

STATE OF NEVADA

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**COLORADO RIVER COMMISSION  
OF NEVADA**

April 5, 2022

To interested customers or parties:

On March 28, 2022, the Commission sent out a Notice of Workshop to solicit comments on proposed changes to the regulation NAC 538.610. Attached is a proposed revision to the changes listed in the March 28, 2022, notice that will be considered at the workshop scheduled for April 19, 2022, at 11:00 am.

A copy of the original notice of the workshop may be found at the Commission's website [www.crc.nv.gov](http://www.crc.nv.gov) under the meeting tab. The workshop may be attended in person or by a virtual link that is provided on our website.

Sincerely,

A handwritten signature in blue ink that reads "Eric Witkoski".

Eric Witkoski  
Executive Director

**NAC 538.610 Rates, charges and costs; requirement to notify Commission of certain decreases in load. (NRS 538.181, 538.191, 538.201)**

1. The rates or charges payable by a contractor to the Commission for capacity or energy from the Boulder Canyon Project, Parker-Davis Project or Salt Lake City Area Integrated Projects and for wheeling energy from the Parker-Davis Project or Salt Lake City Area Integrated Projects must be Western's effective rates or charges for those resources. These rates or charges, the Commission's administrative charge and any other costs associated with the contracted resource will be shown by a periodic report or by exhibits to the contracts for power from these projects. These rates, charges and costs may vary due to changing conditions. Some rates or charges may be estimated for a portion of an operating year with an adjustment, for the months the estimate is used, in the month the actual rate or charge is established.

2. At the time the Commission is notified by Western of any change in the rates or charges, the Commission will notify its contractors of the change.

3. The administrative charge is based on a projection of the Commission's costs of operations that is an average of at least three previous years' of costs incurred and adjusted for future known and expected changes of annual costs for the Commission's operations for 2 years of all costs for the Commission's operations relating to the contractors. Those estimated costs are divided by the total estimated number of kilowatt-hours of all energy, including both hydroelectric and nonhydroelectric, to be delivered to contractors to arrive at a rate per kilowatt-hour. The administrative charge estimated costs may also be collected in full or in part through a fixed charge based on allocations of total energy resources, hydroelectric and non hydroelectric, provided to the respective contractor. The administrative charge estimated costs may also be collected in full or in part, through a fixed charge with an allocation of costs based on a contractors' contract allocation of hydroelectric energy and any additional delivered energy provided to the respective contractor. Except as otherwise provided in subsection 4, the administrative charge may be increased or decreased after the Commission notifies the contractors of the grounds for

the increase or decrease and the effective date of the increase or decrease, which must be not less than 90 days after the Commission sends the notice of the increase or decrease.

4. The Commission may use the expedited procedure set forth in this subsection to increase or otherwise revise the administrative charge if actual revenue from the administrative charge is equal to or less than 70 percent of the revenue projected in accordance with subsection 3. The Commission's staff may develop a proposed increase or other revision to the administrative charge and, not later than 30 days before the Commission meeting at which the Commission will make a determination on the proposed increase or other revision, notify the contractors in writing of the proposed increase or other revision. The notice must contain a statement of the amount of, and the grounds for, the proposed increase or other revision and the date of the Commission meeting at which the Commission will make a determination on the proposed increase or other revision. The Commission will accept written comments from contractors regarding the proposed increase or other revision which are submitted not later than 15 days before the Commission meeting at which the Commission will make a determination on the proposed increase or other revision. In determining whether to increase or otherwise revise the administrative charge, the Commission will review the proposed increase or other revision to the administrative charge proposed by the Commission's staff, comments submitted by contractors in accordance with this subsection and any other relevant information.

5. As soon as practicable, a contractor planning, projecting or experiencing a decrease in its load of 30 percent or more for 90 consecutive days or more, in any 12 month period, shall notify the Commission of the decrease in its load.

(Added to NAC by Colorado River Comm'n, eff. 9-13-85; A by R123-00, 2-15-2001; R148-13, 6-23-2014)