REQUIREMENTS TO MAINTAIN A NATURAL GAS UTILITY CERTIFICATE OF PUBLIC CONVENIENCE & NECESSITY

NORTHERN NEVADA 1150 E. William Street Carson City, NV 89701 Phone: (775) 684-6101 Fax: (775) 684-6110 Consumer Complaints: (775) 684-6100



SOUTHERN NEVADA

9075 W. Diablo Dr., Ste. 250 Las Vegas, NV 89148 Phone: (702) 486-7210 Fax: (702) 486-7206 Consumer Complaints: (702) 486-2600

In order to maintain a Certificate of Public Convenience and Necessity ("CPC"), a natural gas utility must comply with the following statutes and regulations.

REVENUE ASSESSMENT REQUIREMENTS

Nevada Revised Statute ("NRS") 704.035 requires that by July 1 of each year natural gas utilities pay an assessment to the Public Utilities Commission of Nevada ("PUCN") based upon the total dollars of gross operating revenue derived from their intrastate operations for the preceding calendar year. Please note the minimum assessment due and payable is \$100.00.

The assessment must be submitted by completing and submitting an Annual Revenue and Assessment Report Form. The PUCN mails this form to regulated entities each vear, but it is also available on the PUCN website. The assessment rate and how to calculate the amount due are included on the form. The assessment amount due is based on the total gross intrastate operating revenue as defined by NRS 704.033. Failure to pay the assessment on or before August 1 will result in an additional fee pursuant to NRS 704.035.

ANNUAL REPORTING

NRS 703.191 requires an Annual Report, including an oath page, be submitted for each calendar year no later than May 15 of the following calendar year. Nevada Administrative Code ("NAC") 704.225 lists the information each natural gas utility is required to submit.

CHANGES TO SERVICE

NRS 704.001 and NRS 703.150 provide the PUCN with the authority to regulate public utilities to the extent of its jurisdiction. Pursuant to NRS 704.329, mergers, acquisitions, or changes in control of a natural gas utility may not occur without filing an application with the PUCN and obtaining prior authorization. Additionally, pursuant to NRS 704.3296 et seq., a natural gas utility may

not extend, modify, restrict, or discontinue service without filing an application with the PUCN and obtaining prior authorization.





PENALTY FOR NON-COMPLIANCE

This information is provided as a courtesy. It is the obligation of each natural gas utility to comply with all applicable statutes and regulations. NRS 703.380 provides that any public utility that violates any provision of NRS Chapter 703 or 704 or fails to pay any applicable assessment may be liable for an administrative fine of up to \$1,000 per day for each day of the violation. Failure to comply with regulatory obligations may also result in revocation of the applicable certificate.

MORE INFORMATION

For applicable forms, please visit the PUCN's website. Please contact the Financial Analysis Division at (775) 684-6155 for questions about the Annual Report requirements, the Fiscal Division at (775) 684-6187 with questions about the annual assessment, or the Legal Case Manager at (775) 684-6188 for questions regarding applications for changes to service or notifying the PUCN regarding changes to other information.