

## EXCERPT FROM NEVADA REVISED STATUTES (NRS) – April, 2014

### **NRS 704.787 Authority to sell electricity and provide transmission service and distribution service to certain customers without being subject to jurisdiction of Public Utilities Commission of Nevada; tariff for distribution service; duties of certain electric utility; regulations by Colorado River Commission of Nevada.**

1. The Colorado River Commission of Nevada may, without being subject to the jurisdiction of the Public Utilities Commission of Nevada, sell electricity and provide transmission service or distribution service, or both, only to meet the existing and future requirements of:

(a) Any customer that the Colorado River Commission of Nevada on July 16, 1997, was serving or had a contract to serve.

(b) The Southern Nevada Water Authority and its member agencies for their water and wastewater operations.

(c) Except as otherwise provided in this paragraph and subsection 2, any customer that receives an allocation of capacity and associated firm energy from the Western Area Power Administration of the United States Department of Energy, and any customer that has had an annual peak load of at least 1 megawatt and receives an allocation of capacity and associated firm energy of at least 1 megawatt from the Colorado River Commission of Nevada, on or after October 1, 2017, from the resource pool of capacity and associated firm energy created pursuant to the Hoover Power Allocation Act of 2011, 43 U.S.C. §§ 619 et seq. The Colorado River Commission of Nevada shall not, by the sale of electricity or by the provision of any transmission service or distribution service pursuant to this paragraph, meet the demand for electricity of any customer that is located within the service area of an electric utility that primarily serves densely populated counties in excess of the allocation made to the customer from the resource pool of capacity and associated firm energy created pursuant to the Hoover Power Allocation Act of 2011, 43 U.S.C. §§ 619 et seq.

2. A customer that receives an allocation of capacity and firm energy as described in paragraph (c) of subsection 1 shall, if the customer is located within the service area of an electric utility that primarily serves densely populated counties, purchase from the electric utility any necessary transmission and distribution services and any balance of capacity and energy which is not purchased pursuant to paragraph (c) of subsection 1 or generated by the customer.

3. Except as otherwise provided in this subsection, a customer shall, for the capacity and firm energy received as described in paragraph (c) of subsection 1:

(a) Pay the universal energy charge imposed pursuant to [NRS 702.160](#), unless the customer is the State, a political subdivision of the State or any other governmental entity or customer that is not required to pay the universal service charge pursuant to [NRS 702.160](#).

(b) Pay any mandatory fees imposed by the Public Utilities Commission of Nevada pursuant to [chapter 701B](#), [702](#) or [704](#) of NRS which are assessed against customers in the same rate class.

(c) If the customer is located within the service area of an electric utility that primarily serves densely populated counties, pay to the electric utility a fee or receive a credit from the electric utility which is approved by the Public Utilities Commission of Nevada pursuant to paragraph (b) of subsection 7 of [NRS 704B.310](#) for the purpose of offsetting the customer's load-share portion of any unrecovered balance in the deferred accounts of the electric utility for the costs for purchased fuel and purchased power and for which the electric utility seeks a rate adjustment pursuant to subsections 10 and 11 of [NRS 704.110](#).

↪ The provisions of this subsection do not apply to a customer who receives an allocation described in paragraph (c) of subsection 1 in accordance with the State Plan for Economic Development developed pursuant to [NRS 231.053](#).

4. The Public Utilities Commission of Nevada shall establish a just and reasonable tariff for:

(a) The electric distribution service authorized by paragraphs (a) and (b) of subsection 1 to be provided by an electric utility that primarily serves densely populated counties to the Colorado River Commission of Nevada for its sale of electricity or electric distribution services, or both, to a customer of the Colorado River Commission of Nevada pursuant to paragraph (a) or (b) of subsection 1.

(b) The electricity and electric distribution service authorized by paragraph (c) of subsection 1 and subsection 2 to be provided by an electric utility that primarily serves densely populated counties to the Colorado River Commission of Nevada for its sale of electricity or electric distribution services, or both, to a customer of the Colorado River Commission of Nevada pursuant to paragraph (c) of subsection 1.

5. An electric utility that primarily serves densely populated counties shall provide electric distribution service pursuant to the tariff required by subsection 4.

6. The Colorado River Commission of Nevada may adopt regulations to carry out the provisions of this section.

7. As used in this section:

(a) "Costs for purchased fuel and purchased power" has the meaning ascribed to it in paragraph (b) of subsection 5 of [NRS 704.187](#).

(b) "Electric utility that primarily serves densely populated counties" means an electric utility that, with regard to the provision of electric service, derives more of its annual gross operating revenue in this State from customers located in counties whose population is 700,000 or more than it does from customers located in counties whose population is less than 700,000.

(c) "Southern Nevada Water Authority" has the meaning ascribed to it in [NRS 538.041](#).

(Added to NRS by [2001, 1266](#); A [2009, 873](#); [2011, 1311](#); [2013, 452](#))