

Assembly Bill No. 493—Committee
on Growth and Infrastructure

CHAPTER.....

AN ACT relating to waste; requiring certain owners of a distributed generation system to file certain plans relating to the disposal of the distributed generation system with the Division of Environmental Protection of the State Department of Conservation and Natural Resources; requiring facilities that recycle materials from a distributed generation system or utility-scale solar project to file a report with the Division; requiring a surplus retirement plan to include certain information relating to the retirement of a utility-scale solar project; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law sets forth certain requirements for agreements for the lease or purchase of a distributed generation system and for the purchase of the output of a distributed generation system. (NRS 598.9801-598.9822) **Section 33** of this bill requires the owner of a distributed generation system that has been leased or from which a customer is purchasing the output to file with the Division a plan for the disposal of the distributed generation system at the end of the useful life of the system. **Section 37** of this bill requires an agreement for the lease of a distributed generation system to include a description of any obligation the lessor has regarding the disposition of the distributed generation system in accordance with the plan.

Existing law requires certain electric utilities to file a surplus asset retirement plan with the Public Utilities Commission of Nevada for each asset classified as surplus and sets forth certain requirements for the plan. (NRS 704.734) **Section 38** of this bill requires a surplus asset retirement plan for certain utility-scale solar projects to include certain information relating to the decommissioning of a site of such a project and the restoration of the land.

Section 36.5 of this bill requires each facility that recycles a distributed generation system or utility-scale solar project or a component thereof to submit a written report to the Division with certain information relating to the materials received, recycled and recovered by the facility.

EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~omitted material~~ is material to be omitted.

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

Sections 1-32. (Deleted by amendment.)

Sec. 33. Chapter 444 of NRS is hereby amended by adding thereto a new section to read as follows:

1. In addition to any other requirement set forth in title 58 relating to the disposal of a distributed generation system, an owner of a distributed generation system that is being leased to a



customer or from which a customer purchases the output, shall file with the Division of Environmental Protection of the State Department of Conservation and Natural Resources a written plan for the disposal of the distributed generation system at the end of the useful life of the distributed generation system. The plan must:

(a) In lieu of disposal, provide for the reuse, refurbishment or recycling of any solar photovoltaic panels; and

(b) Include, without limitation:

(1) The name of the person that will be responsible for the disposal of the distributed generation system;

(2) The extent and methods by which the distributed generation system will be recycled, refurbished or reused; and

(3) For any solar photovoltaic panels that will be recycled, the percentage rate of the material recovery in weight.

2. Except as otherwise provided in this subsection, the percentage rate of the material recovery in weight for any solar photovoltaic panels that will be recycled at the end of the useful life of a distributed generation system must not be less than 90 percent. The State Environmental Commission may, by regulations adopted pursuant to subsection 3, prescribe alternative methods to measure the recycled content of a solar photovoltaic panel that will be recycled.

3. The State Environmental Commission shall adopt regulations to carry out the requirements of this section.

4. As used in this section:

(a) "Distributed generation system" means a system or facility directly installed on or at a residence that uses solar energy to generate electricity.

(b) "Residence" means any dwelling in which title to the individual unit is transferred to the owners.

Secs. 34-36. (Deleted by amendment.)

Sec. 36.5. Chapter 444A of NRS is hereby amended by adding thereto a new section to read as follows:

1. On or before March 1 of each year, each facility that recycles a distributed generation system or utility-scale solar project, or a component thereof, shall submit to the Division of Environmental Protection of the State Department of Conservation and Natural Resources, in the form prescribed by the Division, a written report for the previous calendar year containing:

(a) The total volume or tonnage of materials received by the facility;

(b) The total volume or tonnage of materials recycled; and



(c) The recovery rates of materials recycled from a distributed generation system or utility-scale solar project by the facility in this State.

2. As used in this section:

(a) “Distributed generation system” has the meaning ascribed to it in section 33 of this act.

(b) “Utility-scale solar project” has the meaning ascribed to it in section 38 of this act.

Sec. 37. NRS 598.9811 is hereby amended to read as follows:

598.9811 An agreement for the lease of a distributed generation system must include, without limitation, the following information in at least 10-point font:

1. The name, mailing address, telephone number and number of the contractor’s license of the solar installation company.

2. The name, mailing address and telephone number of:

(a) The lessor of the distributed generation system; and

(b) The name, mailing address and telephone number of the person responsible for all maintenance of the distributed generation system, if different from the solar installation company.

3. An estimated timeline for the installation of the distributed generation system.

4. The length of the term of the lease.

5. A general description of the distributed generation system.

6. The amounts due at the signing for and at the completion of the installation or any inspection of the distributed generation system.

7. A description of any warranties.

8. The amount of the:

(a) Monthly payments due under the lease; and

(b) Total payments due under the lease, excluding taxes.

9. A description of any other one-time or recurring charges, including, without limitation, a description of the circumstances that trigger any late fees.

10. A description of any obligation the lessor has regarding the installation, repair or removal of the distributed generation system.

11. A description of any obligation the lessor has regarding construction of and insurance for the distributed generation system.

12. A description of any:

(a) Taxes due at the commencement of the lease; and

(b) Estimation of taxes known to be applicable during the term of the lease, subject to any change in the state or local tax rate or tax structure.



13. A copy of the warranty for the distributed generation system.

14. A disclosure notifying the lessee of the transferability of the obligations under the warranty to a subsequent lessee.

15. *A description of any obligation the lessor has regarding the disposition of the distributed generation system in accordance with the plan filed pursuant to section 33 of this act.*

16. The identification of any state or federal tax incentives that are included in calculating the amount of the monthly payments due under the lease.

~~{16-}~~ 17. A description of the ownership of any tax credits, tax rebates, tax incentives or portfolio energy credits in connection with the distributed generation system.

~~{17-}~~ 18. Any terms for renewal of the lease.

~~{18-}~~ 19. A description of any option to purchase the distributed generation system before the end of the term of the lease.

~~{19-}~~ 20. A description of all options available to the host customer in connection with the continuation, termination or transfer of the lease in the event of the:

(a) Sale of the property to which the distributed generation system is affixed; or

(b) Death of the lessee.

~~{20-}~~ 21. A description of any restrictions that the lease imposes on the modification or transfer of the property to which the distributed generation system is affixed.

~~{21-}~~ 22. The granting to the lessee of the right to rescind the lease for a period ending not less than 3 business days after the lease is signed.

~~{22-}~~ 23. An estimate of the amount of electricity that could be generated by the distributed generation system in the first year of operation.

~~{23-}~~ 24. A signature block that is signed and dated by the lessor and the lessee of the distributed generation system.

Sec. 38. NRS 704.734 is hereby amended to read as follows:

704.734 1. For each asset which has been classified as surplus by an electric utility pursuant to NRS 704.7338 or reclassified as surplus by the Commission pursuant to NRS 704.7339, each electric utility which owns all or part of the asset shall file a surplus asset retirement plan with the Commission within 120 days after the asset has been classified or reclassified as surplus. Such a plan is subject to the approval of the Commission.

2. A surplus asset retirement plan must include:



(a) A brief description of the asset, including without limitation, its generating capacity, its current condition and any details regarding ownership.

(b) A plan for the decommissioning of the site, including without limitation, the closure of any remaining operational activities, any required environmental remediation, the removal and disposal of any physical assets deemed unsuitable for redevelopment and remediation, as determined by the Division of Environmental Protection of the State Department of Conservation and Natural Resources pursuant to NRS 704.7318, or, if decommissioning is underway or completed, a full description of the decommissioning program.

(c) A marketing plan for the sale of the asset, prepared in consultation with the Office of Economic Development, which must disclose any environmental issues or other restrictions and emphasize the value of the asset in its marketplace.

(d) A timeline for implementation of the plan, including without limitation, key dates for completion of benchmarks including a final sale date. To the extent reasonably possible, the timeline must indicate a final sale date that is within 30 months after commencement of the plan.

(e) For each utility-scale solar project with a nameplate capacity of 70 megawatts or more:

(1) The name, address and contact information of the landowner on which the utility-scale solar project is sited, if the owner is not the electric utility or an independent power producer;

(2) A narrative description of how the decommissioning of the site will be conducted, including, without limitation, the sequencing of the decommissioning, the disposition of any materials used for the decommissioning, including, without limitation, any materials used for the disposition, reuse or recycling of equipment;

(3) A schedule for completion of the decommissioning;

(4) A narrative description of how the land will be returned to a substantially similar state of the land as it existed before construction of the utility-scale solar project;

(5) Any equipment relating to the utility-scale solar project that is proposed to be salvaged;

(6) An estimate of the costs of decommissioning, including, without limitation, any costs of recycling, and restoring the land; and

(7) A description of the manner in which the surplus asset retirement plan will be funded in accordance with NRS 704.870.



3. As used in this section:

(a) *“Independent power producer” means a generating facility that is connected to the system but is not owned by a public utility. The term includes any qualifying cogeneration or small power production facility subject to 18 C.F.R. Part 292 and any exempt wholesale generator, as that term is defined in 15 U.S.C. § 79z-5a, that is connected to the system but is not owned by a public utility. The term does not include distributed generation.*

(b) *“Utility-scale solar project” means a ground-mounted photovoltaic project capable of generating 70 megawatts or more that is directly connected to an electric transmission system. The term includes, without limitation, solar arrays, accessory buildings, battery storage facilities, transmission facilities and any other infrastructure necessary for the operation of the project.*

Sec. 39. 1. This section and sections 1 to 32, inclusive, 34, 35, 36 and 38 of this act become effective on October 1, 2025.

2. Sections 33, 36.5 and 37 of this act become effective on January 1, 2028.

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