influx occurring in two days. A net energy metering program update taking place in California is reducing its net metering by 75 percent. For it to be viable to work in California, you have to install solar and batteries.

In California, there is a provision for a C-46 solar contractor license. These license holders are not allowed to perform service panel upgrades or install batteries. That same group will be coming here to Nevada.

We have seen almost triple to quadruple the amount of competitors in the Nevada marketplace that are unlicensed and out soliciting. I was over at the Carson City Building Division a few days ago asking about the same issue. The Division is receiving 20 to 30 new applications from licensed contractors that it does not recognize. Their plans are being engineered outside the Country, stamped outside the State and then submitted and being rejected with little if any quality control.

We do not find this bill onerous whatsoever. For common business practices, no additional expense would be incurred by a company to abide by these regulations, and we are in support of <u>S.B. 293</u>.

MARK KRUEGER (Consumer Counsel, Bureau of Consumer Protection, Office of the Attorney General):

I will take you through the two proposed conceptual amendments to <u>S.B. 293</u> and blend them together so you can understand what is going on.

Section 1 of proposed conceptual amendment version 1, <u>Exhibit K</u>, amends NRS 624.860, which covers licensing of contractors under the State Contractors' Board (SCB). Two regulatory bodies oversee the residential rooftop solar industry. The Attorney General's Office regulates the actual agreement used for purchasing residential rooftop solar systems, and the SCB regulates the contractors.

In this amendment, we have attempted to capture the third-party salespeople who are the subject of most of the complaints we receive. If the third-party salespeople are required to be employees of licensed companies, there is more accountability, and that solves a lot of the problems we are seeing in the industry.

We have tried to address questions and concerns brought to our attention about that section, and that is the reason for proposed conceptual amendment, version 2.

Proposed conceptual amendment, version 2, <u>Exhibit L</u>, section 1, subsection 1 reads, "A person shall not, directly or indirectly, perform or offer to perform any works concerning a residential photovoltaic system used to produce electric, or sell, negotiate, advertise, solicit, or offer on behalf of a contractor ...."

The following subsection 1, paragraph (a) has an ellipsis that means existing language from proposed conceptual amendment, version 1, Exhibit K, is there. I want to make sure that is clear.

The SCB supports this bill and asked that we delete the existing language in proposed conceptual amendment, version 1 at section 1, subsection 1, paragraph (b). That deletion is reflected in proposed conceptual amendment, version 2, section 1, subsection 1, paragraph (b).

Lead generators are not doing the actual sales or selling solar systems; they are not doing the hard sale to induce somebody to purchase a solar system. They generate leads, identifying a person who might be interested in solar and sending the sales leads to these licensed companies.

<u>Exhibit L</u> adds a new section to amend NRS 598.9804. This section ensures we capture the photovoltaic system within the definition of a generated distribution system in NRS.598.

In industry terms, a photovoltaic system is known to be rooftop solar. The distributive generation system is a broader umbrella that can capture rooftop solar and other things. We wanted that absolutely clear by deleting any connection to the grid because rooftop solar systems are being sold in places not connected to the grid.

A slight amendment to section 5 in proposed conceptual amendment, version 2 addresses an issue as to the time of the recording of the sale and execution of the agreement. That is key if we need to later prove that a false statement or misrepresentation was made to induce someone to purchase a solar product.

If they have a recording, it protects the company and the consumer. It absolutely helps us prove what happened. It can be at the time of the execution of the agreement—often when the sale occurs or within 48 hours afterward—, to confirm no various representations after this. We added that language to this section as well.

We were also concerned about the length of time in which to make the call following the execution of the agreement and decided the verification call needs to be made prior to the installation of the distributed generation system. That protects the customer as well as the company. The company's protection is because it spends thousands of dollars to install these systems; if they have to be pulled out, the cost would be expensive. The verification call is a way to ensure the sale is done correctly before the system installation.

The other sections of the bill, as amended, address the various agreements and add special agreement language in a large boldface font that indicates purchasers have a three-day right to cancellation of the purchase agreement.

We are noticing that numerous solar companies are trying to sell solar to people who do not necessarily speak English as a first language. Because of this, we want purchasers to obtain any documents that they will be reviewing in the language conducted at the time of the sale. It just makes sense.

Moving forward with proposed conceptual amendment, version 1, section 5 requires that information be verbally stated on a recorded line within 48 hours. Section 6 provides violation provisions. It is so important to keep the recordings that we choose to err on the side of the consumer. If the company fails or refuses to keep a recording or get a recording, then the consumer should be able to void that agreement because we cannot prove what happened.

I did make it discretionary for the consumer to void the agreement because the consumer may want to go forward with the sale and installation of the solar and may be satisfied with everything that occurred even though there is no recording. But generally speaking, when we get a complaint, we have to reach

out and get these documents from the company, and a recording would be helpful to assist in the review of the complaint.

Section 6, subsections (5) and (6) include a provision to address instances when a language other than English is used to transact the sale. In those cases, the consumer should be entitled to a copy of the contract in the language in which that transaction was conducted.

#### CHAIR HARRIS:

Senator, what you are proposing today is to accept both proposed conceptual amendments?

### **SENATOR DOÑATE:**

That is correct.

### SENATOR HANSEN:

Being a contractor myself, I am curious. Have there been any prosecutions by your office or whoever in the last five years for any of these kinds of incidents?

#### Mr. Krueger:

There have yet to be criminal prosecutions for any violations. However, we have dedicated a special prosecutor for prosecuting violations of the Nevada Deceptive Trade Practices Act, so we anticipate prosecutions in the future.

One of the difficulties in prosecuting is determining who is making the sale. Sometimes, we cannot figure this out when you have these third-party salespeople because they move from one third-party company to another and then another. Even if somebody can identify an individual, usually we cannot figure out where the person is at that point.

This amended bill would stop that practice. The bill would provide us with the means to locate that individual, whom we could then prosecute criminally or civilly if warranted.

#### SENATOR HANSEN:

I have worked for contractors numerous times on complaints. When I have worked with the SCB, the Board contends the problem is it cannot get enforcement because of the difficulty to prove the case.

We have all sorts of laws we pass all the time. But the bottom line is the people abusing the system typically thumb their noses at us with a "do whatever you are going to do" attitude and ignore the laws. I have seen that in many cases, and it is not isolated to the solar industry.

I have seen the same thing with one of my own neighbors. She spent \$34,000 on a photovoltaic system, was told the retail rate would be returned on her bill and that she would recoup costs in five years. It turned out to be the wholesale rate, not the retail rate, and she would never get a return on investment until after panels were beyond their normal life expectancy.

The bill is a great idea to get us headed in the right direction if your team will come up with an aggressive plan to prosecute these bad actors.

### **SENATOR SPEARMAN:**

Mr. Krueger, you may have answered part of my question about layered sales. These are sales where someone selling the product comes and says, I want to talk to you about this and keep adding on additional items so the actual sales price is somewhere in between that initial cost and the numerous add-ons. Would this bill encompass these layered sales too?

### Mr. Krueger:

That is correct. The intent of the bill is to make sure the consumer understands everything represented at the sale and any misrepresentation comes to light in time for the consumer to elect the notice to cancel.

### SENATOR SPEARMAN:

Because this is probably going to be pervasive, do you have a dedicated unit? We tried to address this in 2017 or 2019, but it is still continuing. Salespeople are still going into many of the BIPOC communities, saying whatever they want to say.

### MR. KRUEGER:

You are absolutely correct, we are doing our best to go after these bad actors, bringing civil and criminal actions. The problem is some of the tools we need are not in the legislation. This bill brings the tools we need to actively and aggressively pursue these matters and prosecute violators in civil or criminal actions.

#### SENATOR SPEARMAN:

Those tools would only apply to photovoltaic?

### Mr. Krueger:

In this particular bill, the specific tools we need apply to photovoltaic systems, that is correct.

### Ms. Martinez:

On behalf of over 150,000 members in 120 unions, the Nevada State AFL-CIO is in full support of S.B. 293.

Nevada is growing its clean energy economy. But with that, as with any growing industry, bad actors are willing to take advantage of Nevadans to make a profit. This means that some of our most vulnerable communities, including seniors and low-income residents, are being misled when buying their solar panels.

This legislation critically protects Nevadans from deceptive sales practices by allowing our State government to keep a closer eye on energy utility companies to ensure they are in compliance with the law.

### Ms. Cabrera-Georgeson:

The Nevada Conservation League is in support of this bill as amended. As we move to a cleaner and greener future, we need to make sure consumers are protected from these bad actors.

### Mr. CHERRY:

It is often said that sunshine is the best disinfectant, and this bill will target shady practices to stop solar scammers. For that reason, the City of Henderson supports <u>S.B. 293</u>.

ERNIE ADLER (International Brotherhood of Electrical Workers Local 1245):

We support this measure. It is shameful for people to be taken advantage of when purchasing solar panels. We strongly support this bill.

### MR. BENAVIDES:

The City of North Las Vegas appreciates Senator Doñate for bringing <u>S.B. 293</u> and then working with the amendment to address our concerns. We support this bill because of its consumer protections from these shady practices.

JONATHAN NORMAN (Nevada Coalition of Legal Service Providers):

We are in support for the same reasons given and the amendment with strong consumer protections. We echo the previous comments.

### DEVLIN DANESHFOROUZ (NV Energy):

I want to echo the testimony already shared in support of <u>S.B. 293</u>. We support the bill because it will protect our most vulnerable Nevada communities from deceptive and unfair sales practices.

These third parties often mislead customers to believe it is an NV Energy product or service they are receiving. This week, one of our customers shared an email solicitation received with the NV Energy logo that appeared to have originated from NV Energy. This is unacceptable. NV Energy spends countless hours and resources to defuse confusion caused by these deceptive sales practices. We urge the Committee to support this bill.

### Mr. Fernandez:

The American Institute of Architects Nevada strongly supports <u>S.B. 293</u> which enhances consumer protections by ensuring transparency in solar installation agreements, providing detailed information about costs and clarity, allowing consumers to make informed decisions and avoid deceptive practices, and boosting their confidence in solar installation.

By increasing consumer confidence, this bill encourages adoption of solar energy systems contributing to the reduction of GHG emissions and supporting the transition to renewable energy sources. This aligns with our role as the architect association to create environmentally responsible and energy-efficient buildings.

Furthermore, this bill sets a higher standard by requiring solar installation professionals to be licensed to ensure that only qualified individuals perform work, resulting in better quality installations and greater consumer satisfaction.

As the architect association, we are committed to promoting sustainable design practices and reducing the built environment impact on our overall environment.

### MISTY GRIMMER (State Contractors' Board):

We appreciate working with Senator Doñate and Mr. Krueger on <u>S.B. 293</u>. Last Session, your Legislative Body passed S.B. No. 303 of the 81st Session. That

bill gave a little more muscle to the SCB to do our side of this. It is good to see the Attorney General's Office step in and pick up the other half of this to keep bad actors out.

### Ms. Mujica:

The Las Vegas Power Professionals represents the union electrical construction industry and supports <u>S.B. 293</u>. This bill will help protect Nevadans from the bad actors in the residential rooftop solar industry who are engaging in deceptive and unfair sales practices and help protect consumers from false and misleading acts in the marketing and sale or leasing of solar panels. Most of these consumers who have fallen prey to these bad actors were seniors and low-income Nevadans.

On a personal note, I have been looking for a new home for a couple of years and have sadly passed on beautiful homes because they had third-party-owned rooftop solar systems. I am aware of the issues, not only the poor craftsmanship and failed inspections but the misleading contracts and false promises of savings and/or eliminating electricity bills. Senate Bill 293 will help prevent these deceptive practices from occurring and protect Nevadans. We urge you to support the bill.

### Mr. Young:

The International Brotherhood of Electrical Workers Local 357 thinks this bill is long overdue. Time and time again, I have personally seen working Nevadans getting taken advantage of by predatory business models in the residential rooftop solar industry. This includes shoddy installation, misleading contracts and false promises of homeowner savings.

It should not be this way; this is not how a business should be conducted. Dirty sales techniques should not have become the status quo. My grandmother, a first-generation immigrant from Cuba, almost fell victim to the exact type of situation this bill could address. I urge that you vote in favor of S.B. 293.

# PETER ALDOUS (Legal Aid Center of Southern Nevada):

We strongly support passage of <u>S.B. 293</u>. As an attorney who represents poor, low-income disadvantaged seniors in southern Nevada, I have seen firsthand all the lies they are told by these independent contractors, all the stories they are told in languages other than English. Then, when you look at the contract, none

of that information is there. For me to better assist my clients and to protect all Nevadans, I strongly support this bill.

### Ms. Sorenson:

The Nevada State AFL-CIO thinks this legislation will protect Nevadans, including seniors and low-income consumers from deceptive sales practices in the rooftop solar industry. For this reason, we strongly support <u>S.B. 293</u> and urge this Committee to do the same.

### MR. NEWMAN:

The International Brotherhood of Electrical Workers Local 396 supports S.B. 293. We ditto the remarks of everybody else.

### Mr. Guzman:

The Latin Chamber of Commerce Nevada echoes many comments of my community colleagues. I cannot tell you how many people have come to the Chamber looking for help because of shady sales practices in this industry. Senate Bill 293 will have a real impact on real everyday people. We support the bill.

### Mr. Bird:

The Nevada Alliance for Retired Americans supports <u>S.B. 293</u> to provide important protections for seniors and low-income consumers that have been most impacted by many deceptive and unfair practices seen throughout the residential rooftop solar industry. Please join us in support of this bill.

### Mr. Goodrich:

The International Alliance of Theatrical Stage Employees Local 363 in Reno supports and strongly urges the Committee to support <u>S.B. 293</u>. This legislation will protect Nevadans, including seniors, from the deceptive sales practices in the rooftop solar industry.

Having been the attempted victim of one deceptive sales practice, I have nothing bad to say about this bill.

### Ms. KLUG:

The United Food and Commercial Workers Union Local 711 out of Las Vegas supports S.B. 293 and urges the Committee to support it too.

# MATHILDA GUERRERO (Battle Born Progress):

On behalf of Battle Born Progress, we support <u>S.B. 293</u> as amended, and we echo the comments of our colleagues. We urge your support.

### Ms. Ferrato:

As the national trade association for the solar industry, the Solar Energy Industries Association is strongly committed to continually developing resources designed to safeguard customers rights and provide stakeholders access to important materials. Our industry survival is based on satisfied customers telling family, friends and neighbors about their experiences.

We want the State to take action against bad actors who take advantage of customers. Since A.B. No. 405 of the 79th Session, we have worked on legislation to standardize consumer protection language. We also worked with the SCB to get regulations in place on S.B. No. 303 of the 81st Session and then helped coordinate the distribution of those rules to our membership.

We were originally opposed to <u>S.B. 293</u> as written, but as the Senator has explained, a few amendments and things are moving in the right direction from our perspective. Our goal here is to implement these rules within our membership and reprimand companies that are bad actors.

We still have one remaining concern, and the Senator has been fantastic about helping us work through this language. The one piece is in terms of reaching out to our customers within the 48 hours. If for some reason, we cannot get in touch with a customer, we want to ensure some allowance for that. If we call repeatedly and that person fails to answer, we do not want to be punished for not connecting.

I will continue working with the Senator on something that works but appreciate the language he has pulled together. I am looking at the bill and amendments right now, and my clients are reviewing it. I will get back with the Senator and the Committee as well.

#### BRIAN REEDER (Sunrun):

Sunrun is neutral on the bill. The only reason we are not in support is because we are still reviewing the latest round of amendments. Sunrun is committed to consumer protection. In 2021, we worked with former Senator Chris Brooks, the State Contractors' Board and the Attorney General's Office to pass

S.B. No. 303 of the 81st Session to help catch the bad actors. We thank Mr. Krueger for meeting with us this week to discuss the proposal, and we look forward to further discussions on how we can protect Nevada's rooftop solar customers.

### Ms. Steinberg:

Advanced Energy United is an industry association comprised of businesses making the energy we use clean, affordable and reliable. I am here today testifying in neutral to the conceptual amendments proposed for <u>S.B. 293</u>. These amendments offer much improved language, and we support the work to address minor final concerns.

### Mr. Airth:

Freedom Forever is a national solar installation company that employs nearly 400 people in Nevada. As the solar market in Nevada continues to grow, business has been so strong for us that Freedom Forever opened a second headquarters in Las Vegas last month.

As with other members of the solar industry, we are committed to consumer protection and work closely with our third-party sales, marketing and lead-generation partners to ensure customers are provided accurate and verifiable information and their solar experience is the best.

We want to ensure that poor and disingenuous marketing practices are curtailed and have no place within the Nevada solar market. However, we are not confident that <u>S.B. 293</u> would do much more than current State and federal consumer protection laws already do. Simply put, most consumer protection mechanisms are already in place.

While we still have concerns with <u>S.B. 293</u>, such as the 48-hour clause and this new governance of contractors with their third-party marketing firms, Freedom Forever will take a neutral stance on the bill. We will take more time to review the amendments and work with the bill author and other stakeholders to move the bill forward.

### Mr. Krueger:

Changes in the second amendment addressed most of the concerns raised. I think that was recognized in the testimony.

The one question that came up was the 48-hour provision. We want to verify our added language in conceptual amendment, version 2, section 5, paragraph (c) that states "the verification call described herein must be made prior to the installation of the distributed generation system." In the event the call could not occur within 48 hours for some reason, it still saves that consumer and companies money and time. We want to keep the 48-hour language because of a three-day right to cancel. It is really important to make every effort possible to get that call made before that three-day right of cancellation expires.

That should provide satisfaction and clarification, and we can continue to work with people if necessary.

### **SENATOR DOÑATE:**

The testimony today supports the need for <u>S.B. 293</u>. We can do more but working with the Attorney's General's Office is an appropriate step in the right direction. This bill will enable the Attorney General to prosecute and close numerous cases where consumers have been taken unfair advantage of by sellers in the solar industry.

### CHAIR HARRIS:

We will close the hearing on S.B. 293 and open the hearing on S.B. 423.

**SENATE BILL 423**: Revises provision relating to motorcycles. (BDR 43-662)

SENATOR DALLAS HARRIS (Senatorial District No. 11):

Assemblywoman Sabra Newby, before she was appointed, worked at the University of Nevada, Las Vegas (UNLV). She contacted me as a UNLV alumnus and asked if I would be interested in talking to a student about a bill. This is how I met medical student David Bandbaz who, to my surprise and interest, wanted to talk about motorcycles.

When we spoke, Mr. Bandbaz told me about how dangerous motorcycle riding is and the fact that many folks are out there riding motorcycles without the motorcycle endorsement. While that is technically equivalent to driving without a license, it is quite a bit more dangerous as some motorcyclists ride at high speeds and do tricks along the highway.

We started brainstorming ideas to make riders safer. After many discussions with stakeholders, Mr. Bandbaz came up with a brilliant solution, and he is here to share his idea with the Committee.

### DAVID BANDBAZ:

Senate Bill 423 means a lot to me, and I am grateful to talk about it today. I spent the last three years working on this bill. Many people and various government agencies helped and taught me along the way.

I was born and raised in Las Vegas. I went to UNLV for my undergraduate degree. I am a fourth-year medical student at the Kirk Kerkorian School of Medicine at UNLV. I have one month to complete before I obtain my M.D. I have matched into general surgery at the University of Utah and will be doing my surgery training there for the next six years. I am a second lieutenant in the U.S. Air Force. After I complete my residency and fellowship, I will work for a couple of years for the Air Force as a military surgeon.

I am an avid motorcycle rider, and my interest in both medicine and motorcycles led me into motorcycle safety research.

Shortly after beginning medical school and receiving my military bonus, I decided to buy a motorcycle. I then decided to get a motorcycle license. There were two routes to licensure for me. I could get a permit and take a skills test or obtain a motorcycle endorsement on my driver's license by taking a weekend course through the Nevada Rider Motorcycle Safety Program. It offers courses provided by the Motorcycle Safety Foundation which partners with the National Highway Traffic Safety Administration (NHTSA) and other safety-related entities approved by the Nevada Department of Public Safety. I took the course.

Six months later, I was riding my motorcycle, had an accident and broke my hand. I had a lot of questions about what I could have done to prevent the accident. How much of it was related to skill level? My skill level was the main problem, but did my training course prevent it from being worse? Or was my course not enough to properly train me?

I discussed my curiosity with Dr. Anne Weisman and Jennifer Young at UNLV, who both helped me greatly. During my initial data collection work, I discovered big problems with how we prove someone is capable of riding a motorcycle and

enforcing that as well. Every few years, motorcycle safety statistics get worse and worse.

These statistics are mostly related to motorcycle helmets, licensing and age. Helmet laws are usually looked at, but licensing and how it relates to training and age has been overlooked. This is because motorcycle riding is a bit esoteric. The correct way of learning to ride one is not clear, especially if you are not a rider yourself.

These are the statistics, most from the NHTSA. In 2020, 36 percent of motorcycle fatalities were from motorcyclists who did not have a valid motorcycle endorsement at the time. In 2015, it was 27 percent.

The NHTSA previously stated that 2020 was the highest recorded number of motorcycle fatalities since data collection began in 1975 by its Fatality Analysis Reporting System. Of note for the time period 2011 to 2020, the number of total registered motorcycles decreased. The number was 8.4 million in 2011 and went down to 8.3 million in 2020 while that fatality rate increased.

In the most recent NHTSA articles, 2021 data showed that motorcycle fatalities increased 9 percent from that year. Nevada was estimated to be a 21.8 percent increase.

The next overlooked thing I noticed was age. Recently, there has been a shift from younger riders being overrepresented in motorcyclist fatalities to riders over the age of 40 comprising the greater share of motorcycle fatalities nationwide. Motorcyclist fatalities among the 55-and-older age group increased by 37 percent from 2011 to 2020.

The average age of a motorcyclist who died in 2020 was 43 years. Yet for every ten-year age increase, unsafe motorcyclist actions defined as speeding, weaving and erratic operations were found to decrease by 38 percent. The older you get, you become a more responsible motorcyclist based on a study published in the *Journal of Safety Research* in 2019.

It should be noted that once you have a motorcycle endorsement, there is no period of time in which you must retest or be retrained. If you got an endorsement in 1995, rode for one month, then never again, then decided now would be a good time to ride, you can, no questions asked.

For comparison, in Nevada, you need to complete a certification course every three years to maintain a forklift license. There was a systematic review done to look at all the studies on motorcycle safety interventions. The conclusion published in 2017 in the *International Journal of Injury Control and Safety Promotion* was that compulsory training before obtaining a license, skill test requirements to obtain a license and more restrictions on obtaining a license were found to be effective while noncompulsory training was listed under ineffective measures.

However, research directly studying training is limited despite consistent recommendations to grow research initiatives looking into rider training.

In 2020, the Governors Highway Safety Association (GHSA) published Countermeasures That Work: A Highway Safety Countermeasure Guide for State Highway Safety Offices regarding training. The GHSA stated, "This countermeasure is widely used. Its effectiveness has been examined in several research studies. Despite some positive research findings, the balance of evidence regarding countermeasures effectiveness remains inconclusive." I agree, more focus should go into promoting than studying training and improving training.

Now a statistic that is close to home. In 2017, the GHSA published motorcycle safety data for each state, and ranked each state based on "motorcyclist deaths as a percent of total motor vehicle deaths." Nevada was at the very bottom of the list. They have not published a more recent ranking. However, as I mentioned earlier, the number of motorcycle fatalities has increased as the number of registered motorcycles has decreased—and by a significant amount in Nevada.

While I researched motorcycle safety, I would see many men and women come to the trauma bay who had been hurt while riding their motorcycle, and so many of them were injured in such brutal ways. I rotated at UC Davis Medical Center, Wright State Physicians: Miami Valley Hospital and many months here at the University Medical Center in Las Vegas. It was all the same, injured motorcyclists arriving often, and the statistics say it is getting worse.

In a *Journal of Safety Research* article published in 2022 by the University of North Carolina at Chapel Hill, the study on the role of inexperience and motorcycle crashes concluded:

Crash trajectories of novice motorcycle riders indicate that current training, licensing and educational efforts are not adequately preparing new riders. Additional efforts to develop more effective training and research and form a well calibrated graduating licensing process for new riders are needed.

I read papers and present data, but I knew nothing of the pragmatics of how to create measures to improve the statistics and to begin work on improving licensing rates, incentivizing training, lowering the increasing rate of more aged riders dying and beginning the work on growing motorcycle safety training so we can adequately train motorcyclists.

I did not know how, so I needed a lot of help and guidance. The proposed solutions in this bill that I will outline came about through discussions, teachings and the help of Senator Dallas Harris, Dr. Anne Weisman, Jennifer Young, the Nevada Department of Motor Vehicles (DMV), the Nevada Highway Patrol and the Nevada Advisory Committee on Traffic Safety. They allowed me to present to them earlier this last year. All of the motorcyclists I spoke with in my personal life and in the trauma bay have helped me so much, taught me so much. I hope these solutions will be helpful for them and all Nevada motorcyclists and their loved ones.

The first issue is the high unlicensed fatality rate and numerous unlicensed riders on the road. To incentivize licensing and training without risking more rider evasions during traffic stops, the bill proposes that we offer riders who were caught riding without a motorcycle endorsement to undergo rider safety training within nine months of the date of the final order of the court. This would be in lieu of being assessed a fine for the violation.

On the issue of the increasing higher-aged rider fatalities, the bill proposes that motorcycle endorsements would be renewed by retesting via taking a safety course to prove they are still capable of riding a motorcycle and to foster safe riding habits and decrease poor learned habits.

The bill states that riders under 30 years old must complete a motorcycle safety course to renew their endorsement at least once every 8 years after the initial issuance of the endorsement. Riders over the age of 30 must renew at least once every 12 years after initial issuance.

#### SENATOR HARRIS:

A proposed conceptual amendment (<u>Exhibit M</u>) accommodates the DMV's processes. After discussion, it would be much easier to require everyone to take this refresher course every eight years as opposed to distinguishing by age. We are still working to ensure we get everything right so this bill can be implemented properly and efficiently, given the DMV is busy implementing its DMV Transformation Effort.

We are also authorizing the director of the Nevada Department of Public Safety to transfer necessary funds to the DMV for costs associated with the work it needs to do to implement this program.

I want to be clear. No one will have to do this retesting for at least eight years from now. We will not retroactively say you received your endorsement three years ago and you must retest in five years. We are putting everyone on the same cycle as when their driver's license expires if they do not renew.

We are making it as simple as possible for riders to take the course. You will notice that a few fee adjustments are largely designed to allow the motorcycle safety course program to grow. We want the program to accommodate more people coming for the course and jumping back on a bike if they are a bit rusty.

### SENATOR PAZINA:

I thank Mr. Bandbaz for getting involved in our legislative process. Your bill can help people not end up on your table when you are practicing surgery.

### SENATOR HANSEN:

In your testimony, you mentioned the rankings had Nevada at the bottom. Do the top five states have a course similar to what we are proposing here? I am wondering what they do that we are not doing.

### Mr. Bandbaz:

Six states and Washington, D.C., require training beforehand. I do not know what those top states are, but I can find the list and see if those are the same states. However, even in the states that are recently requiring training, this is new and not being studied yet. It is a brand-new way to grow motorcycle safety.

The research is limited; saying we cannot tell if these minimum training courses are preparing riders. I cannot even say if the measure they are doing would be the reason that those are the top states.

I recommend training along with the renewal because something has to be done to start the process of training these people. No one is taking these courses, and no one is even getting licensed in general. There is no way we can prove that the courses are effective.

### **SENATOR HARRIS:**

Senator Hansen, I want to add that Mr. Bandbaz has had the foresight to work with his colleagues at UNLV to continue to collect data on motorcycle deaths, so we can keep our eye on this even after he leaves. We very much want to study the effects this bill will have on motorcycle safety in Nevada. We did not have to do that through legislation.

### SENATOR HANSEN:

I am fine with that. The motorcycle riders I know are libertarian in their attitudes. Some of them will resent the fact that we will make them take a course every eight years.

If you can show a good correlation between the course and safety, you have a case. That is why I was asking about the different states. If there is clear correlation between those, great. If we are being a pioneer, that is okay too.

It is important that we watch the data over time because we pass a lot of safety stuff around here, and whether it has any real long-term effects is often highly questionable. It was a great presentation.

### SENATOR HARRIS:

I want to add one additional point. Mr. Bandbaz and I did discuss the idea of whether we should mandate the course as the only avenue for licensure. The reason we did not do that is because we do not have the data to suggest that completing the course would make people safer. We are still leaving the option open. You can take the course, you can take the test, but we did want to ensure that if you get that motorcycle endorsement at 20 years of age, sell your bike and then become an empty nester at aged 50 and want to get back on the bike, you need to dust off those cobwebs.

#### SENATOR HANSEN:

I am fine with that. You might want to consider putting a ten-year sunset on this training; by then, you will know the data. If the training is not doing anything, we let it go. If there is evidence that taking the course reduces violent motorcycle crashes or whatever we are looking to measure, then you have a great case and we can continue the training.

### CONSTANCE BROOKS (University of Nevada, Las Vegas):

We appreciate that one of our students took the time out of his busy schedule and away from his service to come forward with legislation that would make life better and make the streets safer for Nevadans. We support S.B. 423.

### WARREN HARDY:

I am an avid motorcyclist. One of the things I hear when people say "do not ride motorcycles" is that they are fine with themselves, but they are concerned about all the drivers around them. In reality, as Mr. Bandbaz said, the overwhelming majority of accidents are caused by rider error.

This is a step in the right direction. When my friends ask if I am afraid to ride motorcycles or if motorcycles are dangerous, my response is always "motorcycles are not inherently dangerous, but motorcycles are absolutely inherently unforgiving." If you do not know what you are doing, do not pay attention and do not have the proper training, it is a dangerous activity to participate in.

I appreciate this being brought forward. I am in full support of this bill by a fellow rider, taking the bull by the horns if you will and trying to do something about it.

### WIZ ROUZARD:

I am a UNLV alumnus and a law-abiding, motorcycle-endorsed licensee. I strongly disagree with this solution to a problem. As a former claims specialist handling auto accidents, I can tell you on many occasions involving motorcycle deaths, the cause often was a result of automobile drivers and poor road and weather conditions this State often has. If you address solutions, that is a good place to start, not what this bill is proposing.

The only good thing I see in this bill concerns the requirement for those operating a motorcycle unlicensed. It is for the courts to give them the

opportunity within nine months to complete an endorsed course to retrieve their motorcycle license.

This bill sets bad precedent about renewals in terms of individuals who acquire skill sets by taking a class but subject to taxing even more when required to take that very same class. What is next, driver's licenses? If you need to renew your driver's license or commercial driver's license, you need to go take the test again? And the list can keep going on.

Although the problem is recognized, the solution that this bill proposes does not achieve that goal. If anything, it creates an undue burden on many Nevadan motorists. We are a libertarian state, and this bill is anti-libertarian and will create more regulatory burdens. I urge the members of this Committee to vote in opposition to this bill.

### LANIQUA McCLOUD:

As an individual who has a family entrenched into motorcycle clubs, I have been around motorcycle clubs for a long time. I echo what the previous caller stated. I do not think this bill is a step in the right direction.

I can only imagine how infuriated my father would be after riding a bike for over 23 years to be required to get a renewal. I can only imagine how that could be echoed by all the other 1,000 members we have who ride bikes.

This bill needs to go back to the drawing board. A way for individuals to not be penalized and have a time frame to get a license if they are riding illegally would be a good thing to have in this bill. Other than that, I do not see the benefit of the bill and urge you to oppose it.

AMY DAVEY (Director, State Highway Safety Office, Nevada Department of Public Safety):

I am the Director of the State Highway Safety Office, and we oversee the Nevada Rider Training Motorcycle Program. Our office not only manages federal grant programs and highway safety programs, but we collect crash data for the State and research traffic safety data.

We can speak to some of the issues we see in Nevada with respect to motorcycle riding as well. I will offer information to you as you consider this proposal, but first I want to express my appreciation to Senator Harris. Our

office has been in constant close contact with her discussing the various elements of this proposal.

Mr. Bandbaz provided statistics regarding unlicensed riders, and we pulled 2022 data for Nevada. We found that of the fatal motorcycle crashes; 44 percent of them involved unlicensed riders. Nevada is higher than the national average of 36 percent. We see 44 percent of motorcycle fatalities are unlicensed riders, and that makes them 21 percent of all roadway fatalities in Nevada. To put that in perspective, only 2.6 percent of all registered vehicles in Nevada are motorcycles, and they account for 21 percent of the fatalities.

This speaks specifically to motorcyclists' vulnerability. When riders survive a serious roadway incident, and often they do not, their injuries can be severe and long-lasting. For instance, in 1982, my husband severed his left leg in a single-vehicle motorcycle crash while riding his motorcycle. By the way, I am a former motorcycle safety instructor and rider.

We know that the top three causes of motorcycle crashes are speed, impairment and right-of-way violations. Typically, right-of-way violations are motorists turning left in front of a motorcycle because they do not see the motorcycle coming.

I have a correction; it was 47 percent, not 44 percent, of 2022 fatal motorcycle crashes that involved unlicensed riders and 22 percent of all citations written to motorcyclists in Nevada were for being unlicensed.

There are three ways you can become licensed to ride a motorcycle in Nevada. You can move to Nevada with an existing endorsement where we have reciprocity, you can pass a skills test at the DMV, or you can take a Nevada Rider Motorcycle Safety Program course which is frequently offered through local community colleges. We train about 2,500 to 3,000 students per year. There are 70,000 registered motorcycles in Nevada and about 169,000 licensed motorcycle riders.

Mr. Bandbaz is correct in saying there is a lack of a study regarding the role of training. I sit on the Governors Highway Safety Association Board, the national board for State Highway Safety Offices. They are conducting what is called the Behavioral Traffic Safety Cooperative Research Program. This will be a comprehensive research project review and analysis of the role of motorcycle

training and will be bringing forth best practice recommendations at the culmination of that program. We are involved in that project as well.

SEAN SEVER (Deputy Administrator, Division of Research and Project Management, Nevada Department of Motor Vehicles):

We are neutral on <u>S.B. 423</u>. It is a difficult time at the DMV right now with the Department going through our transformation and moving most of our services online, which means we have to program into two IT systems.

We do have a fiscal note on this bill for that reason, but the fiscal impact will be removed with the proposed conceptual amendment.

### MR. BANDBAZ:

I am not a lawyer and not in politics. I am becoming a doctor next month, and I look at a lot of things through the lens of patient care. I see the increasing rate of motorcycle fatalities and lack of licensing as a deteriorating patient.

Anytime you have that, you make a treatment plan. You do that with the best available evidence; sometimes, the evidence is not always up to speed. You do that with your own clinical reasoning, and you work with the situation you have. Some people might not agree with you and the different versions of the plan.

However, a bad plan is to not do treatment and watch the patient continue to deteriorate. You should do the treatment, see if the patient improves and then adjust. Nothing has been implemented for motorcycle safety and licensing. I really want to create a legacy project to keep on doing research, implement this treatment, research to see if it works and adjust based on that.

# VICE CHAIR SPEARMAN:

We will close the hearing on S.B. 423.

#### CHAIR HARRIS:

We will have to reconsider an action in our last meeting on <u>S.B. 66</u>. We moved to amend and do pass as amended the bill, not realizing that we did not have the final updated amendment. We will reconsider that action and then do another amend and do pass as amended with the current amendment.

**SENATE BILL 66:** Revises provisions relating to public safety. (BDR 43-256)

# KRISTIN ROSSITER (Policy Analyst):

<u>Senate Bill 66</u> was heard by the Committee on Monday, April 10, 2023. The amendment put forth for this bill had to do with the conviction from an operation of a commercial vehicle resulting in the disqualification of licensure for that individual, in some cases for life. The bill sponsor and representatives are here if there are specific questions regarding the amendment.

SENATOR SPEARMAN MOVED TO RECONSIDER THE ACTION WHEREBY S.B. 66 WAS AMENDED AND DO PASSED.

SENATOR PAZINA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

SENATOR SPEARMAN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 66.

SENATOR HANSEN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

### CHAIR HARRIS:

We heard both <u>S.B. 293</u> and <u>S.B. 423</u> today, and I intend to bring both of them up during our work session to pass out of Committee to wrap up our work. We will open the work session.

### Ms. Rossiter:

The first item in the work session is <u>S.B. 6</u>. I will read from the work session document (<u>Exhibit N</u>). This bill has two amendments.

<u>SENATE BILL 6</u>: Revises provisions relating to the release of personal information maintained by the Department of Motor Vehicles. (BDR 43-255)

#### CHAIR HARRIS:

I do want to note that I added one of those amendments, and I want to clarify its intention is to restrict the sale of information obtained from the DMV via a public records request. This is not intended to make it illegal for LexisNexis to continue to operate and use DMV data.

SENATOR PAZINA MOVED TO AMEND AND DO PASS AS AMENDED S.B. 6.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

### Ms. Rossiter:

The next item in the work session is <u>S.B. 10</u>. I will read from the work session document (<u>Exhibit 0</u>). Of the four amendments to the bill, the fourth one revised the third amendment (<u>Exhibit P</u>) submitted by Senator Daly earlier today, revising the membership of the board of directors of the bank.

<u>SENATE BILL 10</u>: Revises provisions related to the Nevada State Infrastructure Bank. (BDR 35-358)

SENATOR PAZINA MOVED TO AMEND AND DO PASS AS AMENDED S.B. 10.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

### Ms. Rossiter:

The next item in the work session is  $\underline{S.B.59}$ . I will read from the work session document ( $\underline{Exhibit O}$ ). The bill has one amendment.

**SENATE BILL 59:** Revises provisions relating to vessels. (BDR 43-225)

#### SENATOR HANSEN:

I thought we got rid of the part Chair Harris and I worried about in section 39 "hinders, obstructs, delays or otherwise interferes with an officer, employee or agent" ... is guilty of a misdemeanor. Is that still part of the amendment?

### CHAIR HARRIS:

Senator Hansen, that is on the amendment summary of the work session document.

### **SENATOR HANSEN:**

I do not have it in front me of me, but you and I shared the same concern. I want to make sure that you, as Chair, have that handled.

### CHAIR HARRIS:

I will turn it over to Ms. Rossiter to confirm.

### Ms. Rossiter:

Yes. If you look at the work session document, item 9 states that the amendment removes a provision "which would prohibit obstructing, hindering, delaying or otherwise interfering with an officer, employee, or agent of the NDOW under certain circumstances."

SENATOR PAZINA MOVED TO AMEND AND DO PASS AS AMENDED S.B. 59.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

### Ms. Rossiter:

The next item in the work session is <u>S.B. 164</u>. I will read from the work session document (<u>Exhibit R</u>). A conceptual amendment (<u>Exhibit S</u>) proposed by Senator Spearman amends section 1, subsection 5 to provide that 100 percent of the fees collected be distributed to the Las Vegas Metropolitan Inter Alumni Council. This also changes the effective date of the bill from July 1, 2023, to October 1, 2023.

**SENATE BILL 164**: Revises provisions relating to special license plates. (BDR 43-8)

### SENATOR HANSEN:

Thank you for clarifying; that amendment took away all of our concerns.

SENATOR SPEARMAN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 164.

SENATOR HANSEN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

### Ms. Rossiter:

The next item in the work session is <u>S.B. 281</u>. I will read from the work session document (Exhibit T). The bill has one amendment.

SENATOR HANSEN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 281.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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### Ms. Rossiter:

The next item in the work session is <u>S.B. 293</u> which was heard by the Committee earlier today. I will read from the work session document ( $\underline{\text{Exhibit U}}$ ). This bill had two amendments,  $\underline{\text{Exhibit K}}$  and  $\underline{\text{Exhibit L}}$ , which were explained during the hearing.

SENATOR SPEARMAN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 293.

SENATOR PAZINA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

### Ms. Rossiter:

The next item in the work session is <u>S.B. 303</u>. I will read from the work session document (Exhibit V). This bill has one amendment.

**SENATE BILL 303**: Revises provisions relating to motor vehicles. (BDR 43-673)

SENATOR HANSEN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 303.

SENATOR PAZINA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

#### Ms. Rossiter:

The next item in the work session is <u>S.B. 314</u>. I will read from the work session document (Exhibit W). The bill has one amendment.

**SENATE BILL 314**: Revises provisions relating to energy storage systems. (BDR 58-60)

### SENATOR HANSEN:

We want to double-check as I thought another amendment would ensure opportunities to take these classes outside of union-provided classes. I may be mistaken on which amendment. During the hearing, they said nonunion contractors could take the classes.

### CHAIR HARRIS:

I apologize we do not have an answer for you. I did not attend that hearing.

SENATOR PAZINA MOVED TO AMEND AND DO PASS AS AMENDED S.B. 314.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

### Ms. Rossiter:

The next item in the work session is <u>S.B. 334</u>. I will read from the work session document (<u>Exhibit X</u>). There is one proposed amendment (<u>Exhibit Y</u>) to the bill.

**SENATE BILL 334**: Revises provisions relating to renewable energy. (BDR 58-30)

### SENATOR HANSEN:

I liked the original bill but I am not that happy with the amendment which limits it too much. We are trying to get hydrogen and limit it to green hydrogen in the amendment. I understand that would perhaps make some of the people in the audience happy, but the overall goal of the bill is to expand opportunities for an unusual type of energy that may be the wave of the future. I hate to limit it to green hydrogen as the amendment proposes, but it is Senator Spearman's bill so it is up to her.

### CHAIR HARRIS:

Senator Hansen, I will note that with the amendment, all of the people originally in opposition are no longer in opposition.

SENATOR SPEARMAN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 334.

SENATOR PAZINA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

### Ms. Rossiter:

The next item in the work session is <u>S.B. 338</u>. I will read from the work session document (Exhibit Z). This bill has one amendment.

**SENATE BILL 338**: Revises provisions relating to off-highway vehicles. (BDR 43-678)

#### SENATOR HANSEN:

When Senator Flores presented the bill, he said they had two years. We want to emphasize that he and the stakeholders are to wait two years and then revisit this if we have not implemented reasonable regulations to take care of the problems brought up.

SENATOR PAZINA MOVED TO AMEND AND DO PASS AS AMENDED S.B. 338.

SENATOR HANSEN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

### Ms. Rossiter:

The next item in the work session is <u>S.B. 349</u>. I will read from the work session document (Exhibit AA). This bill has one amendment.

**SENATE BILL 349**: Revises provisions relating to document preparation services. (BDR 43-855)

SENATOR HANSEN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 349.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

### Ms. Rossiter:

The next item in the work session is <u>S.B. 422</u>. I will read from the work session document (<u>Exhibit AB</u>). There are two amendments to the bill. The second proposed amendment (<u>Exhibit AC</u>) was received by the Committee during the meeting today.

**SENATE BILL 422**: Revises provisions relating to public safety. (BDR 43-663)

SENATOR HANSEN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 422.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

### Ms. Rossiter:

The next item in the work session is <u>S.B. 423</u>. I will read from the work session document (<u>Exhibit AD</u>). This bill was heard earlier today by this Committee, and there is one amendment.

### **SENATOR HANSEN:**

The presentation was excellent, but I am uncomfortable as I do not have enough evidence yet to force 160,000 licensed individuals into this sort of system. Reluctantly, I am voting against this bill.

SENATOR PAZINA MOVED TO AMEND AND DO PASS AS AMENDED S.B. 423.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR HANSEN VOTED NO.)

\* \* \* \* \*

### Ms. Rossiter:

The last item in the work session is <u>S.B. 424</u>. I will read from the work session document (<u>Exhibit AE</u>). An additional proposed amendment (<u>Exhibit AF</u>) from Senator Flores proposes a nine-month term after which the application is filed with the authority.

**SENATE BILL 424**: Revises provisions relating to the Nevada Transportation Authority. (BDR 58-860)

SENATOR SPEARMAN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 424.

SENATOR HANSEN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

Remainder of page intentionally left blank; signature page to follow.

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# CHAIR HARRIS:

Having no further business to come before the Senate Committee on Growth and Infrastructure, we are adjourned at 7:31 p.m.

	RESPECTFULLY SUBMITTED:	
	Paula Peters, Committee Secretary	
APPROVED BY:		
Senator Dallas Harris, Chair		
DATE:		

EXHIBIT SUMMARY					
Bill	Exhibit Letter	Introduced on Minute Report Page No.	Witness / Entity	Description	
	Α	1		Agenda	
	В	1		Attendance Roster	
S.B. 116	С	5	Senator Skip Daly	Proposed Amendment	
S.B. 116	D	13	Christi Cabrera-Georgeson / Nevada Conservation League	Letter of opposition	
S.B. 116	Е	14	Ernest Figueroa / Bureau of Consumer Protection	FAQ document on Gas Infrastructure Replacement	
S.B. 116	F	16	Joanne Leovy / Nevada Clinicians for Climate Action	Letter of opposition	
S.B. 116	G	18	Nikolai Christenson / Toiyabe Chapter, Sierra Club	Letter of opposition	
S.B. 356	Н	28	Senator Roberta Lange	Proposed amendment	
S.B. 356	I	41	Ernest Figueroa	Document regarding Cost of Electricity	
S.B. 356	J	42	Russell Rowe / Tesla	Article regarding Telsa Powerwall Electrek	
S.B. 293	К	48	Senator Fabian Doñate	The Office of the Attorney General / Proposed Conceptual Amendment, Version 1	
S.B. 293	L	49	Senator Fabian Doñate	Office of the Attorney General / Proposed Conceptual Amendment, Version 2	
S.B. 423	М	66	Senator Dallas Harris	Proposed Amendment	

S.B. 6	N	72	Kristin Rossiter	Work Session Document
S.B. 10	0	73	Kristin Rossiter	Work Session Document
S.B. 10	Р	73	Kristin Rossiter	Proposed Amendment, prepared by Senator Skip Daly
S.B. 59	Q	73	Kristin Rossiter	Work Session Document
S.B. 164	R	74	Kristin Rossiter	Work Session Document
S.B. 164	S	74	Kristin Rossiter	Proposed Conceptual Amendment, proposed by Senator Pat Spearman
S.B. 281	Т	75	Kristin Rossiter	Work Session Document
S.B. 293	U	75	Kristin Rossiter	Work Session Document
S.B. 303	V	76	Kristin Rossiter	Work Session Document
S.B. 314	W	76	Kristin Rossiter	Work Session Document
S.B. 334	Х	77	Kristin Rossiter	Work Session Document
S.B. 334	Y	77	Kristin Rossiter	Proposed Amendment, prepared for ACES Delta
S.B. 338	Z	77	Kristin Rossiter	Work Session Document
S.B. 349	AA	78	Kristin Rossiter	Work Session Document
S.B. 422	AB	78	Kristin Rossiter	Work Session Document
S.B. 422	AC	78	Kristin Rossiter	Proposed Amendment, prepared by Constance Brooks / University Nevada, Las Vegas
S.B. 423	AD	79	Kristin Rossiter	Work Session Document
S.B. 424	AE	79	Kristin Rossiter	Work Session Document
S.B. 424	AF	79	Kristin Rossiter	Proposed Amendment, proposed by Senator Edgar Flores