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STATE OF NEVADA
COLORADO RIVER COMMISSION OF NEVADA

REPORTER'S TRANSCRIPT OF
WORKSHOP TO SOLICIT COMMENTS
ON PROPOSED REGULATIONS

At the Clark County Commission Chambers
Clark County Government Center
500 South Grand Central Parkway
Las Vegas, Nevada

On Monday, April 21, 2014
At 1:00 p.m.

Reported by: Jane V. Efaw, CCR #601, RPR

1 Commission Staff Present:

2 JAYNE HARKINS, Executive Director

3 JIM SALO, Deputy Executive Director

4 ANN PONGRACZ, Special Counsel to the Attorney General

5 CRAIG PYPHER, Hydropower Program Manager

6 LISA RAY, Assistant Hydropower Program Manager

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1 Monday, April 21, 2014; Las Vegas, Nevada

2 P R O C E E D I N G S

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5 MS. HARKINS: Good afternoon. I'm Jayne
6 Harkins, Executive Director of the Colorado River
7 Commission of Nevada. Welcome to our workshop on our
8 regulations today. We're here to accept comment.
9 Glad you're here.

10 I do know that we have a few people on the
11 phone. So I'd like those to go ahead and identify
12 yourselves.

13 MR. WEBB: This is Lloyd Webb with Olin
14 Corporation.

15 MS. HARKINS: Thanks, Lloyd. Anyone else on
16 the phone? Okay. So, Lloyd, if you can stay on
17 mute. If you do want to comment during the session,
18 I'll try and hopefully folks will remind me to go to
19 our phone folks to get their comments as we move
20 along.

21 Some housekeeping chores. Please turn off
22 your phones. If you are going to take a call, not a
23 problem. If you could step out for us.

24 If there is any kind of an emergency, exit
25 the building. Follow these exit signs and go to your

1 left and my right and exit the building.

2 The restrooms and the water fountains are
3 out the back door to the right, and just before you
4 exit the building, there's another right.

5 We're pretty informal here today. We do
6 have some materials to be presented to you that give
7 you some discussion and overview of our proposed
8 regulations. And then we will open it up for
9 comment. And we'll just walk through the regulations
10 by section. And you can come up to the microphones
11 and provide us your name and who you're representing,
12 if anyone.

13 And we do have a court reporter here today.
14 So she needs spelled names. We ask you to sign in so
15 we get your name and information so we can put it
16 on -- add you to our mailing list if you are not
17 already on our mailing list. And that's in the back
18 right next to the door.

19 Any other opening things that you can think
20 about? Any questions on how we're going to proceed
21 today?

22 So the purpose is to solicit comments from
23 interested persons regarding our proposed
24 regulations.

25 So just a reminder of the topics in the

1 proposed regulations. We've broken it into five
2 general areas. We won't speak to the general rules
3 that are being repealed this afternoon, but we do
4 have a presentation talking about the Rules of
5 Practice and Procedure before the Commission. On
6 here we do list which sections fall into that.

7 Then we have the allocation of Schedule D
8 power from the Boulder Canyon Project to new
9 allottees. There's some specific proposed sections
10 new to our regulations on that.

11 We have various provisions governing the
12 marketing of electric power by the Commission.
13 That's for all customers of Hoover power -- of all
14 power of the Commission. So that would include the
15 Schedule D customers as well.

16 And then we have other matters addressed in
17 our NAC 538 that has a number of items in it that
18 include metering and risk management as well.

19 You'll notice in the LCB document that we
20 have that are the proposed regulations, the format of
21 that document is that first there's the new items,
22 new sections, that are being added. Then you have
23 the revised sections shown in a redline strikeout
24 format. Then at the very end are the two repealed
25 sections. What is not shown is all the unchanged

1 sections of our Nevada Administrative Code 538.

2 So some of it is a little out of order.

3 Those new sections, when they get formalized into the
4 NAC, they'll get put into places between other
5 sections, and things could get renumbered. But at
6 this point, this is the document that we have from
7 LCB that we are working with.

8 With that I'll turn it over to Ann Pongracz,
9 Special Counsel to the Attorney General. She'll walk
10 you through the rule-making process and the first,
11 kind of broad overview section that we have, which is
12 the Colorado River Commission the Rules of Practice
13 and Procedure.

14 MS. PONGRACZ: Thank you very much,
15 Ms. Harkins.

16 Good afternoon. Well, the CRC staff has
17 been working on this process for a number of months,
18 and the staff felt the proposed changes to NAC 538
19 and provided them late last year to the Legislative
20 Counsel Bureau as required for LCB review.

21 LCB got back to staff early this year and
22 provided us with some advice regarding possible
23 changes to the revisions that have been proposed by
24 CRC staff, which CRC staff has worked with.

25 Then CRC issued a public notice of workshop

1 to informally address proposals and solicit comments
2 from interested persons. That's what we're doing
3 here today.

4 Following our workshop today, we will accept
5 written comments on the proposed revisions by 5:00
6 p.m. on Friday, April 25th. That's this coming
7 Friday.

8 There will be a hearing before the Colorado
9 River Commission on the proposed revisions. We're
10 planning to do that at this point at the Commission's
11 regularly scheduled June Commission meeting, which is
12 the second Tuesday in June. And then any proposed
13 revisions that are approved by the Colorado River
14 Commission will have to be submitted for approval by
15 the Legislative Commission.

16 Does anybody have any questions about the
17 process that we've followed up to this date or how we
18 will proceed?

19 MR. SALO: If I might, just one minor
20 clarification. I'm sure most of you know, but in
21 case someone in the room doesn't, "LCB" refers to the
22 "Legislative Counsel Bureau." And they by statute
23 have a rule in reviewing all proposed regulations
24 before they go to any kind of action by the effective
25 agency. So I just wanted to clarify that. Thank

1 you.

2 MS. PONGRACZ: Thank you, Jim. So I'll
3 begin with an outline of the post changes to the CRC
4 Rules of Practice and Procedure.

5 As many of you are probably aware, it's been
6 several decades since the Colorado River Commission
7 did a look at most of these regulations. And so
8 there were some areas where the Rules of Practice and
9 Procedure just needed to be updated.

10 And I will walk you through it by section
11 that has been changed. So we start with Sections 1
12 and 2 of the Draft Proposed Regulation from January
13 16th.

14 The first section is simply an introductory
15 section non-substantive where it says, "Chapter 538
16 of NAC is hereby amended by adding thereto the
17 provisions set forth as Sections 2 through 16,
18 inclusive, of this regulation."

19 And Section 2 states, "As used in this
20 chapter, unless the context otherwise requires, the
21 words and terms defined in NAC 538.010 and Section 3
22 of this regulation have the meanings ascribed to them
23 in those sections."

24 The next provision in Section 4 talks about
25 how documents can be received officially by the

1 Colorado River Commission. For example, the last
2 time the CRC redid its regulations, electronic mail
3 did not exist. So that's the major change that's
4 been made in this section, to allow the use of
5 electronic mail. There are also some wording changes
6 there.

7 Section 5 requires the Commission to
8 maintain a service list for each case for which a
9 hearing will be held.

10 And Section 6 allows for the appointment of
11 presiding officers to preside over and conduct
12 hearings and other proceedings or any portion
13 thereof.

14 Section 10 is the next amendment to the
15 Rules of Practice and Procedure. And in Section 10,
16 there's a definition of Schedule C, which is the
17 schedule -- it's a type of Hoover power. It's a
18 categorization of Hoover power.

19 Section 17 and 18 address amendments to
20 NAC -- Section 17 addresses the amendment to 538.010
21 that simply amends the definition of "the Commission"
22 as meaning "the Colorado River Commission of Nevada."

23 Section 18 is introductory language
24 clarifying that the regulations that will be
25 discussed later for how Hoover power will be

1 allocated -- that those are included in the Rules of
2 Practice and Procedure before the Commission.

3 And then Sections 19 through 25 address
4 various procedural issues. Beginning with Section
5 19, who may hold a pre-hearing conference and how
6 witnesses may be heard. Section 20 addresses who may
7 be a presiding officer. Section 21 changes the date
8 for rendering of a Commission decision from 90 to 180
9 days after completion of a hearing.

10 Section 22 addresses that the Commission --
11 the requirement that the Commission issue a decision
12 or order and inserts the language "following a
13 hearing."

14 Section 23 talks about the Commission may
15 conduct -- may be petitioned by members of the public
16 regarding any matter that is within the Commission's
17 own jurisdiction.

18 Section 24 addresses petitions. And Section
19 25 basically just clarifies which sections of the
20 regulation are covered under the Rules of Practice
21 and Procedure.

22 And with that, we can move on to the next
23 presenter.

24 MS. HARKINS: Okay. So we'll talk about
25 Colorado River Commission Schedule D Hoover Power

1 allocations. And I'll turn this over to James Salo,
2 who is the Deputy Executive Director.

3 MR. SALO: Thank you, Jayne. The sections
4 in the proposed regulation that most directly relate
5 to the topic of allocating the Schedule D power
6 include 3, 7, 8, 11, 12 and 13.

7 Section 3 is basically a definition of the
8 phrase, quote, Schedule D Power, close quote, so that
9 whenever we reference it in the regulations, we don't
10 have to define it over and over again.

11 Section 7 sets up the steps that will be
12 followed to develop the criteria to be used by the
13 Commission in determining how to allocate Schedule D
14 power.

15 The basic steps include staff will hold a
16 public meeting to solicit input, comments,
17 suggestions. After considering that input, staff
18 will prepare a draft order for the Commission to
19 consider that would propose criteria for the
20 Commission to act on.

21 A copy of the draft order will be served on
22 all interested persons, including those of you in the
23 room who provide us contact information, as well as
24 anyone else who asks to be served a copy of that
25 draft order.

1 The Commission will conduct a formal hearing
2 at a future date to consider the proposed criteria
3 the staff has developed. And then they will be asked
4 to act on that criteria by either adopting them,
5 modifying them, or rejecting them. They have a full
6 range of options. But they will be asked to act on
7 the criteria at that time.

8 At that point, assuming that they approve
9 the criteria, then those will become the criteria to
10 go forward with as we allocate Schedule D power.

11 Schedule 8 focuses more on the actual steps
12 leading up to allocations once we have the criteria
13 in place.

14 Staff will hold another public meeting to
15 discuss the application process. Any application
16 forms that are developed will be discussed. The
17 deadlines will be set forth. And again input,
18 comments, or questions will be solicited. Interested
19 persons will be able to submit an application. All
20 the applications will be reviewed.

21 Again, a draft order will be prepared by the
22 staff for the Commission's consideration. And that
23 draft order recommendations will be made as to who or
24 which entities the staff believes would most
25 appropriately be identified as potentially successful

1 applicants.

2 Again, after notice there will be another
3 Commission hearing on the actual allocations and the
4 proposed draft order the staff has prepared.

5 Once again, the Commission at the hearing
6 will have the full range of options but ultimately
7 will be asked to make a decision on which
8 applications will be successful.

9 That decision will be advertised with a
10 notice calling for any objections pursuant to
11 statute. If objections are received within ten days,
12 the Commission will hold a hearing within 30 days.

13 And the last item that's in these groups of
14 sections in Section 8 is the concept that if an
15 applicant is offered a contract and for whatever
16 reason is unable or fails to execute the contract
17 within 90 days, the Commission has the ability to
18 call that portion of the allocation back and
19 reallocate it to some other entity.

20 Section 11 directs the Commission to
21 allocate Schedule D power according to the law and
22 does specifically incorporate the phrase "to achieve
23 the greatest possible benefit to the State," which is
24 directly taken from one of our organic or organizing
25 statutes, NRS 538.161.

1 Section 12 sets forth the minimum
2 requirements for an applicant that is not a public
3 utility. Section 13 sets forth the minimum
4 requirements for an applicant -- excuse me. I have
5 it backwards. Section 12 is for an applicant that is
6 a public utility. Section 13 is the minimum
7 requirements for an applicant that is not a public
8 utility.

9 As you read those two portions, you'll see
10 that they parallel each other quite closely. But the
11 differences are in Sections 3 and 4 of both Sections
12 12 and 13. Subparagraphs 3 and 4 relate to who has
13 the responsibility to maintain an appropriate power
14 factor.

15 Obviously, if you're a utility applicant,
16 that's part of what you do in your business, and the
17 burden would be on your shoulders. If you're a
18 non-utility applicant, you would have to have a
19 contract with a utility or other entity that can
20 maintain the appropriate power factor.

21 Similarly, the IRP requirements that would
22 apply in this context, if you're a utility, they
23 directly apply to you. If you're a non-utility, you
24 would be expected to contract with someone that does
25 comply with the IRP requirements. That's the

1 Independent Resource Planning. Pardon me for the
2 acronym. We're in an acronym-crazy business.

3 So basically those are a quick overview of
4 what you'll find in Sections 3, 7, 8, 11, 12 and 13.
5 Thank you, Jayne.

6 MS. HARKINS: Next, we'll have an overview
7 of the Electric Power Marketing Rules by Craig Pyper,
8 our Hydropower Program Manager.

9 MR. PYPER: Thank you. These are some
10 proposed changes to regulations of our current
11 operations. Jim talked about the allocation of
12 Schedule A -- or Schedule D, which is a resource.
13 I'll just quickly go through the items that we're
14 considering clarifying or amending of our current
15 operations.

16 Section 9 and 10 simply define Schedule A
17 and Schedule C. They were an existing power, but they
18 were not defined previously.

19 Section 14 describes the step that the
20 Commission will take to reallocate power if a
21 contractor either surrenders it or loses their
22 allocation. And it's also in connection with
23 Sections 28 and 29, which also discuss these items.

24 How a customer could lose their allocation.
25 Well, one step is that if they are offered a contract

1 and don't accept it. Because we will be offering
2 Schedule A and B customers 95 percent of their
3 existing Hoover allocations. They have the option of
4 accepting it or rejecting it. If they do reject it,
5 what will the Commission do.

6 Or if the current customer -- or Post-2017
7 if the customer does have an allocation, if they
8 voluntarily surrender it back to the Commission or
9 breach of contract lose it, what the Commission has
10 to do.

11 Section 15 describes the Commission's offer
12 of the new power contracts to existing A and B
13 contractors.

14 Section 16 describes the Post-2017 contract
15 provisions for Schedule A and B and D customers.
16 These are items that both the State as well as --
17 mandated by either the State or the federal
18 government in accepting a Hoover contract.

19 Some of these provisions include
20 participation in the multi-species conservation
21 program. Also there is, as Jim mentioned, the
22 Integrated Resource Program that is mandated through
23 the federal government to the Commission and
24 therefore to the customers.

25 There's also the new Schedule D customers

1 who will be required to pay -- or participate through
2 the Commission in the implementation agreement, which
3 also mandates repayable advances that will basically
4 be repaying those existing customers who lost part of
5 their -- who have made the investment in Hoover Dam
6 who have lost part of their allocations.

7 Section 26 describes the eligibility
8 requirements for applicants that seek an allocation
9 with Hoover power prior to 2017 -- now, these are
10 current customers -- as well as those who also have
11 Parker-Davis and Salt Lake City Area Integrated
12 Projects. But these are federal contracts for power
13 from Parker-Davis or from Glen Canyon and other dams
14 in the North Basin.

15 Again, Section 28 and 29 also discuss in
16 Section 14 and 15 about if somebody surrenders or
17 loses their hydropower contracts.

18 Section 30 describes the minimum capacity
19 reserve for each contractor.

20 Section 31 identifies the contract term for
21 Hoover, Parke-Davis and Salt Lake City Integrated
22 Projects. For the new Hoover contracts, the power
23 terms could be up to 50 years. With the current
24 contract, it was 30 years.

25 Section 32 describes the provision that

1 require several things. Currently, several of our
2 hydropower customers are in current relationships
3 with other customers for sharing of resources. And
4 this just clarifies some of the rules that need to go
5 in prior to that for these customers to continue on
6 their lease agreements, pooling, or reselling or
7 sharing of power.

8 It also mandates that the current utilities
9 that receive Hoover power also use it to the full
10 advantage to the benefits of not only the State but
11 also their customers.

12 And also currently Nevada Power by contract
13 has to pass through the benefits of Hoover Schedule B
14 power to the residential rate payers. Under this
15 provision, we have a change to pass through the
16 benefits of both Schedule A and Schedule B to the
17 residential rate payers.

18 Section 33 allows the Commission to reduce
19 the allocation of any contractor that does not use
20 its full allocation for three consecutive years.

21 Section 35 includes Schedule D in the
22 calculation when apportioning shortages when there is
23 a reduction in Hoover capacity.

24 For those customers who know Hoover, it is a
25 percent who receive an allocation, which is basically

1 a percentage of what's available. And so this just
2 explains how it's adding Schedule D into what's
3 already existing with A and B. So they all share
4 going up or going down, all depending upon the
5 resource availability.

6 Section 38 adds a provision that allows the
7 Commission to designate any other points of delivery
8 and voltages within Western's marketing area for all
9 hydropower projects.

10 And Section 39 specifies the Post-2017
11 Schedule A and B Hoover contractors allocations of
12 capacity and energy and creates a virtual placeholder
13 for the Schedule D contractors. As of this point in
14 time, we don't know who they will be.

15 And those are the current provisions that we
16 have amended.

17 MS. HARKINS: Okay. Next we have Risk
18 Management. And I'll turn it over to Lisa Ray, our
19 Assistant Hydropower Program Manager.

20 MS. RAY: Good afternoon. Basically, CRC is
21 a customer-funded agency and does not receive revenue
22 from the general fund. We pass through costs to our
23 customers. We pay our suppliers within four to five
24 days of receiving payment from our customers. So we
25 really don't have any wiggle room when it comes to

1 late payments. I apologize. Do I need to repeat
2 that? Okay. I'll start again.

3 CRC is a customer funded agency and does not
4 receive revenue from the general fund. We pass
5 through our costs to our customers directly, and we
6 pay our suppliers within four to five days of
7 receiving payment from our customers.

8 So, therefore, we have no wiggle room. So
9 if there's a late payment, someone makes a little
10 mistake, somebody's out sick, we don't have any
11 wiggle room if a payment is received late.

12 The CRC -- the overall goal is to provide
13 financial protection for the State of Nevada, for the
14 CRC, and its contractors that would result from a
15 loss of -- from a late payment or nonpayment.

16 We are not a power generator. And,
17 therefore, we want to avoid becoming a credit risk to
18 power suppliers, including Western Reclamation and
19 our market power providers.

20 One of the reasons we're looking at this is
21 Western is also looking at this to implement
22 additional risk management policies that may require
23 a federal electric service contractor, which is the
24 CRC, to provide a collateral in the event of an
25 adverse material change.

1 One of the things that we've been looking at
2 is establishing appropriate meter and meter data
3 requirements according to the type of customer that
4 we have in order to provide accurate data for billing
5 purposes. This will provide protection for both CRC
6 and its customers.

7 The next step is that we want to provide the
8 Commission flexibility to adjust its administration
9 charge rate for a number of circumstances that will
10 protect our revenue stream in order for us to provide
11 continued operation in the event of planned and
12 unplanned reductions in billable kWh.

13 Currently, we do an annual credit worthiness
14 review of just a few contractors. But what we're
15 proposing to do is to do an annual credit review of
16 all contractors. That way we'll get the whole
17 picture of our customer's financial situation.

18 Current statutes limit which customers must
19 provide collateral. This is not changing which
20 customers must provide or not provide collateral. So
21 there's no change there.

22 This also provides the Commission the
23 flexibility necessary to implement prepayment of
24 power purchases and/or establish a cash working
25 capital fund if and when it's needed. Again, this

1 kind of plays out to if there's late payment. We've
2 had a situation where a customer dropped off a zero
3 and went from a million dollars to a hundred
4 thousand. That's kind of a big difference when we're
5 receiving money.

6 This also allows for short-term reallocation
7 of hydropower to other contractors following the
8 suspension of a contractor's hydropower allocation in
9 order for us to maintain our revenue stream until
10 there's either a reconciliation of that contractor or
11 the contracts are fully terminated and the hydropower
12 is permanently reallocated.

13 So, again, this is just giving us additional
14 checks and balances to keep things moving as things
15 change.

16 I'll turn it back over to Jayne.

17 MS. HARKINS: Okay. We're accepting comment
18 now. What I'm going to do is walk through it page by
19 page, section by section. When the section is called
20 that you're interested in, come up to the microphone.
21 We ask that you state your name. Speak loudly and
22 clearly into the microphone.

23 We do have a court reporter here today who
24 is taking comment for us. So state your name and
25 spell it for the reporter. We ask that you provide

1 your contact information to us as well. It could be
2 a business card. But if you don't have one, provide
3 that into the record for us. And then give us your
4 comments on the specific section or sections of the
5 draft regulations that we have before you.

6 So Sections 1 through 5. Anything that's on
7 page 1 and 2? Anything from the folks on the phone
8 on Sections 1 through 5?

9 Okay. Let's go to Section 6. This is about
10 the Commission appointing presiding officers. Or
11 Section 7, which is the Commission's -- okay, go
12 ahead.

13 MR. HODU: My name is Tamay Hodu (phonetic).
14 I've been a resident of North Las Vegas for over 30
15 years. I've been coming to public meetings. I know
16 this is a different setting pertaining to the
17 Commission of Colorado River. But, nevertheless,
18 there's no time like the present.

19 I've been coming for over four years. Been
20 trying to get my story heard anywhere from the FBI,
21 North Las Vegas, here at Clark County, and also at
22 City Hall.

23 And what happened was, I was mistakenly
24 identified as I guess a person of interest on Fair
25 Road and Ann. The North Las Vegas Police Department

1 rode up on me. And it was Governor Miller's --
2 Ex-Governor Miller's son, Officer Miller.

3 He said some things to me that I won't
4 disclose. But, nevertheless, they racially profiled
5 me on this day, which was January 5th, 2010.

6 And what happened from there, they
7 apprehended me. Took all my information down and
8 whatnot. Started a process that I found out to
9 be was me being targeted by several different groups
10 of people, along with rotary clubs, that pertain to
11 Freemasonry.

12 I know it's a touchy subject. People do not
13 like talking about it because of the mysterious
14 things that pertain to conspiracy, government and
15 etcetera.

16 Nevertheless, my grandfather was a member
17 for 65 years, who is no longer with us, who's a
18 veteran also. He passed away 2013 of last year. So
19 I have made sure that I did my studying and homework
20 to find out what this whole entire rotary was about.

21 Because I wanted to make sure that if I --
22 you know, being in the scenario that I've been in.
23 Here I've gone January 2012, October 2013, December
24 2013, when you go to the FBI agency and you're asking
25 just to talk to an agent because the North Las Vegas

1 Police Department has targeted you as being an
2 African-American male and shooting a gun in an area
3 when I've never even owned a gun.

4 And at this current time, I was preparing
5 myself to go play professional basketball overseas.
6 And I had just acquired a passport. I had all my
7 identification. I had met all those prerequisites
8 over at the old City Hall building. And I had just
9 received it.

10 I was working out five to seven days before
11 these gentlemen rolled up on me. This happens in
12 America all the time. But because individuals either
13 end up dead, they end up in prison, or because of
14 high powerful individuals who are part of that
15 system -- and I mean in like the TV series "Persons
16 of Interest" -- because the businesses are so
17 powerful, they make phone calls, and they say, "Do
18 not do anything for this individual."

19 So what ends up happening is the due process
20 of law that's talked about in the 14th Amendment
21 never happens at all. So a lawsuit never is shown to
22 the media. It's never shown to federal government.
23 It's never shown to the American public. And a
24 person just falls under the crack. And before you
25 know it, they have the sign that says, "I'll work for

1 food." And people are wondering, Well, how did that
2 actually happen, when we're seeing this person
3 serving the community.

4 I'm a young man who has served for over 20
5 years in the youth, Boys and Girls Club, Ray and Joan
6 Croc Center in San Diego. I worked in group homes
7 coaching football, basketball, you name it. So my
8 service --

9 MS. HARKINS: I appreciate your comments. I
10 need you to wrap it up. We are here and our
11 jurisdiction is really only Colorado River issues.

12 MR. HODU: I understand.

13 MS. HARKINS: So if you can wrap up your
14 comment, please.

15 MR. HODU: Okay. So my main reason of
16 saying all that is because my identity has been
17 stolen by the State of Nevada and DMV. DMV is every
18 section of North Las Vegas to Tropicana. You know
19 all the places that they have there. I went there,
20 presented the right currency.

21 What they did is labeled me as a military
22 affiliate. So, in other words, like a veteran. So
23 you can take my identity and use it as me actually
24 being legally dead and use it for whatever you want
25 to. On the identification card, it shows you a

1 number down there, and it says "DD." And that stands
2 for "Department of Defense." So you have Army, Navy,
3 Air Force, et cetera. That number classifies you of
4 whatever service that you served to the country. I
5 have never served in the military one day.

6 So we have a major problem here in Southern
7 Nevada because every time I tried to go get -- you
8 know, pursue the lawsuit, nobody will pick it up
9 because of all the people that are involved.

10 So they took my identity from me, and
11 they're are not willing to budge on anything that's
12 pertaining to me.

13 MS. HARKINS: So thank you for your comment.
14 Again, we don't have any jurisdiction over DMV.
15 We're here talking about the Colorado River matters,
16 water and hydropower.

17 MR. HODU: But these wards do cover DMV,
18 doesn't it? The section I'm saying with Sisolak and
19 all the other members.

20 MS. HARKINS: We are serving as the staff of
21 the Colorado River Commission. So, no, we don't have
22 any jurisdiction over the County. We're just
23 borrowing their facilities here today.

24 MR. HODU: No. I'm asking you, ma'am, does
25 each Commissioner have a section of ward that they

1 oversee? That's what I'm asking you.

2 MS. HARKINS: I don't deal with the Colorado
3 River Commission. I'm not going to answer that
4 question.

5 MR. HODU: No, not Colorado.

6 MS. HARKINS: They're the Clark County
7 Commission. We're the Colorado River Commission.

8 MR. HODU: I'm saying, Lawrence Weekly and
9 all the rest of them, don't they actually have a
10 section or a ward? Because that's what they tell you
11 to do. The reason why I'm saying that is because
12 they say when something offensive happens, you are
13 supposed to come and report it. That's what they
14 tell you.

15 So if I go to -- again, if I go to FBI and
16 the NSA is trying to apprehend me for no apparent
17 reason at all, no probable cause, then my only voice
18 that I have is to come to these meetings and present
19 my case to you guys or whoever is sitting in these
20 seats.

21 MS. HARKINS: Well, then you need to come to
22 the Clark County Commission meetings. This is the
23 Colorado River Commission. We're borrowing the room
24 today. And we're here seeking comment on Colorado
25 River Commission items, the particular items that

1 we've noticed. Your comments are not related to
2 that --

3 MR. HODU: Right.

4 MS. HARKINS: -- at this point in time. So
5 we've taken your comment. But I would suggest you go
6 to the Clark County Commission meetings. And they
7 have a public comment forum during your meetings that
8 you certainly can get up and speak to the actual
9 Clark County Commission, which would include Chairman
10 Sisolak.

11 MR. HODU: I appreciate it. I do appreciate
12 your time. And I didn't mean to impose on your
13 guys's --

14 MS. HARKINS: Thank you very much. We
15 appreciate it.

16 MR. HODU: I just want to say in closing for
17 all of us who have transportation had to register
18 their cars, get license plates, get a DMV card. Now,
19 for the service of these people deciding to
20 premeditatedly put this on my card for four and then
21 to eight years, they offended me on purpose.

22 And I shouldn't have to be forced to be
23 homeless or be on welfare because nobody is deciding
24 to reprimand these individuals at all.

25 MS. HARKINS: And your time is up. Thank

1 you very much.

2 MR. HODU: Thank you, Mrs. Harkins.

3 MS. HARKINS: Thank you. So I didn't see
4 any other comments on Sections 1 through 5.

5 Sections 6, 7 or 8? 7 is where we developed
6 the draft allocation criteria, which is on page 2, 3,
7 and part of 4. On page 4 is Section 8, commission
8 staff, how we will do the actual allocation process
9 for Schedule D power.

10 Section 9 is a definition for Schedule A.
11 Section 10 is a definition for Schedule C. And
12 Section 11 is allocating power for Schedule D. Any
13 comments on those? Anyone on the phone have
14 comments?

15 Section 12? This is if you're an applicant
16 that's an electric utility. Section 13, requirements
17 if the applicant is not an electric utility. Section
18 14? Section 15? Section 16? Come on down.

19 MR. BROOKS: Good afternoon, staff of the
20 Colorado River Commission. My name is Douglas
21 Brooks, Assistant General Counsel with NV Energy.
22 I'm here appearing today on behalf of Nevada Power
23 Company, specifically with regard to Section 16.

24 We are concerned that Section 16, sub 2, sub
25 F, to us appears to be a misinterpretation of the

1 relevant section of NRS 704.787, specifically
2 subsection 3.

3 As you, of course, know, this was part of
4 AB 199 passed last year in Nevada's legislative
5 session. We believe that all new customers who are
6 allotted Schedule D power are subject to the
7 provisions in that subsection 3 for AB 199 and that
8 all the charges enumerated therein would apply to
9 those customers.

10 It appears to us that subsection 2F of
11 Section 16 of your regulations does not accomplish
12 that and omits those what I call subsection 3 charges
13 from applying to those customers.

14 MS. HARKINS: Okay. Thank you for your
15 comments. Any other comments on Section 16? Anyone
16 on the phone have comments on 16?

17 Okay. So continuing on. Section 17?
18 Section 18? And then we have Section XX, which got
19 inserted between 18 and 19, and it didn't have a
20 number. So there are changes being proposed about
21 who can initiate and how to initiate a complaint.

22 Section 19? Section 20? Section 21 on page
23 11? Section 22? Section 23? Section 24? Section
24 25? Section 26?

25 Section 27 on page 13? We've taken out the

1 specifics on the seasons and just define it "during
2 the seasons defined by Western" and not put the
3 specificity in the regs.

4 Section 28? Talks about what happens if the
5 contractor loses or surrenders their contract with
6 us.

7 Section 29? Any comments from the folks on
8 the phone? Section 30? Section 31? Section 32?

9 MR. BROOKS: Again, Douglas Brooks appearing
10 on behalf of Nevada Power Company.

11 We've identified a couple issues with
12 Section 32 of the proposed regulations.

13 Starting in subsection 4 of Section 32, that
14 regulation would amend NAC 538.540 to require Nevada
15 Power to pass through to its residential class of
16 rate payers what is described as the full benefits of
17 the power Nevada Power receives from Schedules A and
18 B of Hoover.

19 The current regulation requires Nevada Power
20 to pass the benefits of Schedule B power through to
21 residential customers, as does the contract between
22 the CRC and Nevada Power for the sale of Schedule B
23 power.

24 Public Utilities Commission of Nevada has
25 implemented this principle in General Rate Case

1 proceedings with Nevada Power consistent with
2 stipulations presented to the Commission that involve
3 Nevada Power and the CRC.

4 As a general principle, Nevada Power does
5 not believe that it is appropriate for anyone other
6 than the Public Utilities Commission of Nevada to
7 attempt to determine how Nevada Power's rates should
8 be set. The Public Utilities Commission has been
9 given exclusive jurisdiction by the Nevada
10 Legislature over Nevada Power's retail rates.

11 It's Nevada Power's position that the CRC
12 should not attempt to further engage in rate setting
13 through its regulations. The rate setting process
14 involves the balancing of many interests, and the
15 allocation of an additional hundred megawatts of
16 river power benefit to one rate class would
17 disadvantage other rate classes and make Nevada
18 Power's unresidential rates less competitive.

19 Therefore, we believe the only appropriate
20 place under Nevada law for determining how to balance
21 all of these interests is before the Public Utilities
22 Commission and not in the CRC's regulation.

23 The CRC, of course, has participated in many
24 Utilities Commission proceedings regarding Nevada
25 Power's rates and has been an effective advocate for

1 its interests there. It should continue to use those
2 interventions before the Utilities Commission in
3 their dockets to attempt to implement its preferred
4 policies on rate making.

5 The other issue we have with Section 32 is
6 in subsection 1. It's not all together clear to us,
7 but it does appear --

8 MS. HARKINS: Mr. Brooks, can I ask a
9 clarifying question--

10 MR. BROOKS: Please.

11 MS. HARKINS: -- on 4? Is the concern with
12 the "full benefits of power," that phraseology that
13 we changed from "economic" to "full"? Is it with the
14 added Schedule A?

15 MR. BROOKS: It's the addition of
16 Schedule A. Obviously, Schedule B in the regulation
17 is a historic artifact, and we're not here to
18 advocate changing that.

19 The addition of Schedule A is the issue that
20 we have and that the allocation of the economic
21 benefits of Schedule A power is vested by the Nevada
22 Legislature and the Public Utilities Commission.

23 MS. HARKINS: Okay. Thank you.

24 MR. BROOKS: Subsection 1. To the extent
25 that subsection 1 is written so that the CRC can

1 determine issues regarding a joint dispatch agreement
2 between Nevada Power and its sister company, Sierra
3 Pacific Power, through its regulations we believe
4 would be improper.

5 We understand the Commission's concerns with
6 the -- the Colorado River Commission's concern with
7 carrying out its statutory duties and obligations.
8 We suggest that the Public Utility Commission hearing
9 room is the only appropriate place under Nevada law
10 to do that.

11 And that would include any concerns the
12 Colorado River Commission has with how the joint
13 dispatch of generation involving Nevada Power and its
14 sister company up north affects any obligations
15 Nevada Power may have to ensure that the benefits of
16 Schedule B power flow through to residential
17 customers. We don't think that it's appropriate to
18 do that through the Colorado River Commission's
19 regulations.

20 Again, we are not taking issue here with
21 what concerns the Colorado River Commission or the
22 policy it wants to implement. We respect those. We
23 just suggest that the Public Utilities Commission
24 under Nevada law is the only appropriate place to
25 make those final decisions.

1 We are -- and to address more specifically
2 the question of the Executive Director, that Nevada
3 Power is somewhat confused and unclear about the
4 meaning of the term "full benefits" in subsection 4.
5 A definition of this phrase we think would be very
6 helpful for its proper understanding and application
7 should this section be included in the adopted
8 regulations.

9 And to go back to the point that I probably
10 mentioned one too many times. If the use of "full
11 benefits" is intended to mandate how the Public
12 Utilities Commission is to allocate costs between
13 Nevada Power and its affiliate Sierra Pacific under
14 their interim joint dispatch agreement, our
15 objections against the CRC's regulations attempting
16 to dictate Utility Commission rate making decisions
17 apply here as well.

18 Thank you very much for your time.

19 MS. HARKINS: Anyone else have comments on
20 Section 32?

21 MR. WITKOSKI: Good afternoon. For the
22 record, Eric Witkoski. Thank you for your time,
23 Commission, CRC staff.

24 I would just like to comment a little bit on
25 Section 32, subsection 4. We'll be filing comments

1 on Friday.

2 I'm not sure I totally agree with the
3 characterization of Nevada Power's interpretation on
4 what the Commission can do and what the CRC can do.

5 The Hoover B was allocated to residential
6 rate payers in a contract in the early '80s. And
7 that's been followed by the Public Utility
8 Commission, and it may be up to the CRC on how that's
9 going to be allocated. And that can be looked at.

10 I will look at this issue, but we will file
11 comments by Friday. But I just want to caution you
12 I'm not sure I agree fully with that characterization
13 by Nevada Power. Thank you.

14 MR. SALO: Eric, do you have a business card
15 for the court reporter? Or spell your name for the
16 court reporter.

17 MR. WITKOSKI: Yes. For the record,
18 E-r-i-c. Last name is W-i-t-k-o-s-k-i. And my title
19 is Consumer Advocate with the Attorney General's
20 Bureau of Consumer Protection.

21 MR. SALO: Thank you.

22 MS. HARKINS: Thank you, Eric. Any other
23 comments on Section 32? Anyone on the phone have
24 comments on Section 32?

25 Okay. Let's move on to Section 33. Section

1 34? So 34 is about meter data. Any comments on
2 Section 35? Comments on Section 36? Comments on
3 Section 37? Comments on Section 38? Any comments on
4 Section 39?

5 MR. BROOKS: Good afternoon again for the
6 third and I think the last time I will address you.
7 On Section 39, again, this is Douglas Brooks for
8 Nevada Power Company.

9 In the listing or the restatement of the
10 entities that will take Schedule A and Schedule B
11 power, you have as an entry "NV Energy, Inc." That
12 is incorrect. The current contract and any future
13 contract for Schedules A or B power would be with
14 Nevada Power Company. NV Energy, Inc. is the holding
15 company that owns Nevada Power Company.

16 There's a lot of confusion we realize
17 because Nevada Power Company does business in a legal
18 dba filed with the Secretary of State as "NV Energy."
19 That is a brand. That's not the legal name of the
20 entity that we contract with. Thank you.

21 MS. HARKINS: Okay. Thank you.

22 MR. SALO: Mr. Brooks, do I understand
23 correctly you would prefer it be "Nevada Power
24 Company" in that chart?

25 MR. BROOKS: That's correct.

1 MR. SALO: Okay. I just wanted to make
2 sure. Thank you.

3 MS. HARKINS: Any other comments on Section
4 39? Section 40? Section 41? Section 42? Section
5 43? Anything on the repealed sections?

6 Any other comment that anyone would like to
7 make? Any comments from those on the phone?

8 Okay. Let's go to the next slide.

9 Written comments are due by 5:00 o'clock on
10 Friday, April 25th. We do have an e-mail that you
11 can send it to. It's info@crchoooverallocation.com.
12 We have our fax number listed here, 486-2695. You
13 can hand-deliver it to our offices. We are open 8:00
14 to 5:00, Monday through Friday. You can also
15 postmark it and mail it to us as well.

16 As Ann had pointed out earlier, our Notice
17 of Intent to Adopt Regulations, we intend to put
18 those out in May 2014 before the public hearing for
19 the Commission at our regularly scheduled June
20 Commission date. And then we will be submitting it
21 to LCB for final adoption after the Colorado River
22 Commission's approval.

23 So if there's no further questions, thank
24 you for coming. We appreciate your time.

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(Thereupon the proceedings
were concluded at 1:54 p.m.)

* * * * *

1 CERTIFICATE OF REPORTER

2 STATE OF NEVADA)

3 SS:

4 COUNTY OF CLARK.)

5 I, Jane V. Efaw, certified shorthand
6 reporter, do hereby certify that I took down in
7 shorthand (Stenotype) all of the proceedings had in
8 the before-entitled matter at the time and place
9 indicated; and that thereafter said shorthand notes
10 were transcribed into typewriting at and under my
11 direction and supervision and the foregoing
12 transcript constitutes a full, true and accurate
13 record of the proceedings had.

14 IN WITNESS WHEREOF, I have hereunto affixed
15 my hand this _____ day of _____, 2014.

16

17

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19 _____
Jane V. Efaw, CCR #601

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