ASSEMBLY BILL NO. 529–COMMITTEE
ON GROWTH AND INFRASTRUCTURE

(ON BEHALF OF THE JOINT INTERIM STANDING COMMITTEE
ON GROWTH AND INFRASTRUCTURE)

MARCH 24, 2025

Referred to Committee on Growth and Infrastructure

SUMMARY—Revises provisions governing facilities for the generation of electricity. (BDR 58-427)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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

AN ACT relating to energy; requiring certain wholesale facilities for the generation of electricity to purchase power from certain small electric utilities; requiring a provider of electric service that serves a wholesale generation facility in the service territory of certain small electric utilities to make certain payments to the utility; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the issuance of a certificate of public convenience and necessity to certain cooperative associations, nonprofit corporations and nonprofit associations that provide electric service to their members. (NRS 704.677) Existing law also authorizes certain local governmental entities to provide electric service. (Chapters 709 and 710 of NRS) This bill requires certain wholesale facilities for the generation of electricity which are located within the service territory of such a cooperative association, nonprofit corporation or nonprofit association or municipal utility to purchase the energy required to operate, maintain or repair the facility from the cooperative association, nonprofit corporation or nonprofit association or municipal utility. This bill further requires the facility to: (1) adhere to all rules, rates and policies established by the governing board of the cooperative association, nonprofit corporation or nonprofit association or municipal utility relating to the delivery of and payment for power; and (2) authorize a cooperative association, nonprofit corporation or nonprofit association or municipal utility to install or certify the proper operation of a meter to accurately measure and provide accurate monthly readings of the energy use of the facility. This bill further: (1) authorizes a cooperative association, nonprofit corporation, nonprofit

association or municipal utility to charge certain rates to the wholesale generation facility; and (2) requires a provider of electric service that provides power to a wholesale generation facility in the service territory of the cooperative association, nonprofit corporation, nonprofit association or municipal utility to make certain payments to the cooperative association, nonprofit corporation, nonprofit association or municipal utility.

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

Section 1. Chapter 701 of NRS is hereby amended by adding thereto a new section to read as follows:

1. A wholesale generation facility in this State which becomes operational on or after January 1, 2026, and is located within the service territory of a rural electric utility shall:

(a) Purchase its station power from the rural electric utility, unless otherwise provided in a written agreement between the wholesale generation facility and the rural electric utility.

(b) Adhere to all rules, rates and policies established by the governing board of the rural electric utility relating to the delivery of and payment for station power.

(c) Authorize the rural electric utility to install or certify the proper operation of a meter that measures the use of station power by a wholesale generation facility and provides the rural electric utility with accurate monthly readings of that use.

2. A rural electric utility may charge to a wholesale generation facility a retail rate for station power which is commensurate with the rate the rural electric utility charges to customers in its service territory with comparable load magnitudes, load factors and other relevant characteristics.

3. If a wholesale generation facility receives station power from a provider of electric service other than the rural electric utility for the service territory in which the wholesale generation facility is located, the provider of electric service shall remit to the rural electric utility an amount equal to the payment which the wholesale generation facility would have paid for such station power if provided by the rural electric utility.

4. As used in this section:

(a) "Municipal electric utility" includes, without limitation:

(1) An electric utility established pursuant to chapter 709 or 710 of NRS.

(2) Any other electric utility that is owned, operated or controlled by a county, city or other local governmental entity.

(b) "Rural electric utility" means:

(1) A cooperative association, nonprofit corporation, nonprofit association or provider of electric service which is declared to be a public utility pursuant to NRS 704.673 and which provides service only to its members; or

(2) A municipal electric utility which provides electric service to fewer than 100,000 retail electric meters.

(c) "Station power" means energy used on the site of a wholesale generation facility for the operation, maintenance or repair of the facility, including, without limitation, energy used for lighting, thermal regulation, fuel processing and powering equipment. The term:

(1) Includes any such load:

(I) That is served by a provider of electric service over a distribution line that is connected to the system of the provider of electric service at a point that is separate from the switchyard where a generation or storage resource of the wholesale generation facility is connected to the transmission system; or

(II) That is served by the system of a provider of electric service that is connected to the transmission system at the same point as a generation or storage resource of the wholesale generation facility during any period when the generation or storage resource is idle.

(2) With respect to a wholesale generation facility which generates electricity from geothermal resources, does not include energy used to operate fans or pumps or parasitic loads associated with the production of electricity from a geothermal resource.

(d) "Wholesale generation facility" means a facility for the generation of electricity that has a capacity in excess of 1 megawatt and:

(1) Is not affiliated through common ownership with an end-use customer that purchases electricity; and

(2) Does not provide the electricity generated by the facility directly and exclusively to the end-use customer described in subparagraph (1).

Sec. 2. 1. This section becomes effective upon passage and approval.

2. Section 1 of this act becomes effective:

(a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On January 1, 2026, for all other purposes.

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