

# Summary of Proposed Changes to Nevada Administrative Code Chapter 538

## **Rules of Practice and Procedure before the Commission: 1-2, 4-6, 17-18, XX, 19-25**

- Section 1 is a statement of amendment of NAC Chapter 538.
- Section 2 addresses meaning of terms.
- Section 4 describes how documents are officially received by the Commission.
- Section 5 describes how the Commission will maintain service lists.
- Section 6 describes how the Commission may appoint one or more presiding officers to conduct hearings.
- Section 17 defines Commission.
- Section 18 defines which sections of the Nevada Administrative Code (NAC) govern practice and procedures; which regulations apply to Schedule D allocations and states when the Executive Director determines the proceedings to apply to an action, if not defined within the regulations.
- Section XX states that complaints may be made by any interested person based on causes of action under Nevada Revised Statute (NRS) 538.181(4) and NRS 528.221 and explains how a complaint should be alleged before the Commission.
- Sections 19-25 set forth minor revisions to current procedural regulations.

## **Allocation of Schedule D power from the Boulder Canyon Project to new allottees: Sections 3, 7-8, 11-13.**

- Section 3 defines Schedule D power.
- Section 7 outlines the steps the Commission must take in developing its criteria to allocate Schedule D power.
- Section 8 and 11 describes the steps the Commission must take when allocating Schedule D power.
- Section 12 describes the eligibility requirements of an applicant that is an electric utility.
- Section 13 describes the eligibility requirements of an applicant that is not an electric utility.

## **Various provisions governing the marketing of electric power by the Commission: Sections 9-10, 14-16, 26-33, 35, and 37-39.**

- Section 9 and 10 defines Schedule A and C power.
- Section 14 describes the steps the Commission will take to reallocate power when a contractor loses or surrenders its allocation of hydropower or when an entity that has been offered an allocation of power fails to enter into a contract with the Commission.
- Section 15 describes the Commission's offer of new Hoover power contracts to existing Schedule A and B Contractors Post-2017.
- Section 16 describes Post-2017 contract provisions for Schedule A, B and D Contractors.
- Section 26 describes the eligibility requirements for applicants that seek an allocation of Hoover power prior to 2017, or for applicants seeking an allocation of power from the Parker-Davis or Salt Lake City Area Integrated Projects.

- Section 27 explains that power from Hoover, Parker-Davis and Salt Lake City Area Integrated Projects will be marketed during the same seasons as the Western Area Power Administration.
- Section 28 and 29 explains that the Commission will reallocate power if a Contractor loses or surrenders its allocation of power, or if an entity fails to enter into a contract.
- Section 30 describes minimum capacity reserve requirement for each Contractor.
- Section 31 identifies the contract term for Hoover, Parker-Davis and Salt Lake City Area Integrated Projects contracts.
- Section 32 describes provisions that require:
  - Commission approval prior to the sharing, reselling, pooling, leasing or change in the point of use of power,
  - the utility Contractor to use the full power resource available to them for the benefit of Nevada, and
  - Nevada Power Company to pass through benefits of Schedule A and B Hoover power to its residential customers.
- Section 33 allows the Commission to reduce the allocation of any Contractor that does not use its full allocation for three consecutive years.
- Section 35 includes Schedule D in the calculation when apportioning shortages when there is a reduction in Hoover capacity.
- Section 37 provides the Executive Director establishes scheduling, accounting and delivery procedures for receipt of power from the Commission.
- Section 38 adds a provision that allows the Commission to designate any other points of delivery and voltages within Western's marketing area for all hydropower projects.
- Section 39 Specifies Post-2017 Schedule A and B Hoover Contractors allocations of capacity and energy and creates a placeholder for Schedule D Contractors allocations of capacity and energy.

**Other matters addressed in NAC 538 including, but not limited to, metering and risk management: Sections 34, 36, 40, and 41.**

- Section 34 requires end-use (retail) Contractors to:
  - provide the Commission with meter data for billing,
  - use meter equipment that meets standards approved by the Executive Director,
  - provide physical access to metering equipment, and
  - provide access to physically disconnect power (full service Contractors only).
- Section 36 reduces the notification period from 6 months to 90 days when the Commission provides notice of a change in administration charge; allows for a change in administration charge outside the 2-year window in a triggered event; requires the Contractor to notice the Commission of a 30% decrease in load.
- Section 40 provides the Commission:
  - the ability to review the creditworthiness of all Contractors,
  - to implement prepayment of its bills to all Contractors, and/or to establish a cash working capital fund.
- Section 41 provides the Commission the ability to reallocate hydropower on a short term basis in the event a Contractor's allocation of hydropower has been suspended.

**\*\*\*\* Repealed Sections:** 538.490 (General rule); 538.580 (General rule).