BRIAN SANDOVAL
Governor

STATE OF NEVADA

PUBLIC UTILITIES COMMISSION

ALAINA BURTENSHAW
Chairman

REBECCA WAGNER
Commissioner

DAVID NOBLE
Commissioner

CRYSTAL JACKSON
Executive Director

INFORMAL SOLICITATION

REQUEST FOR NET METERING STUDY

Announcement Date: Thursday, October 10, 2013

The Public Utilities Commission of Nevada ("PUCN") is seeking proposals from qualified consultants to conduct a Net Metering Study for Docket No. 13-07010 pursuant to a 2013 Legislative mandate. For more information on Docket No. 13-07010, please visit the PUCN's website at http://puc.nv.gov. Select the "Dockets" tab and then select the "Investigation and Rulemaking Dockets" tab.

Attached to this Informal Solicitation is the PUCN's Request for Net Metering Study – Background and Scope of Work, and Nevada Assembly Bill ("AB") 428 enacted on June 11, 2013. Also attached to this Informal Solicitation is the State of Nevada's standard Contract for Services of Independent Contractor form. Please give special consideration to Attachment BB Insurance Schedule, as this identifies the insurance limits contracted consultants will be expected to maintain for the life of the contract.

It is anticipated the commencement of work will be on or about December 1, 2013, subject to the Board of Examiners' approval, and the awarded consultant provides:

- Certificate of Insurance – Certificate must name the PUCN as the certificate holder. Refer to the Contract for Services of Independent Contractor form, Attachment BB Insurance Schedule.
- State of Nevada Business License – For more information and to register, please visit the Secretary of State's webpage at http://www.nvsos.gov.

Consultant response shall address, at a minimum, the following:

- Company background, qualifications and references
- Financial stability of the company
- Proposed organizational structure of key personnel
- Biographies of each of the key personnel
- Curriculum vitae for each of the key personnel to include a minimum of three (3) references from similar projects performed for private, state and/or large government entity clients within the last three years.
- Contact person, position title, mailing address, email address, telephone and fax number for service inquiries

- Estimated budget for services of key personnel to complete the study as delineated in the attached Scope of Work to include a budget table outlining key personnel, the hourly rate for each, the estimated number of hours for each and any other related expenses.

The submission must demonstrate a record of analyzing the comprehensive costs of and benefits related to net metering including:

(1) Working with utility forecast data, avoided costs and loads and resources data.

(2) Cost evaluation of generation technologies.

(3) Experience with the use and application of the Total Resource Test, Rate Impact Test, Utility Costs Test, Participant Costs and Societal Cost Test.

(4) Experience with the quantification of fuel price hedge benefits and costs; grid support (ancillary) service benefits and costs; transmission and distribution system benefits and costs; environmental benefits and costs; grid generation capacity and energy savings benefits and costs; tax revenue impacts; employment impacts and system reliability impacts.

Questions regarding this Informal Solicitation shall be submitted to Donna Skau, Commission Secretary, via email at dskau@puc.nv.gov, no later than **FRIDAY, OCTOBER 18, 2013 at 12:00 p.m. Pacific Standard Time**. Responses will be provided in writing on or about Monday, October 21, 2013, to all consultants who submit questions.

Deadline for Submission of proposals is **TUESDAY, NOVEMBER 5, 2013 at 3:00 p.m. Pacific Standard Time.**

Proposals shall be submitted to:

Public Utilities Commission of Nevada
Attention: Donna Skau, Commission Secretary
1150 E. William Street
Carson City, Nevada 89701

Public opening of proposals will occur immediately following submission deadline at the PUCN's Carson City office located at 1150 E. William Street, in Hearing Room B. Proposals that do not arrive by submission deadline WILL NOT BE ACCEPTED. Consultants may submit their proposals any time prior to the above stated deadline. Although it is a public opening, only the names of the consultants submitting proposals will be announced, pursuant to Nevada Revised Statute ("NRS") 333.335(6). Technical and cost details about proposals submitted will not be disclosed.

NOTICE: The PUCN is pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the public opening. If special arrangements for the public

opening are necessary, please notify the Commission Secretary at (775) 684-6107 or (775) 684-6100 (TDD) at least two working days prior to the public opening.

Proposal Evaluation and Award Process: Proposals shall be consistently evaluated and scored in accordance with NRS 333.335(3) based upon the following criteria:

- Demonstrated competence
- Experience in performance of comparable engagements
- Conformance with the terms of this Informal Solicitation
- Expertise and availability of key personnel
- Reasonableness of cost

Proposals shall be kept confidential until a contract is awarded.

Notification of Intent to Award will be issued on or about **FRIDAY, NOVEMBER 8, 2013** and shall be issued in accordance with Nevada Administrative Code 333.170. Any award is contingent upon the successful negotiation of final contract terms and upon approval of the Board of Examiners. Negotiations shall be confidential and not subject to disclosure to competing consultants unless and until an agreement is reached. If contract negotiations cannot be concluded successfully, the PUCN may negotiate a contract with the next highest scoring consultant or withdraw the Informal Solicitation.

NOTE: The PUCN reserves the right to modify these dates at any time.

REQUEST FOR NET METERING STUDY

I. Background

Pursuant to Section 26.5 of Assembly Bill ("AB") 428, enacted on June 11, 2013, the Public Utilities Commission of Nevada ("PUCN") seeks to engage the services of a knowledgeable and independent consultant to analyze the costs and benefits of net metering in Nevada.

The consultant will work closely with the PUCN's Regulatory Operations Staff ("Staff") to accomplish three (3) main tasks: (1) collect data; (2) analyze data; and (3) prepare a written study. Tasks and procedures will be defined as clearly as possible to minimize direct day-to-day supervision of the contract. A stakeholder committee, consisting of one (1) representative each from Staff, the electric utility, the bureau of consumer protection, and the solar industry, will also be formed to provide periodic feedback.

The consultant's final study will be due no later than July 1, 2014. The PUCN will submit a final written report based on the information in the final study to the Nevada Legislature by October 1, 2014.

The PUCN will conduct the net metering investigation in Docket No. 13-07010.

II. Scope of Work

A. Data Collection and Analysis

The Sierra Pacific Power Company d/b/a NV Energy ("SPPC") net metering system analysis shall include solar, wind, and small hydropower systems. The Nevada Power Company d/b/a NV Energy ("NPC") net metering system analysis shall include only solar energy systems.
The Presiding Officer will direct SPPC and NPC to provide, at a minimum, the following data to the consultant:

(1) NPC and SPPC fuel forecasts for both natural gas and coal;
(2) NPC and SPPC purchase power forecasts;
(3) The latest approved NPC and SPPC loads and resources tables and the associated production cost modeling runs;
(4) The latest approved avoided costs analyses for both SPPC and NPC;
(5) The latest approved load forecasts of both SPPC and NPC;
(6) The costs for both SPPC and NPC for the net metering program by year and by customer classification;
(7) The net metering generation levels for both SPPC and NPC by year and by customer classification; and
(8) The societal costs submitted by NPC and SPPC in their most recently filed integrated resource plans.

At a minimum, the consultant must also gather the following data in the report: participants' estimated installed costs for the net metering systems; participants' estimated total generation

levels by customer classification and by year; state property tax rates; state demographics; distribution and transmission line loss estimates; participants' estimated maintenance costs for the net metering system; and participants' net metering degradation rates.

B. Written Study

The consultant shall prepare a written study analyzing the costs and benefits of net metering in Nevada, including, but not limited to, the costs and benefits to the following four (4) groups:

(1) The State of Nevada;
(2) Customer-generators who participate in net metering (broken down into meaningfully stratified subgroups such as residential/commercial, or residential and small commercial/GS-2 and above);
(3) Customers of a utility who do not participate in net metering (broken down into meaningfully stratified subgroups such as residential/commercial, or residential and small commercial/GS-2 and above); and
(4) Each utility which offers net metering.

The study shall conform to the specifications set forth in Section 26.5 of AB 428, along with Nevada's energy policies as defined in NRS 701, 701B, 703, 704, and 704B.

For the study, the consultant shall use the Total Resource Test, Rate Impact Test, Utility Costs Test, Participant Costs and Societal Costs Test to evaluate the costs and benefits of net metering for the four (4) groups listed above (broken down into subgroups as specified above). For each of the four (4) groups (broken down into subgroups as specified above), the consultant will analyze quantifiable costs and benefits. Quantifiable costs and benefits include, but are not limited to, fuel hedging, renewable energy portfolio standard credits, cost shifting due to net metering, tax revenues (i.e. mill assessment, franchise fee, etc.), employment opportunities or losses, line losses, reliability in renewable energy portfolio standard compliance, utility system reliability, energy and capacity costs, and societal costs and benefits.

For net metering penetration, the analysis shall be divided in to two subsets. The first subset will be the existing penetration levels until December 1, 2013, for both the SPPC and NPC service areas. The second subset will consist of the future projected penetration levels from January 1, 2014, through December 31, 2016, for both the NPC and SPPC service areas.

III. Deliverables

A. Deliverable 1

Within two weeks of final consultant selection, the Presiding Officer in Docket No. 13-07010 will schedule a meeting with the consultant and Staff to review and discuss the scope of work; communication protocols and contact information; invoicing and reporting deadlines; and work schedule. The meeting shall be conducted via teleconference or videoconference (Skype).

//

B. Deliverable 2

Not later than February 1, 2014, the consultant will file in Docket No. 13-07010 a status report regarding data collection and assumptions to be used for the study. Within two (2) weeks, the Presiding Officer will schedule a meeting with the consultant and stakeholder committee to discuss input assumptions, any potential obstacles, and whether the study is continuing on schedule. The meeting shall be conducted via teleconference or videoconference (Skype).

C. Deliverable 3

Not later than May 1, 2014, the consultant will file a draft study in Docket No. 13-07010. Within three (3) weeks, the Presiding Officer will schedule a meeting with the consultant and stakeholder committee to discuss the draft study and answer any questions any participant may have. The meeting shall be conducted via teleconference or videoconference (Skype).

D. Deliverable 4

Not later than July 1, 2014, the consultant shall file a final study in Docket No. 13-07010. The final study shall include any changes requested by the Presiding Officer at the May 2014 meeting.

E. Deliverable 5

Throughout the entire process, the consultant shall have a teleconference with the Presiding Officer and Staff once a month to provide updates on the progress of the study.

Assembly Bill No. 428–Committee
on Commerce and Labor

CHAPTER.....

AN ACT relating to energy; revising provisions relating to the Solar Energy Systems Incentive Program, the Wind Energy Systems Demonstration Program and the Waterpower Energy Systems Demonstration Program; revising provisions governing the payment of incentives to participants in the Solar Program and the Wind Program; requiring the Public Utilities Commission of Nevada to adopt certain regulations; requiring each electric utility in this State to create a Lower Income Solar Energy Pilot Program; requiring the Consumer's Advocate of the Bureau of Consumer Protection in the Office of the Attorney General to publish certain reports; requiring the Commission to open an investigatory docket relating to the costs and benefits attributable to net metering; extending the prospective expiration of the Solar Program, the Wind Program and the Waterpower Program; establishing the Legislative Committee on Energy; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes the Solar Energy Systems Incentive Program, the Wind Energy Systems Demonstration Program and the Waterpower Energy Systems Demonstration Program. (NRS 701B.010-701B.290, 701B.400-701B.650, 701B.700-701B.880) **Section 3** of this bill establishes the statewide capacity floor for the Solar Program and the limits on incentives paid for each renewable energy program. **Sections 5, 19 and 26** of this bill remove the concept of a "program year" with respect to the renewable energy programs.

Sections 5-7 of this bill require the Public Utilities Commission of Nevada to adopt regulations relating to the provision of market-based incentives under the Solar Program. **Section 7** requires the Commission to review the incentives and authorizes the Commission to adjust the incentives not more frequently than annually. **Section 7** also provides for an incentive to be paid to a qualified participant in the Solar Program in one installment upon proof that the participant has installed and energized the solar energy system and for an incentive to be paid to a qualified participant over time which must be based on the performance of the solar energy system and the amount of electricity generated by the solar energy system. **Section 7** also provides for the payment of performance-based incentives to a qualified participant in the Solar Program after December 31, 2021. **Section 9** of this bill requires the Commission to establish the categories for participation in the Solar Program. **Section 9** authorizes the Commission to establish the criteria and capacity limitations for each category. **Section 11** of this bill requires a participant in the Solar Program to participate in net metering.

Section 13 of this bill requires the Commission to establish the categories for participation in the Wind Program. **Section 14** of this bill requires the Commission to adopt regulations establishing a system of incentives for participation in the Wind Program. **Section 14** further provides that the total amount of the incentive

paid to a participant in the Wind Program with a nameplate capacity of not more than 500 kilowatts must be paid over time and be based on the performance and amount of electricity generated by the wind energy system. **Section 14** also provides for the payment of performance-based incentives to a qualified participant in the Wind Program after December 31, 2021. **Section 17** of this bill requires a participant in the Wind Program to participate in net metering.

Section 18 of this bill requires the Commission to adopt regulations to provide a system of incentives for waterpower energy systems with a nameplate capacity of not more than 500 kilowatts, and **section 20** of this bill prescribes certain limitations on such incentives. **Section 21** of this bill requires a participant in the Waterpower Program to participate in net metering.

Section 21.3 of this bill requires each electric utility in this State to create a Lower Income Solar Energy Pilot Program for the purpose of installing solar distributed generation systems within its service territory for the benefit of low-income customers.

Existing law authorizes certain qualified customers of a utility to participate in net metering. (NRS 704.766-704.775) **Section 24** of this bill authorizes a utility to assess certain charges against certain participants in net metering.

Existing law authorizes the Consumer's Advocate of the Bureau of Consumer Protection in the Office of the Attorney General to represent the public interest in any proceeding, including a proceeding to review a proposed rate of an electric utility. **Section 25.5** of this bill requires the Consumer's Advocate to publish a report containing certain information if the Consumer's Advocate declines to represent the public interest in a proceeding to review a proposed rate of an electric utility.

Section 26.5 of this bill requires the Commission to open an investigatory docket to evaluate the costs and benefits attributable to net metering in this State.

Sections 25.6-25.9 of this bill extend the prospective expiration of the Wind Program, the Waterpower Program and the Solar Program from December 31, 2021, to December 31, 2025.

Sections 25.1-25.45 and 25.55 of this bill establish the Legislative Committee on Energy and set forth the membership, duties, powers and responsibilities of the Committee.

EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~[omitted material]~~ is material to be omitted.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 701B of NRS is hereby amended by adding thereto the provisions set forth as sections 1.5 to 3.5, inclusive, of this act.

Sec. 1.5. ***1. As used in this chapter, unless the context otherwise requires, "installed cost" means the actual, documented cost of tangible materials and labor for the installation of a solar energy system, distributed generation system, wind energy system or waterpower energy system.***

2. As used in this section:

(a) "Distributed generation system" has the meaning ascribed to it in NRS 701B.055.

(b) "Solar energy system" has the meaning ascribed to it in NRS 701B.150.

(c) "Waterpower energy system" has the meaning ascribed to it in NRS 701B.800.

(d) "Wind energy system" has the meaning ascribed to it in NRS 701B.560.

Sec. 2. *The Legislature hereby finds and declares that it is the policy of this State to:*

1. Expand and accelerate the development of solar distributed generation systems in this State; and

2. Establish a sustainable and self-sufficient solar renewable energy industry in this State in which solar energy systems are a viable mainstream alternative for homes, businesses and other public entities.

Sec. 3. *1. For the purposes of carrying out the Solar Energy Systems Incentive Program created by NRS 701B.240, and subject to the limitations prescribed by subsection 2, the Public Utilities Commission of Nevada shall set incentive levels and schedules, with a goal of approving solar energy systems totaling at least 250,000 kilowatts of capacity in this State for the period beginning on July 1, 2010, and ending on December 31, 2021.*

2. The Commission shall not authorize the payment of an incentive pursuant to:

(a) The Solar Energy Systems Incentive Program if the payment of the incentive would cause the total amount of incentives paid by all utilities in this State for the installation of solar energy systems and solar distributed generation systems to exceed $255,270,000 for the period beginning on July 1, 2010, and ending on December 31, 2025.

(b) The Wind Energy Systems Demonstration Program created by NRS 701B.580 and the Waterpower Energy Systems Demonstration Program created by NRS 701B.820 if the payment of the incentive would cause the total amount of incentives paid by all utilities in this State for the installation of wind energy systems and waterpower energy systems to exceed $40,000,000 for the period beginning on July 1, 2009, and ending on December 31, 2025. The Commission shall by regulation determine the allocation of incentives for each Program.

3. The Commission may, subject to the limitations prescribed by subsection 2, authorize the payment of performance-based incentives for the period ending on December 31, 2025.

4. A utility may file with the Commission one combined annual plan which meets the requirements set forth in NRS 701B.230, 701B.610 and 701B.850. The Commission shall review and approve any plan submitted pursuant to this subsection in accordance with the requirements of NRS 701B.230, 701B.610 and 701B.850, as applicable.

5. As used in this section:

(a) "Distributed generation system" has the meaning ascribed to it in NRS 701B.055.

(b) "Utility" means a public utility that supplies electricity in this State.

Sec. 3.5. ***A person who submits an application to a utility pursuant to this chapter shall not make any false or misleading statement in the application or in any material which is required to be submitted with the application. As used in this section, "utility" means a public utility that supplies electricity or natural gas in this State.***

Sec. 4. NRS 701B.040 is hereby amended to read as follows:

701B.040 "Category" means one of the categories of participation in the Solar Program as set forth in ~~[NRS 701B.240.]~~ ***regulations adopted by the Commission.***

Sec. 5. NRS 701B.200 is hereby amended to read as follows:

701B.200 The Commission shall adopt regulations necessary to carry out the provisions of NRS 701B.010 to 701B.290, inclusive, ***and section 2 of this act,*** including, without limitation, regulations that:

1. Establish the type of incentives available to participants in the Solar Program and the level or amount of those incentives . ~~[, except that the level or amount of an incentive available in a particular program year must not be based upon whether the incentive is for unused capacity reallocated from a past program year pursuant to paragraph (b) of subsection 2 of NRS 701B.260. The regulations must provide that the level or amount of the incentives must decline over time as the cost of solar energy systems and distributed generation systems decline.]~~ ***The incentives must be market-based incentives that:***

(a) Do not exceed 50 percent of the installed cost of a solar energy system or distributed generation system, as determined by using the average installed cost of the solar energy systems or distributed generation systems, as applicable, installed in the immediately preceding year;

(b) Are designed to maximize the number of customer categories participating in the Solar Program based on

demographics and location, including, without limitation, categories for public entities, customers of lower socioeconomic status, nonprofit organizations and commercial, industrial and residential customers; and

(c) Provide for a sustainable Solar Program that maintains sufficient customer participation and that provides for the measured award of incentives to as many participants as possible on or before December 31, 2021.

2. Establish the requirements for a utility's annual plan for carrying out and administering the Solar Program. A utility's annual plan must include, without limitation:

(a) A detailed plan for advertising the Solar Program;

(b) A detailed budget and schedule for carrying out and administering the Solar Program;

(c) A detailed account of administrative processes and forms that will be used to carry out and administer the Solar Program, including, without limitation, a description of the application process and copies of all applications and any other forms that are necessary to apply for and participate in the Solar Program;

(d) A detailed account of the procedures that will be used for inspection and verification of a participant's solar energy system and compliance with the Solar Program;

(e) A detailed account of training and educational activities that will be used to carry out and administer the Solar Program; ~~[and]~~

(f) ***Any other information that the Commission requires from the utility as part of the administration of the Solar Program; and***

(g) Any other information required by the Commission.

3. Authorize a utility to recover the reasonable costs incurred in carrying out and administering the installation of distributed generation systems. ~~[pursuant to paragraph (b) of subsection 1 of NRS 701B.260.]~~

Sec. 6. NRS 701B.210 is hereby amended to read as follows:

701B.210 The Commission shall adopt regulations that establish:

1. The qualifications and requirements an applicant must meet to be eligible to participate in ~~[each applicable category of:~~

~~(a) School property;~~

~~(b) Public and other property; and~~

~~(c) Private residential property and small business property; and]~~ ***the Solar Program.***

2. The form and content of the master application.

3. The process for accepting and approving applications, which must provide that applications are approved based on the

order in which complete applications are submitted and not on a lottery process.

4. A requirement that an authorized representative of any public entity participating in the Solar Program, including participation through a third-party ownership structure, provide the identifying number described in NRS 338.013 for such project and certify in the application and upon final completion of the solar energy system or distributed generation system that the public entity has complied with all applicable requirements of this chapter and chapter 338 of NRS.

5. A process pursuant to which the utility must transmit to the Commission for inclusion in the public records of the Commission a copy of any application by a public entity or any related material requested by the Commission which includes any redacted personal identifying information of a customer.

Sec. 7. NRS 701B.220 is hereby amended to read as follows:

701B.220 ***1.*** In adopting regulations for the Solar Program, the Commission shall adopt regulations establishing ~~[an incentive]~~ ***the incentives*** for participation in the Solar Program ~~[.]~~ ***, shall consider whether such regulations ensure, to the extent practicable, the cost-effective use of such incentives and predictability for participants, rate payers and utilities and shall maximize to the extent practicable the number of customer categories participating in the Solar Program based on demographics and location, including, without limitation, categories for public entities, customers of lower socioeconomic status, nonprofit organizations and commercial, industrial and residential customers. The regulations must:***

(a) For a solar energy system that has a generating capacity of not more than 25 kilowatts, provide for an incentive that must be paid in one installment to a participant for a solar energy system upon proof that the participant has installed and energized the solar energy system;

(b) For a solar energy system that has a generating capacity of more than 25 kilowatts, provide for an incentive that must be paid to a participant over time and be based on the performance of the solar energy system and the amount of electricity generated by the solar energy system;

(c) For a solar energy system that has a generating capacity of more than 25 kilowatts, provide for a contract to be entered into between a participant and a utility, which must include, without limitation, provisions specifying:

(1) The amount of the incentive the participant will receive from the utility;

(2) The period in which the participant will receive an incentive from the utility, which must not exceed 5 years;

(3) That the payments of an incentive to the participant must be made not more frequently than quarterly; and

(4) That a utility must not be required to issue any new incentive on or after January 1, 2021, or make an incentive payment after December 31, 2025;

(d) Establish reporting requirements for each utility that participates in the Solar Program, which must include, without limitation, periodic reports of the average installed cost of the systems, the cost to the utility of carrying out the Solar Program, the effect of the Solar Program on the rates paid by customers of the utility and the annual statistical data related to the amount of incentives granted and the number of participants;

(e) Provide for a decline over time in the amount of the incentives for participation in the Solar Program as the installed costs of solar energy systems decrease and as variables, including, without limitation, system size, installation costs, market conditions and access to federal, state and other financial incentives, may require;

(f) Provide that the rate at which incentives decline over time will be published by the Commission, including publication on the Internet website maintained by the Commission, annually or on such other schedule as necessary to reflect changes in the market; and

(g) Provide that incentives must be made available only to solar energy systems with a nameplate capacity of not more than 500 kilowatts.

2. The Commission shall review the incentives for participation in the Solar Program and may adjust the amount of the incentives not more frequently than annually, as determined necessary by the Commission to reflect changes in the market for solar energy systems and demand for incentives.

3. A contract that is executed between a utility and a participant on or before December 31, 2021, providing for the payment to the participant of an incentive pursuant to paragraph (b) of subsection 1 may provide for the continued payment of such an incentive after December 31, 2021, in accordance with regulations adopted by the Commission.

Sec. 8. NRS 701B.230 is hereby amended to read as follows:

701B.230 1. Each year on or before the date established by the Commission, a utility shall file with the Commission its annual plan for carrying out and administering the Solar Program within its service area. ~~[for a program year.]~~

2. The Commission shall:

(a) Review each annual plan filed by a utility for compliance with the requirements established by regulation of the Commission; and

(b) Approve each annual plan with such modifications and upon such terms and conditions as the Commission finds necessary or appropriate to facilitate the Solar Program.

3. A utility shall carry out and administer the Solar Program within its service area in accordance with the utility's annual plan as approved by the Commission.

4. A utility may recover its reasonable and prudent costs, including, without limitation, customer incentives, that are associated with carrying out and administering the Solar Program within its service area by seeking recovery of those costs in an appropriate proceeding before the Commission pursuant to NRS 704.110.

Sec. 9. NRS 701B.240 is hereby amended to read as follows:

701B.240 1. The Solar Energy Systems Incentive Program is hereby created.

2. The ~~[Solar Program must have three]~~ ***Commission:***

(a) Shall establish categories ~~[as follows:~~

~~(a) School property;~~

~~(b) Public and other property; and~~

~~(c) Private residential property and small business property.]~~ ***for participation in the Solar Program with the goal of maximizing to the extent practicable the number of customer categories participating in the Solar Program based on demographics and location.***

(b) May establish the criteria and capacity for each category.

3. For the purpose of establishing categories pursuant to subsection 2, the Commission may additionally establish subcategories which may include, without limitation, schools, public property, low-income customers and nonprofit organizations, and may establish the criteria and capacity for each subcategory.

4. To be eligible to participate in the Solar Program, a person must:

(a) Meet the qualifications established by the Commission pursuant to NRS 701B.210;

(b) Submit an application to a utility and be selected by the ~~[Commission]~~ ***utility*** for inclusion in the Solar Program pursuant to NRS 701B.250 and 701B.255; ***and***

(c) When installing the solar energy system, use an installer who has been issued a classification C-2 license with the appropriate subclassification by the State Contractors' Board pursuant to the regulations adopted by the Board. ~~[; and~~

~~(d) If the person will be participating in the Solar Program in the category of school property or public and other property, provide for the public display of the solar energy system, including, without limitation, providing for public demonstrations of the solar energy system and for hands-on experience of the solar energy system by the public.]~~

Sec. 10. NRS 701B.255 is hereby amended to read as follows:

701B.255 1. After reviewing an application submitted pursuant to NRS 701B.250 and ensuring that the applicant meets the qualifications and requirements to be eligible to participate in the Solar Program, a utility ~~[may]~~ ***shall*** select the applicant for participation in the Solar Program ~~[.]~~ ***, subject to the limitations prescribed by section 3 of this act.***

2. Not later than 30 days after the date on which the utility selects an applicant, the utility shall provide written notice of the selection to the applicant.

3. After the utility selects an applicant to participate in the Solar Program, the utility ~~[may]~~ ***shall*** approve the solar energy system proposed by the applicant. Upon the utility's approval of the solar energy system:

(a) The utility shall provide to the applicant notice of the approval and the amount of incentive for which the solar energy system is eligible; and

(b) The applicant may install and energize the solar energy system.

4. Upon the completion of the installation and energizing of the solar energy system, the participant must submit to the utility an incentive claim form and any supporting information, including, without limitation, a verification of the ***installed*** cost of the project and a calculation of the expected system output.

5. Upon receipt of the ***completed*** incentive claim form and verification that the solar energy system is properly connected, the utility shall issue an incentive payment to the participant.

6. The amount ***and type*** of the incentive for which an applicant is eligible must be determined on the date on which the applicant is selected for participation in the Solar Program, except that an applicant forfeits eligibility for that amount of incentive if the applicant withdraws from participation in the Solar Program or does not complete the installation of the solar energy system within 12 months after the date on which the applicant is selected for participation in the Solar Program. ~~[An applicant who forfeits eligibility for the incentive for which the applicant was originally determined to be eligible may become eligible for an incentive only on the date on which the applicant completes the installation of the solar energy system, and the amount of the incentive for which such an applicant is eligible must be determined on the date on which the applicant completes the installation of the solar energy system.]~~

Sec. 11. NRS 701B.280 is hereby amended to read as follows:

701B.280 ~~[If]~~ ***To be eligible for an incentive through the Solar Program,*** a solar energy system ~~[used by a participant in the Solar Program meets]~~ ***must meet*** the requirements ~~[of NRS 704.766 to 704.775, inclusive, the participant is entitled to participate]~~ ***for participation*** in net metering pursuant to the provisions of NRS 704.766 to 704.775, inclusive.

Sec. 12. NRS 701B.440 is hereby amended to read as follows:

701B.440 "Category" means one of the categories of participation in the Wind Demonstration Program ~~[as set forth in]~~ ***established by the Commission pursuant to subsection 2 of*** NRS 701B.580.

Sec. 13. NRS 701B.580 is hereby amended to read as follows:

701B.580 1. The Wind Energy Systems Demonstration Program is hereby created.

2. The ~~[Program must have four]~~ ***Commission shall establish*** categories ~~[as follows:~~

~~(a) School property;~~

~~(b) Other public property;~~

~~(c) Private residential property and small business property; and~~

~~(d) Agricultural property.]~~ ***for participation in the Program.***

3. To be eligible to participate in the Program, a person must:

(a) Meet the qualifications established by the Commission pursuant to NRS 701B.590; ***and***

(b) When installing the wind energy system, use an installer who has been issued a classification C-2 license with the appropriate subclassification by the State Contractors' Board pursuant to the regulations adopted by the Board . ~~[; and~~

~~(c) If the person will be participating in the Program in the category of school property or other public property, provide for the public display of the wind energy system, including, without limitation, providing for public demonstrations of the wind energy system and for hands-on experience of the wind energy system by the public.]~~

Sec. 14. NRS 701B.590 is hereby amended to read as follows:

701B.590 *1.* The Commission shall adopt regulations necessary to carry out the provisions of the Wind Energy Systems Demonstration Program Act, including, without limitation, regulations that establish:

~~[1.]~~ *(a)* The capacity goals for the Program . ~~[, which must be designed to meet the goal of the Legislature of the installation of not less than 5 megawatts of wind energy systems in this State by 2012 and the goals for each category of the Program.~~

~~2.]~~ *(b)* A system of incentives that are based on rebates that decline as the ~~[capacity goals for the Program and the goals for each category of the Program are met. The rebates must be based on predicted energy savings.~~

~~3.]~~ ***installed cost of wind energy systems declines and as variables, including, without limitation, system size, installation costs, market conditions and access to federal, state and other financial incentives, may require. The system of incentives must provide:***

(1) Incentives for wind energy systems with a nameplate capacity of not more than 500 kilowatts;

(2) That the amount of the incentive for a participant must be paid over time and be based on the performance of the wind energy system and the amount of electricity generated by the wind energy system; and

(3) For a contract to be entered into between a participant and a utility, which must include, without limitation, provisions specifying:

(I) The amount of the incentive the participant will receive from the utility;

(II) The period in which the participant will receive an incentive from the utility, which must not exceed 5 years;

(III) That the payments of an incentive to the participant must be made not more frequently than quarterly; and

(IV) That a utility is not required to issue any new incentive on or after January 1, 2021, or make an incentive payment after December 31, 2025.

(c) Reporting requirements for each utility that participates in the Program, which must include, without limitation, periodic reports of the average installed cost of the wind energy system, the cost to the utility of carrying out the Program and the effect of the Program on the rates paid by customers of the utility.

(d) The procedure for claiming incentives, including, without limitation, the form and content of the incentive claim form.

(e) The period for accepting applications, which must include a period during which a utility must accept additional applications if a previously approved applicant fails to install and energize a wind energy system within the time allowed by NRS 701B.615.

(f) The total incentive paid to a participant in the Program, which must not exceed 50 percent of the total installed cost of the wind energy system of the participant.

(g) A requirement that an authorized representative of any public entity participating in the Program, including participation through a third-party ownership structure, must provide the identifying number described in NRS 338.013 for such project and certify in the application and upon final completion of the wind energy system that the public entity has complied with all applicable requirements of this chapter and chapter 338 of NRS.

(h) A process pursuant to which the utility shall transmit to the Commission for inclusion in the public records of the Commission a copy of any application by a public entity or any related material requested by the Commission which includes any redacted personal identifying information of a customer.

2. A contract that is executed between a utility and a participant on or before December 31, 2021, providing for the payment to the participant of an incentive pursuant to subparagraph (2) of paragraph (b) of subsection 1 may provide for the continued payment of such an incentive after December 31, 2021, subject to the limitations prescribed by section 3 of this act and in accordance with regulations adopted by the Commission.

Sec. 15. NRS 701B.610 is hereby amended to read as follows:

701B.610 1. On or before February 1, 2008, and on or before February 1 of each year thereafter, each utility shall file with the Commission its annual plan for carrying out and administering the Wind Demonstration Program within its service area . ~~[for the following program year.]~~

2. On or before July 1, 2008, and on or before July 1 of each year thereafter, the Commission shall:

(a) Review the annual plan filed by each utility for compliance with the requirements established by regulation; and

(b) Approve the annual plan with such modifications and upon such terms and conditions as the Commission finds necessary or appropriate to facilitate the Program.

Sec. 16. NRS 701B.615 is hereby amended to read as follows:

701B.615 1. An applicant who wishes to participate in the Wind Demonstration Program must submit an application to a utility.

2. After reviewing an application submitted pursuant to subsection 1 and ensuring that the applicant meets the qualifications and requirements to be eligible to participate in the Program, a utility may select the applicant for participation in the Program.

3. Not later than 30 days after the date on which the utility selects an applicant, the utility shall provide written notice of the selection to the applicant.

4. After the utility selects an applicant to participate in the Program, the utility may approve the wind energy system proposed by the applicant. Upon the utility's approval of the wind energy system:

(a) The utility shall provide to the applicant notice of the approval and the amount of incentive for which the wind energy system is eligible; and

(b) The applicant may install and energize the wind energy system.

5. Upon the completion of the installation and energizing of the wind energy system, the participant must submit to the utility an incentive claim form and any supporting information, including, without limitation, a verification of the ***installed*** cost of the project and a calculation of the expected system output.

6. Upon receipt of the incentive claim form and verification that the wind energy system is properly connected, the utility shall issue an incentive payment to the participant.

7. The amount of the incentive for which an applicant is eligible must be determined on the date on which the applicant is selected for participation in the Wind Demonstration Program, except that an applicant forfeits eligibility for that amount of incentive if the applicant withdraws from participation in the Program or does not complete the installation of the wind energy system within 12 months after the date on which the applicant is selected for participation in the Program. ~~[An applicant who forfeits eligibility for the incentive for which the applicant was originally determined to be eligible may become eligible for an incentive only on the date on which the applicant completes the installation of the wind energy system, and the amount of the incentive for which such~~

~~an applicant is eligible must be determined on the date on which the applicant completes the installation of the wind energy system.]~~

Sec. 17. NRS 701B.650 is hereby amended to read as follows:

701B.650 ~~[If]~~ ***To be eligible for an incentive through the Wind Demonstration Program,*** a wind energy system ~~[used by a participant in the Wind Demonstration Program meets]~~ ***must meet*** the requirements ~~[of NRS 704.766 to 704.775, inclusive, the participant is entitled to participate]~~ ***for participation*** in net metering pursuant to the provisions of NRS 704.766 to 704.775, inclusive.

Sec. 18. NRS 701B.840 is hereby amended to read as follows:

701B.840 The Commission shall adopt regulations that establish:

1. The capacity goals for the Program, which must ~~[be designed to meet the goal of the Legislature of the installation of not less than 5 megawatts of waterpower energy systems in this State by 2016 and the goals for each category of the Program. The regulations must]~~ provide that not less than 1 megawatt of capacity ~~[must]~~ be set aside for the installation of waterpower energy systems with a nameplate capacity of 100 kilowatts or less.

2. ***A system of incentives for waterpower energy systems with a nameplate capacity of not more than 500 kilowatts.***

3. A system of incentives that are based on rebates that decline as the capacity goals for the Program ~~[and the goals for each category of the Program]~~ are met. The rebates must be based on predicted energy savings.

~~[3.]~~ ***4.*** The procedure for claiming incentives, including, without limitation, the form and content of the incentive claim form.

Sec. 19. NRS 701B.850 is hereby amended to read as follows:

701B.850 1. ~~[On]~~ ***Each year on*** or before ~~[February 21, 2008, and on or before February 1 of each subsequent year,]~~ ***a date established by the Commission,*** each utility shall file with the Commission ~~[for approval an]~~ ***the utility's*** annual plan for ~~[the administration and delivery of]~~ ***carrying out and administering*** the Waterpower Demonstration Program ***in its service area*** for the ~~[program year beginning July 1, 2008, and each subsequent year thereafter.]~~ ***immediately following 12-month period prescribed by the Commission.***

2. ~~[On or before July 1, 2008, and on or before each July 1 of each subsequent year, the]~~ ***The*** Commission shall ~~[review]~~ ***:***

(a) Review the annual plan for compliance with the requirements ~~[set forth]~~ ***established*** by regulation of the Commission ~~[.]~~ ***; and***

(b) Approve the annual plan with such modifications and upon such terms and conditions as the Commission finds necessary or appropriate to facilitate the Program.

Sec. 20. NRS 701B.865 is hereby amended to read as follows:

701B.865 1. An applicant who wishes to participate in the Waterpower Demonstration Program must submit an application to a utility.

2. After reviewing an application submitted pursuant to subsection 1 and ensuring that the applicant meets the qualifications and requirements to be eligible to participate in the Program, a utility may select the applicant for participation in the Program.

3. Not later than 30 days after the date on which the utility selects an applicant, the utility shall provide written notice of the selection to the applicant.

4. After the utility selects an applicant to participate in the Program, the utility may approve the waterpower energy system proposed by the applicant. Upon the utility's approval of the waterpower energy system:

(a) The utility shall provide to the applicant notice of the approval and the amount of incentive for which the waterpower energy system is eligible; and

(b) The applicant may construct the waterpower energy system.

5. Upon the completion of the construction of a waterpower energy system, the participant must submit to the utility an incentive claim form and any supporting information, including, without limitation, a verification of the ***installed*** cost of the project and a calculation of the expected system output.

6. Upon receipt of the incentive claim form and verification that the waterpower energy system is properly connected, the utility shall issue an incentive payment to the participant.

7. The amount of the incentive for which an applicant is eligible must be determined on the date on which the applicant is selected for participation in the Waterpower Demonstration Program, except that ***:***

(a) An applicant forfeits eligibility for that amount of incentive if the applicant withdraws from participation in the Program or does not complete the construction of the waterpower energy system within 12 months after the date on which the applicant is selected for participation in the Program ~~[An applicant who forfeits eligibility for the incentive for which the applicant was originally determined to be eligible may become eligible for an incentive only on the date on which the applicant completes the construction of the waterpower energy system, and the amount of the incentive for~~

~~which such an applicant is eligible must be determined on the date on which the applicant completes the construction of the waterpower energy system.]~~ ***; and***

(b) No payment may be made by a utility after December 31, 2025, or made if such payment would otherwise cause the utility to exceed the limitations prescribed by section 3 of this act.

8. The total incentive paid to a participant in the Waterpower Demonstration Program must not exceed 50 percent of the total installed cost of the waterpower energy system of the participant.

9. An authorized representative of any public entity participating in the Waterpower Demonstration Program, including participation through a third-party ownership structure, shall provide the identifying number described in NRS 338.013 for such project and certify in the application and upon final completion of the waterpower energy system that the public entity has complied with all applicable requirements of this chapter and chapter 338 of NRS.

10. The Commission shall adopt regulations prescribing a process pursuant to which the utility must transmit to the Commission for inclusion in the public records of the Commission a copy of any application by a public entity or any related material requested by the Commission with any redacted personal identifying information of a customer.

Sec. 21. NRS 701B.880 is hereby amended to read as follows:

701B.880 ~~[If]~~ ***To be eligible for an incentive through the Waterpower Demonstration Program,*** the waterpower energy system ~~[used by a participant in the Waterpower Demonstration Program meets]~~ ***must meet*** the requirements ~~[of NRS 704.766 to 704.775, inclusive, the participant is entitled to participate]~~ ***for participation*** in net metering pursuant to the provisions of NRS 704.766 to 704.775, inclusive.

Sec. 21.3. Chapter 704 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Each electric utility in this State shall create a Lower Income Solar Energy Pilot Program for the purpose of installing, before January 1, 2017, distributed generation systems with a cumulative capacity of at least 1 megawatt at locations throughout its service territory which benefit low-income customers, including, without limitation, homeless shelters, low-income housing developments and schools with significant populations of low-income pupils. Each electric utility shall submit the Program as part of its annual plan submitted pursuant to NRS 701B.230. The Commission shall approve the Program with such

modifications and upon such terms and conditions as the Commission deems necessary or appropriate to enable the Program to meet the purposes set forth in this subsection.

2. The Office of Energy shall advise the Commission and each electric utility regarding grants and other sources of money available to defray the costs of the Program.

3. As used in this section, "distributed generation system" has the meaning ascribed to it in NRS 701B.055.

Secs. 22 and 23. (Deleted by amendment.)

Sec. 24. NRS 704.773 is hereby amended to read as follows:

704.773 1. A utility shall offer net metering, as set forth in NRS 704.775, to the customer-generators operating within its service area until the cumulative capacity of all net metering systems operating in this State is equal to ~~[2]~~ *3* percent of the total peak capacity of all utilities in this State.

2. If the net metering system of a customer-generator who accepts the offer of a utility for net metering has a capacity of not more than 25 kilowatts, the utility:

(a) Shall offer to make available to the customer-generator an energy meter that is capable of registering the flow of electricity in two directions.

(b) May, at its own expense and with the written consent of the customer-generator, install one or more additional meters to monitor the flow of electricity in each direction.

(c) ~~[Shall]~~ ***Except as otherwise provided in subsection 5, shall*** not charge a customer-generator any fee or charge that would increase the customer-generator's minimum monthly charge to an amount greater than that of other customers of the utility in the same rate class as the customer-generator.

3. If the net metering system of a customer-generator who accepts the offer of a utility for net metering has a capacity of more than 25 kilowatts, the utility:

(a) May require the customer-generator to install at its own cost:

(1) An energy meter that is capable of measuring generation output and customer load; and

(2) Any upgrades to the system of the utility that are required to make the net metering system compatible with the system of the utility.

(b) Except as otherwise provided in paragraph (c) ~~[,]~~ ***and subsection 5,*** may charge the customer-generator any applicable fee or charge charged to other customers of the utility in the same rate class as the customer-generator, including, without limitation, customer, demand and facility charges.

(c) Shall not charge the customer-generator any standby charge.

➥ At the time of installation or upgrade of any portion of a net metering system, the utility must allow a customer-generator governed by this subsection to pay the entire cost of the installation or upgrade of the portion of the net metering system.

4. If the net metering system of a customer-generator is a net metering system described in paragraph (b) or (c) of subsection 1 of NRS 704.771 and:

(a) The system is intended primarily to offset part or all of the customer-generator's requirements for electricity on property contiguous to the property on which the net metering system is located; and

(b) The customer-generator sells or transfers his or her interest in the contiguous property,

➥ the net metering system ceases to be eligible to participate in net metering.

5. ***A utility shall assess against a customer-generator:***

(a) If applicable, the universal energy charge imposed pursuant to NRS 702.160; and

(b) Any charges imposed pursuant to chapter 701B of NRS or NRS 704.7827 or 704.785 which are assessed against other customers in the same rate class as the customer-generator.

➥ ***For any such charges calculated on the basis of a kilowatt-hour rate, the customer-generator must only be charged with respect to kilowatt-hours of energy delivered by the utility to the customer-generator.***

6. The Commission shall adopt regulations prescribing the form and substance for a net metering tariff and a standard net metering contract. The regulations must include, without limitation:

(a) The particular provisions, limitations and responsibilities of a customer-generator which must be included in a net metering tariff with regard to:

(1) Metering equipment;

(2) Net energy metering and billing; and

(3) Interconnection,

➥ based on the allowable size of the net metering system.

(b) The particular provisions, limitations and responsibilities of a customer-generator and the utility which must be included in a standard net metering contract.

(c) A timeline for processing applications and contracts for net metering applicants.

(d) Any other provisions the Commission finds necessary to carry out the provisions of NRS 704.766 to 704.775, inclusive.

Sec. 25. (Deleted by amendment.)

Sec. 25.1. Chapter 218E of NRS is hereby amended by adding thereto the provisions set forth as sections 25.2 to 25.45, inclusive, of this act.

Sec. 25.2. ***As used in sections 25.2 to 25.45, inclusive, of this act, unless the context otherwise requires, "Committee" means the Legislative Committee on Energy.***

Sec. 25.25. ***1. The Legislative Committee on Energy, consisting of six legislative members, is hereby created. The membership of the Committee consists of:***

(a) Three members appointed by the Majority Leader of the Senate, at least one of whom must be a member of the minority political party.

(b) Three members appointed by the Speaker of the Assembly, at least one of whom must be a member of the minority political party.

2. The Legislative Commission shall review and approve the budget and work program for the Committee and any changes to the budget or work program.

3. The Legislative Commission shall select the Chair and Vice Chair of the Committee from among the members of the Committee. Each Chair and Vice Chair holds office for a term of 2 years commencing on July 1 of each odd-numbered year. The office of Chair of the Committee must alternate each biennium between the Houses. If a vacancy occurs in the office of Chair or Vice Chair, the vacancy must be filled in the same manner as the original selection for the remainder of the unexpired term.

4. A member of the Committee who is not a candidate for reelection or who is defeated for reelection continues to serve after the general election until the next regular or special session convenes.

5. A vacancy on the Committee must be filled in the same manner as the original appointment for the remainder of the unexpired term.

Sec. 25.3. ***1. Except as otherwise ordered by the Legislative Commission, the members of the Committee shall meet not earlier than November 1 of each odd-numbered year and not later than August 31 of the following even-numbered year at the times and places specified by a call of the Chair or a majority of the Committee.***

2. The Director or the Director's designee shall act as the nonvoting recording Secretary of the Committee.

3. Four members of the Committee constitute a quorum, and a quorum may exercise all the power and authority conferred on the Committee.

4. Except during a regular or special session, for each day or portion of a day during which a member of the Committee attends a meeting of the Committee or is otherwise engaged in the business of the Committee, the member is entitled to receive the:

(a) Compensation provided for a majority of the Legislators during the first 60 days of the preceding regular session;

(b) Per diem allowance provided for state officers and employees generally; and

(c) Travel expenses provided pursuant to NRS 218A.655.

5. All such compensation, per diem allowances and travel expenses must be paid from the Legislative Fund.

Sec. 25.4. *1. The Committee may:*

(a) Evaluate, review and comment upon matters related to energy policy within this State, including, without limitation:

(1) Policies, plans or programs relating to the production, consumption or use of energy in this State;

(2) Legislative measures regarding energy policy;

(3) The effect of any policy, plan, program or legislation on rates or rate payers;

(4) The effect of any policy, plan, program or legislation on economic development in this State;

(5) The effect of any policy, plan, program or legislation on the environment;

(6) Any contracts or requests for proposals relating to the purchase of capacity;

(7) The effect of any policy, plan, program or legislation which provides for the construction or acquisition of facilities for the generation of electricity;

(8) The effect of any policy, plan, program or legislation on the development of a market in this State for electricity generated from renewable energy;

(9) The infrastructure and transmission requirements of any policy, plan, program or legislation; and

(10) Any other matters or topics that, in the determination of the Committee, affect energy policy in this State.

(b) Conduct investigations and hold hearings in connection with its duties pursuant to this section.

(c) Request that the Legislative Counsel Bureau assist in the research, investigations, hearings and reviews of the Committee.

(d) Make recommendations to the Legislature concerning the manner in which energy policy may be implemented or improved.

2. As used in this section, "renewable energy" has the meaning ascribed to it in NRS 701.070.

Sec. 25.45. *1. If the Committee conducts investigations or holds hearings pursuant to paragraph (b) of subsection 1 of section 25.4 of this act:*

(a) The Secretary of the Committee or, in the Secretary's absence, a member designated by the Committee may administer oaths.

(b) The Secretary or Chair of the Committee may cause the deposition of witnesses, residing either within or without the State, to be taken in the manner prescribed by rule of court for taking depositions in civil actions in the district courts.

(c) The Chair of the Committee may issue subpoenas to compel the attendance and testimony of witnesses and the production of books, papers, accounts, department records and other documents.

2. If any witness fails or refuses to attend or testify or to produce the books, papers, accounts, department records or other documents required by the subpoena, the Chair of the Committee may report the failure or refusal to the district court by a petition which:

(a) Sets forth that:

(1) Due notice has been given of the time and place of the attendance of the witness or the production of the required books, papers, accounts, department records or other documents;

(2) The witness has been subpoenaed by the Committee pursuant to this section; and

(3) The witness has failed or refused to attend or testify or to produce the books, papers, accounts, department records or other documents required by the subpoena before the Committee named in the subpoena; and

(b) Asks for an order of the court compelling the witness to attend and testify or to produce the required books, papers, accounts, department records or other documents before the Committee.

3. Upon such a petition, the court shall:

(a) Enter an order directing the witness:

(1) To appear before the court at a time and place to be fixed by the court in its order, the time to be not more than 10 days after the date of the order; and

(2) To show cause why the witness has not attended or testified or produced the required books, papers, accounts, department records or other documents before the Committee; and

(b) Serve a certified copy of the order upon the witness.

4. If it appears to the court that the subpoena was regularly issued by the Committee, the court shall enter an order that the witness:

(a) Must appear before the Committee at the time and place fixed in the order;

(b) Must testify or produce the required books, papers, accounts, department records or other documents; and

(c) Upon failure to obey the order, must be dealt with as for contempt of court.

Sec. 25.5. NRS 228.390 is hereby amended to read as follows:

228.390 *1.* Except as otherwise provided in NRS 704.110 and 704.7561 to 704.7595, inclusive:

~~[1.]~~ *(a)* The Consumer's Advocate has sole discretion to represent or refrain from representing the public interest and any class of customers in any proceeding.

~~[2.]~~ *(b)* In exercising such discretion, the Consumer's Advocate shall consider the importance and extent of the public interest or the customers' interests involved and whether those interests would be adequately represented without his or her participation.

~~[3.]~~ *(c)* If the Consumer's Advocate determines that there would be a conflict between the public interest and any particular class of customers or any inconsistent interests among the classes of customers involved in a particular matter, the Consumer's Advocate may choose to represent one of the interests, to represent no interest, or to represent one interest through his or her office and another or others through outside counsel engaged on a case basis.

(d) If the Consumer's Advocate declines to represent the public interest in a proceeding to review a proposed rate of an electric utility, the Consumer's Advocate shall publish a report in support of the decision to decline such representation and make the report available to the public at the Bureau of Consumer Protection and on the Internet website maintained by the Bureau of Consumer Protection. The report must:

(1) Identify each element of the public interest, as may be applicable to the proceeding to review a proposed rate; and

(2) Specify the manner in which each element of the public interest, as identified pursuant to subparagraph (1), is sufficiently represented.

2. As used in this section, "electric utility" has the meaning ascribed to it in NRS 704.187.

Sec. 25.55. Section 25.4 of this act is hereby amended to read as follows:

Sec. 25.4. 1. The Committee may:

(a) Evaluate, review and comment upon matters related to energy policy within this State, including, without limitation:

(1) Policies, plans or programs relating to the production, consumption or use of energy in this State;

(2) Legislative measures regarding energy policy;

(3) ***The progress made by this State in satisfying the goals and objectives of Senate Bill No. 123 of the 77th Session of the Nevada Legislature;***

(4) The effect of any policy, plan, program or legislation on rates or rate payers;

~~[(4)]~~ ***(5)*** The effect of any policy, plan, program or legislation on economic development in this State;

~~[(5)]~~ ***(6)*** The effect of any policy, plan, program or legislation on the environment;

~~[(6)]~~ ***(7)*** Any contracts or requests for proposals relating to the purchase of capacity;

~~[(7)]~~ ***(8)*** The effect of any policy, plan, program or legislation which provides for the construction or acquisition of facilities for the generation of electricity;

~~[(8)]~~ ***(9)*** The effect of any policy, plan, program or legislation on the development of a market in this State for electricity generated from renewable energy;

~~[(9)]~~ ***(10)*** The infrastructure and transmission requirements of any policy, plan, program or legislation; and

~~[(10)]~~ ***(11)*** Any other matters or topics that, in the determination of the Committee, affect energy policy in this State.

(b) Conduct investigations and hold hearings in connection with its duties pursuant to this section.

(c) Request that the Legislative Counsel Bureau assist in the research, investigations, hearings and reviews of the Committee.

(d) Make recommendations to the Legislature concerning the manner in which energy policy may be implemented or improved.

2. As used in this section, "renewable energy" has the meaning ascribed to it in NRS 701.070.

Sec. 25.6. Section 113 of chapter 509, Statutes of Nevada 2007, as last amended by section 49 of chapter 412, Statutes of Nevada 2011, at page 2562, is hereby amended to read as follows:

Sec. 113. 1. This act becomes effective:

(a) Upon passage and approval for the purposes of adopting regulations and taking such other actions as are necessary to carry out the provisions of this act; and

(b) For all other purposes besides those described in paragraph (a):

(1) For this section and sections 1, 30, 32, 36 to 46, inclusive, 49, 51 to 61, inclusive, 107, 109, 110 and 111 of this act, upon passage and approval.

(2) For sections 1.5 to 29, inclusive, 43.5, 47, 51.3, 51.7, 108, 112 and 112.5 of this act, on July 1, 2007.

(3) For sections 62 to 106, inclusive, of this act, on October 1, 2007.

(4) For sections 31, 32.3, 32.5, 32.7, 33, 34 and 35 of this act, on January 1, 2009.

(5) For section 48 of this act, on January 1, 2010.

(6) For section 50 of this act, on January 1, 2011.

2. Sections 62 to 75, inclusive, 77 to 82, inclusive, 85 to 94, inclusive, and 95 to 105, inclusive, of this act expire by limitation on December 31, ~~[2021,]~~ ***2025.***

Sec. 25.7. Section 13 of chapter 246, Statutes of Nevada 2009, as last amended by section 50 of chapter 412, Statutes of Nevada 2011, at page 2563, is hereby amended to read as follows:

Sec. 13. 1. This act becomes effective on July 1, 2009.

2. Sections 2 and 3 of this act expire by limitation on December 31, ~~[2021,]~~ ***2025.***

Sec. 25.8. Section 21 of chapter 321, Statutes of Nevada 2009, as last amended by section 51 of chapter 412, Statutes of Nevada 2011, at page 2563, is hereby amended to read as follows:

Sec. 21. 1. This section and sections 1 to 1.51, inclusive, 1.55 to 19.7, inclusive, and 19.9 to 20.9, inclusive, of this act become effective upon passage and approval.

2. Sections 1.85, 1.87, 1.92, 1.93, 1.95 and 4.3 to 9, inclusive, of this act expire by limitation on December 31, ~~[2021,]~~ ***2025.***

Sec. 25.9. Section 54 of chapter 412, Statutes of Nevada 2011, at page 2563, is hereby amended to read as follows:

Sec. 54. 1. This section and sections 1, 3 to 42, inclusive, 44, 45, 46, 48 to 51, inclusive, subsection 2 of

section 52 and section 53 of this act become effective upon passage and approval.

2. Sections 2, 43, 47 and subsection 1 of section 52 of this act become effective on January 1, ~~[2022.]~~ ***2026.***

Sec. 26. NRS 701B.060, 701B.100, 701B.110, 701B.120, 701B.130, 701B.140, 701B.260, 701B.490 and 701B.760 are hereby repealed.

Sec. 26.5. 1. As soon as practicable after the effective date of this act, the Public Utilities Commission of Nevada shall open an investigatory docket to examine the comprehensive costs of and benefits from net metering in this State, including, without limitation, the costs and benefits to:

(a) The State of Nevada;

(b) Customer-generators who participate in net metering;

(c) Customers of a utility who do not participate in net metering; and

(d) Each utility which offers net metering.

2. The investigatory docket shall engage a knowledgeable and independent third party to analyze all factors that the Commission deems necessary to determine the costs and benefits described in subsection 1.

3. The following parties may participate in the investigatory docket:

(a) Each utility in this State;

(b) The Regulatory Operations Staff of the Commission;

(c) The Consumer's Advocate of the Bureau of Consumer Protection in the Office of the Attorney General;

(d) Any business operating in the State whose primary business is the installation of distributed generation systems; and

(e) Any other interested parties.

4. On or before October 1, 2014, the Commission shall:

(a) Prepare a written report of its findings and recommendations from the investigatory docket, including, without limitation, a calculation and determination of the total costs of and benefits from net metering.

(b) Submit the written report to the Director of the Legislative Counsel Bureau for transmittal to the 78th Session of the Nevada Legislature.

5. If the report of the Commission concludes that there is a material net benefit or cost attributable to net metering, the Commission shall recommend a methodology for properly allocating and apportioning all of the costs and benefits of net

metering among all persons who participate in, benefit from and pay for net metering.

6. As used in this section:

(a) "Distributed generation system" has the meaning ascribed to it in NRS 701B.055.

(b) "Net metering" has the meaning ascribed to it in NRS 704.769.

(c) "Utility" has the meaning ascribed to it in NRS 704.772.

Sec. 27. The Public Utilities Commission of Nevada shall adopt regulations to carry out the amendatory provisions of this act on or before April 30, 2014. The regulations must provide for the transition to the performance-based incentive required by NRS 701B.220, as amended by section 7 of this act, NRS 701B.590, as amended by section 14 of this act, and NRS 701B.840, as amended by section 18 of this act, for the applicable participants in the Solar Energy Systems Incentive Program, the Wind Energy Systems Demonstration Program and the Waterpower Energy Systems Demonstration Program.

Sec. 28. 1. This section and sections 1 to 25, inclusive, 26 and 27 of this act become effective:

(a) Upon passage and approval for the purpose of adopting regulations or performing any other preparatory administrative tasks necessary to carry out the provisions of this act; and

(b) On January 1, 2014, for all other purposes.

2. Sections 25.1 to 25.45, inclusive, of this act become effective on July 1, 2013.

3. Section 25.55 of this act becomes effective at 12:01 a.m. on July 1, 2013, if, and only if, Senate Bill No. 123 of this session is enacted by the Legislature and becomes effective.

4. Sections 1 to 23, inclusive, of this act expire by limitation on December 31, 2025.

CONTRACT FOR SERVICES OF INDEPENDENT CONTRACTOR

A Contract Between the State of Nevada
Acting By and Through Its

Public Utilities Commission of Nevada
1150 E. William Street
Carson City, NV 89701-3109
775-684-6101
775-684-6161 fax

and

(NAME, CONTACT PERSON, ADDRESS, PHONE, FACSIMILE NUMBER OF INDEPENDENT CONTRACTOR)

WHEREAS, NRS 333.700 authorizes elective officers, heads of departments, boards, commissions or institutions to engage, subject to the approval of the Board of Examiners, services of persons as independent contractors; and

WHEREAS, it is deemed that the service of Contractor is both necessary and in the best interests of the State of Nevada;

NOW, THEREFORE, in consideration of the aforesaid premises, the parties mutually agree as follows:

1. REQUIRED APPROVAL. This Contract shall not become effective until and unless approved by the Nevada State Board of Examiners.

2. DEFINITIONS. "State" means the State of Nevada and any state agency identified herein, its officers, employees and immune contractors as defined in NRS 41.0307. "Independent Contractor" means a person or entity that performs services and/or provides goods for the State under the terms and conditions set forth in this Contract. "Fiscal Year" is defined as the period beginning July 1 and ending June 30 of the following year. "Current State Employee" means a person who is an employee of an agency of the State. "Former State Employee" means a person who was an employee of any agency of the State at any time within the preceding 24 months.

3. CONTRACT TERM. This Contract shall be effective retroactively from December 1, 2013 subject to Board of Examiners' approval (anticipated to be January 14, 2014) to October 1, 2014, unless sooner terminated by either party as specified in paragraph ten (10).

4. NOTICE. Unless otherwise specified, termination shall not be effective until 3 calendar days after a party has served written notice of termination for default, or notice of termination without cause upon the other party. All notices or other communications required or permitted to be given under this Contract shall be in writing and shall be deemed to have been duly given if delivered personally in hand, by telephonic facsimile with simultaneous regular mail, or mailed certified mail, return receipt requested, postage prepaid on the date posted, and addressed to the other party at the address specified above.

5. INCORPORATED DOCUMENTS. The parties agree that this Contract, inclusive of the following attachments, specifically describes the scope of work. This Contract incorporates the following attachments in descending order of constructive precedence:

ATTACHMENT AA:	SCOPE OF WORK; COMPENSATION; AND PAYMENT
ATTACHMENT BB:	INSURANCE SCHEDULE

A Contractor's Attachment shall not contradict or supersede any State specifications, terms or conditions without written evidence of mutual assent to such change appearing in this Contract.

6. CONSIDERATION. The parties agree that Contractor will provide the services specified in paragraph five (5) at a cost of $ _____ per _____ (state the exact cost or hourly, daily, or weekly rate exclusive of travel or per diem expenses) with the total Contract or installments payable: _____, not to exceed $ _____. The State does not agree to reimburse Contractor for expenses unless otherwise specified in the incorporated attachments. Any intervening end to a biennial appropriation period shall be deemed an automatic renewal (not changing the overall Contract term) or a termination as the results of legislative appropriation may require.

7. ASSENT. The parties agree that the terms and conditions listed on incorporated attachments of this Contract are also specifically a part of this Contract and are limited only by their respective order of precedence and any limitations specified.

8. BILLING SUBMISSION: TIMELINESS. The parties agree that timeliness of billing is of the essence to the contract and recognize that the State is on a fiscal year. All billings for dates of service prior to July 1 must be submitted to the State no later than the first Friday in August of the same calendar year. A billing submitted after the first Friday in August, which forces the State to process the billing as a stale claim pursuant to NRS 353.097, will subject the Contractor to an administrative fee not to exceed one hundred dollars ($100.00). The parties hereby agree this is a reasonable estimate of the additional costs to the State of processing the billing as a stale claim and that this amount will be deducted from the stale claim payment due to the Contractor.

9. INSPECTION & AUDIT.

a. Books and Records. Contractor agrees to keep and maintain under generally accepted accounting principles (GAAP) full, true and complete records, contracts, books, and documents as are necessary to fully disclose to the State or United States Government, or their authorized representatives, upon audits or reviews, sufficient information to determine compliance with all state and federal regulations and statutes.

b. Inspection & Audit. Contractor agrees that the relevant books, records (written, electronic, computer related or otherwise), including, without limitation, relevant accounting procedures and practices of Contractor or its subcontractors, financial statements and supporting documentation, and documentation related to the work product shall be subject, at any reasonable time, to inspection, examination, review, audit, and copying at any office or location of Contractor where such records may be found, with or without notice by the State Auditor, the relevant state agency or its contracted examiners, the Department of Administration, Budget Division, the Nevada State Attorney General's Office or its Fraud Control Units, the State Legislative Auditor, and with regard to any federal funding, the relevant federal agency, the Comptroller General, the General Accounting Office, the Office of the Inspector General, or any of their authorized representatives. All subcontracts shall reflect requirements of this paragraph.

c. Period of Retention. All books, records, reports, and statements relevant to this Contract must be retained a minimum three (3) years, and for five (5) years if any federal funds are used pursuant to the Contract. The retention period runs from the date of payment for the relevant goods or services by the State, or from the date of termination of the Contract, whichever is later. Retention time shall be extended when an audit is scheduled or in progress for a period reasonably necessary to complete an audit and/or to complete any administrative and judicial litigation which may ensue.

10. CONTRACT TERMINATION.

a. Termination Without Cause. Any discretionary or vested right of renewal notwithstanding, this Contract may be terminated upon written notice by mutual consent of both parties, or unilaterally by either party without cause.

b. State Termination for Non-appropriation. The continuation of this Contract beyond the current biennium is subject to and contingent upon sufficient funds being appropriated, budgeted, and otherwise made available by the State Legislature and/or federal sources. The State may terminate this Contract, and Contractor waives any and all claim(s) for damages, effective immediately upon receipt of written notice (or any date specified therein) if for any reason the Contracting Agency's funding from State and/or federal sources is not appropriated or is withdrawn, limited, or impaired.

c. Cause Termination for Default or Breach. A default or breach may be declared with or without termination. This Contract may be terminated by either party upon written notice of default or breach to the other party as follows:

i. If Contractor fails to provide or satisfactorily perform any of the conditions, work, deliverables, goods, or services called for by this Contract within the time requirements specified in this Contract or within any granted extension of those time requirements; or

ii. If any state, county, city or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by Contractor to provide the goods or services required by this Contract is for any reason denied, revoked, debarred, excluded, terminated, suspended, lapsed, or not renewed; or

iii. If Contractor becomes insolvent, subject to receivership, or becomes voluntarily or involuntarily subject to the jurisdiction of the bankruptcy court; or

iv. If the State materially breaches any material duty under this Contract and any such breach impairs Contractor's ability to perform; or

v. If it is found by the State that any quid pro quo or gratuities in the form of money, services, entertainment, gifts, or otherwise were offered or given by Contractor, or any agent or representative of Contractor, to any officer or employee of the State of Nevada with a view toward securing a contract or securing favorable treatment with respect to awarding, extending, amending, or making any determination with respect to the performing of such contract; or

vi. If it is found by the State that Contractor has failed to disclose any material conflict of interest relative to the performance of this Contract.

d. Time to Correct. Termination upon a declared default or breach may be exercised only after service of formal written notice as specified in paragraph four (4), and the subsequent failure of the defaulting party within fifteen (15) calendar days of receipt of that notice to provide evidence, satisfactory to the aggrieved party, showing that the declared default or breach has been corrected.

e. Winding Up Affairs Upon Termination. In the event of termination of this Contract for any reason, the parties agree that the provisions of this paragraph survive termination:

i. The parties shall account for and properly present to each other all claims for fees and expenses and pay those which are undisputed and otherwise not subject to set off under this Contract. Neither party may withhold performance of winding up provisions solely based on nonpayment of fees or expenses accrued up to the time of termination;

ii. Contractor shall satisfactorily complete work in progress at the agreed rate (or a pro rata basis if necessary) if so requested by the Contracting Agency;

iii. Contractor shall execute any documents and take any actions necessary to effectuate an assignment of this Contract if so requested by the Contracting Agency;

iv. Contractor shall preserve, protect and promptly deliver into State possession all proprietary information in accordance with paragraph twenty-one (21).

11. REMEDIES. Except as otherwise provided for by law or this Contract, the rights and remedies of the parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including, without limitation, actual damages, and to a prevailing party reasonable attorneys' fees and costs. It is specifically agreed that reasonable attorneys' fees shall include, without limitation, one hundred and twenty-five dollars ($125.00) per hour for State-employed attorneys. The State may set off consideration against any unpaid obligation of Contractor to any State agency in accordance with NRS 353C.190. In the event that the Contractor voluntarily or involuntarily becomes subject to the jurisdiction of the Bankruptcy Court, the State may set off consideration against any unpaid obligation of Contractor to the State or its agencies, to the extent allowed by bankruptcy law, without regard to whether the procedures of NRS 353C.190 have been utilized.

12. LIMITED LIABILITY. The State will not waive and intends to assert available NRS chapter 41 liability limitations in all cases. Contract liability of both parties shall not be subject to punitive damages. Liquidated damages shall not apply unless otherwise specified in the incorporated attachments. Damages for any State breach shall never exceed the amount of funds appropriated for payment under this Contract, but not yet paid to Contractor, for the fiscal year budget in existence at the time of the breach. Damages for any Contractor breach shall not exceed one hundred and fifty percent (150%) of the contract maximum "not to exceed" value. Contractor's tort liability shall not be limited.

13. FORCE MAJEURE. Neither party shall be deemed to be in violation of this Contract if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of the Contract after the intervening cause ceases.

14. INDEMNIFICATION. To the fullest extent permitted by law Contractor shall indemnify, hold harmless and defend, not excluding the State's right to participate, the State from and against all liability, claims, actions, damages, losses, and expenses, including, without limitation, reasonable attorneys' fees and costs, arising out of any alleged negligent or willful acts or omissions of Contractor, its officers, employees and agents.

15. INDEPENDENT CONTRACTOR. Contractor is associated with the State only for the purposes and to the extent specified in this Contract, and in respect to performance of the contracted services pursuant to this Contract, Contractor is and shall be an independent contractor and, subject only to the terms of this Contract, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Contract. Nothing contained in this Contract shall be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for the State whatsoever with respect to the indebtedness, liabilities, and obligations of Contractor or any other party. Contractor shall be solely responsible for, and the State shall have no obligation with respect to: (1) withholding of income taxes, FICA or any other taxes or fees; (2) industrial insurance coverage; (3) participation in any group insurance plans available to employees of the State; (4) participation or contributions by either Contractor or the State to the Public Employees Retirement System; (5) accumulation of vacation leave or sick leave; or (6) unemployment compensation coverage provided by the State. Contractor shall indemnify and hold State harmless from, and defend State against, any and all

losses, damages, claims, costs, penalties, liabilities, and expenses arising or incurred because of, incident to, or otherwise with respect to any such taxes or fees. Neither Contractor nor its employees, agents, nor representatives shall be considered employees, agents, or representatives of the State. The State and Contractor shall evaluate the nature of services and the term of the Contract negotiated in order to determine "independent contractor" status, and shall monitor the work relationship throughout the term of the Contract to ensure that the independent contractor relationship remains as such. To assist in determining the appropriate status (employee or independent contractor), Contractor represents as follows:

		Contractor's Initials	
		YES	NO
1.	Does the Contracting Agency have the right to require control of when, where and how the independent contractor is to work?	_____	_____
2.	Will the Contracting Agency be providing training to the independent contractor?	_____	_____
3.	Will the Contracting Agency be furnishing the independent contractor with worker's space, equipment, tools, supplies or travel expenses?	_____	_____
4.	Are any of the workers who assist the independent contractor in performance of his/her duties employees of the State of Nevada?	_____	_____
5.	Does the arrangement with the independent contractor contemplate continuing or recurring work (even if the services are seasonal, parttime, or of short duration)?	_____	_____
6.	Will the State of Nevada incur an employment liability if the independent contractor is terminated for failure to perform?	_____	_____
7.	Is the independent contractor restricted from offering his/her services to the general public while engaged in this work relationship with the State?	_____	_____

16. INSURANCE SCHEDULE. Unless expressly waived in writing by the State, Contractor, as an independent contractor and not an employee of the State, must carry policies of insurance and pay all taxes and fees incident hereunto. Policies shall meet the terms and conditions as specified within this Contract along with the additional limits and provisions as described in Attachment BB, incorporated hereto by attachment. The State shall have no liability except as specifically provided in the Contract.

The Contractor shall not commence work before:

1) Contractor has provided the required evidence of insurance to the Contracting Agency of the State, and
2) The State has approved the insurance policies provided by the Contractor.

Prior approval of the insurance policies by the State shall be a condition precedent to any payment of consideration under this Contract and the State's approval of any changes to insurance coverage during the course of performance shall constitute an ongoing condition subsequent this Contract. Any failure of the State to timely approve shall not constitute a waiver of the condition.

Insurance Coverage: The Contractor shall, at the Contractor's sole expense, procure, maintain and keep in force for the duration of the Contract insurance conforming to the minimum limits as specified in Attachment BB, incorporated hereto by attachment. Unless specifically stated herein or otherwise agreed to by the State, the required insurance shall be in effect prior to the commencement of work by the Contractor and shall continue in force as appropriate until:

1. Final acceptance by the State of the completion of this Contract; or
2. Such time as the insurance is no longer required by the State under the terms of this Contract;

Whichever occurs later.

Any insurance or self-insurance available to the State shall be in excess of, and non-contributing with, any insurance required from Contractor. Contractor's insurance policies shall apply on a primary basis. Until such time as the insurance is no longer required by the State, Contractor shall provide the State with renewal or replacement evidence of insurance no less than thirty (30) days before the expiration or replacement of the required insurance. If at any time during the period when insurance is required by the Contract, an insurer or surety shall fail to comply with the requirements of this Contract, as soon as Contractor has knowledge of any such failure, Contractor shall immediately notify the State and immediately replace such insurance or bond with an insurer meeting the requirements.

General Requirements:

a. Additional Insured: By endorsement to Contractor's general liability insurance policy, the State of Nevada, its officers, employees and immune contractors as defined in NRS 41.0307 shall be named as additional insureds for all liability arising from the Contract.

b. Waiver of Subrogation: Each insurance policy shall provide for a waiver of subrogation against the State of Nevada, its officers, employees and immune contractors as defined in NRS 41.0307, for losses arising from work/materials/equipment performed or provided by or on behalf of the Contractor.
c. Cross-Liability: All required liability policies shall provide cross-liability coverage as would be achieved under the standard ISO separation of insureds clause.
d. Deductibles and Self-Insured Retentions: Insurance maintained by Contractor shall apply on a first dollar basis without application of a deductible or self-insured retention unless otherwise specifically agreed to by the State. Such approval shall not relieve Contractor from the obligation to pay any deductible or self-insured retention. Any deductible or self-insured retention shall not exceed fifty thousand dollars ($50,000.00) per occurrence, unless otherwise approved by the Risk Management Division.
e. Policy Cancellation: Except for ten (10) days notice for non-payment of premium, each insurance policy shall be endorsed to state that without thirty (30) days prior written notice to the State of Nevada, c/o Contracting Agency, the policy shall not be canceled, non-renewed or coverage and /or limits reduced or materially altered, and shall provide that notices required by this paragraph shall be sent by certified mailed to the address shown on page one (1) of this contract:
f. Approved Insurer: Each insurance policy shall be:
   1) Issued by insurance companies authorized to do business in the State of Nevada or eligible surplus lines insurers acceptable to the State and having agents in Nevada upon whom service of process may be made; and
   2) Currently rated by A.M. Best as "A-VII" or better.

Evidence of Insurance:

Prior to the start of any Work, Contractor must provide the following documents to the contracting State agency:

1) Certificate of Insurance: The Acord 25 Certificate of Insurance form or a form substantially similar must be submitted to the State to evidence the insurance policies and coverages required of Contractor. The certificate must name the State of Nevada, its officers, employees and immune contractors as defined in NRS 41.0307 as the certificate holder. The certificate should be signed by a person authorized by the insurer to bind coverage on its behalf. The state project/contract number; description and contract effective dates shall be noted on the certificate, and upon renewal of the policies listed Contractor shall furnish the State with replacement certificates as described within Insurance Coverage, section noted above.

Mail all required insurance documents to the State Contracting Agency identified on page one of the contract.

2) Additional Insured Endorsement: An Additional Insured Endorsement (CG 20 10 11 85 or CG 20 26 11 85) , signed by an authorized insurance company representative, must be submitted to the State to evidence the endorsement of the State as an additional insured per General Requirements, subsection a above.
3) Schedule of Underlying Insurance Policies: If Umbrella or Excess policy is evidenced to comply with minimum limits, a copy of the underlying Schedule from the Umbrella or Excess insurance policy may be required.

Review and Approval: Documents specified above must be submitted for review and approval by the State prior to the commencement of work by Contractor. Neither approval by the State nor failure to disapprove the insurance furnished by Contractor shall relieve Contractor of Contractor's full responsibility to provide the insurance required by this Contract. Compliance with the insurance requirements of this Contract shall not limit the liability of Contractor or its sub-contractors, employees or agents to the State or others, and shall be in addition to and not in lieu of any other remedy available to the State under this Contract or otherwise. The State reserves the right to request and review a copy of any required insurance policy or endorsement to assure compliance with these requirements.

17. COMPLIANCE WITH LEGAL OBLIGATIONS. Contractor shall procure and maintain for the duration of this Contract any state, county, city or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by Contractor to provide the goods or services required by this Contract. Contractor will be responsible to pay all taxes, assessments, fees, premiums, permits, and licenses required by law. Real property and personal property taxes are the responsibility of Contractor in accordance with NRS 361.157 and NRS 361.159. Contractor agrees to be responsible for payment of any such government obligations not paid by its subcontractors during performance of this Contract. The State may set-off against consideration due any delinquent government obligation in accordance with NRS 353C.190.

18. WAIVER OF BREACH. Failure to declare a breach or the actual waiver of any particular breach of the Contract or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.

19. SEVERABILITY. If any provision contained in this Contract is held to be unenforceable by a court of law or equity, this Contract shall be construed as if such provision did not exist and the non-enforceability of such provision shall not be held to render any other provision or provisions of this Contract unenforceable.

20. ASSIGNMENT/DELEGATION. To the extent that any assignment of any right under this Contract changes the duty of either party, increases the burden or risk involved, impairs the chances of obtaining the performance of this Contract, attempts to operate as a novation, or includes a waiver or abrogation of any defense to payment by State, such offending portion of the assignment shall be void, and shall be a breach of this Contract. Contractor shall neither assign, transfer nor delegate any rights, obligations or duties under this Contract without the prior written consent of the State.

21. STATE OWNERSHIP OF PROPRIETARY INFORMATION. Any reports, histories, studies, tests, manuals, instructions, photographs, negatives, blue prints, plans, maps, data, system designs, computer code (which is intended to be consideration under the Contract), or any other documents or drawings, prepared or in the course of preparation by Contractor (or its subcontractors) in performance of its obligations under this Contract shall be the exclusive property of the State and all such materials shall be delivered into State possession by Contractor upon completion, termination, or cancellation of this Contract. Contractor shall not use, willingly allow, or cause to have such materials used for any purpose other than performance of Contractor's obligations under this Contract without the prior written consent of the State. Notwithstanding the foregoing, the State shall have no proprietary interest in any materials licensed for use by the State that are subject to patent, trademark or copyright protection.

22. PUBLIC RECORDS. Pursuant to NRS 239.010, information or documents received from Contractor may be open to public inspection and copying. The State has a legal obligation to disclose such information unless a particular record is made confidential by law or a common law balancing of interests. Contractor may label specific parts of an individual document as a "trade secret" or "confidential" in accordance with NRS 333.333, provided that Contractor thereby agrees to indemnify and defend the State for honoring such a designation. The failure to so label any document that is released by the State shall constitute a complete waiver of any and all claims for damages caused by any release of the records.

23. CONFIDENTIALITY. Contractor shall keep confidential all information, in whatever form, produced, prepared, observed or received by Contractor to the extent that such information is confidential by law or otherwise required by this Contract

24. FEDERAL FUNDING. In the event federal funds are used for payment of all or part of this Contract:

a. Contractor certifies, by signing this Contract, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency. This certification is made pursuant to the regulations implementing Executive Order 12549, Debarment and Suspension, 28 C.F.R. pt. 67, § 67.510, as published as pt. VII of the May 26, 1988, Federal Register (pp. 19160-19211), and any relevant program-specific regulations. This provision shall be required of every subcontractor receiving any payment in whole or in part from federal funds.

b. Contractor and its subcontractors shall comply with all terms, conditions, and requirements of the Americans with Disabilities Act of 1990 (P.L. 101-136), 42 U.S.C. 12101, as amended, and regulations adopted thereunder contained in 28 C.F.R. 26.101-36.999, inclusive, and any relevant program-specific regulations.

c. Contractor and its subcontractors shall comply with the requirements of the Civil Rights Act of 1964, as amended, the Rehabilitation Act of 1973, P.L. 93-112, as amended, and any relevant program-specific regulations, and shall not discriminate against any employee or offeror for employment because of race, national origin, creed, color, sex, religion, age, disability or handicap condition (including AIDS and AIDS-related conditions.)

25. LOBBYING. The parties agree, whether expressly prohibited by federal law, or otherwise, that no funding associated with this contract will be used for any purpose associated with or related to lobbying or influencing or attempting to lobby or influence for any purpose the following:

a. Any federal, state, county or local agency, legislature, commission, counsel or board;

b. Any federal, state, county or local legislator, commission member, counsel member, board member, or other elected official; or

c. Any officer or employee of any federal, state, county or local agency; legislature, commission, counsel or board.

26. WARRANTIES.

a. General Warranty. Contractor warrants that all services, deliverables, and/or work product under this Contract shall be completed in a workmanlike manner consistent with standards in the trade, profession, or industry; shall conform to or exceed the specifications set forth in the incorporated attachments; and shall be fit for ordinary use, of good quality, with no material defects.

b. System Compliance. Contractor warrants that any information system application(s) shall not experience abnormally ending and/or invalid and/or incorrect results from the application(s) in the operating and testing of the business of the State.

27. PROPER AUTHORITY. The parties hereto represent and warrant that the person executing this Contract on behalf of each party has full power and authority to enter into this Contract. Contractor acknowledges that as required by statute or regulation this Contract is effective only after approval by the State Board of Examiners and only for the period of time specified in the Contract. Any services performed by Contractor before this Contract is effective or after it ceases to be effective are performed at the sole risk of Contractor.

28. NOTIFICATION OF UTILIZATION OF CURRENT OR FORMER STATE EMPLOYEES. Contractor has disclosed to the State all persons that the Contractor will utilize to perform services under this Contract who are Current State Employees or Former State Employees. Contractor will not utilize any of its employees who are Current State Employees or Former State Employees to perform services under this contract without first notifying the Contracting Agency of the identity of such persons and the services that each such person will perform, and receiving from the Contracting Agency approval for the use of such persons.

29. ASSIGNMENT OF ANTITRUST CLAIMS. Contractor irrevocably assigns to the State any claim for relief or cause of action which the Contractor now has or which may accrue to the Contractor in the future by reason of any violation of State of Nevada or federal antitrust laws in connection with any goods or services provided to the Contractor for the purpose of carrying out the Contractor's obligations under this Contract, including, at the State's option, the right to control any such litigation on such claim for relief or cause of action. Contractor shall require any subcontractors hired to perform any of Contractor's obligations under this Contract to irrevocably assign to the State, as third party beneficiary, any right, title or interest that has accrued or which may accrue in the future by reason of any violation of state of Nevada or federal antitrust laws in connection with any goods or services provided to the subcontractor for the purpose of carrying out the subcontractor's obligations to the Contractor in pursuance of this Contract, including, at the State's option, the right to control any such litigation on such claim or relief or cause of action.

30. GOVERNING LAW; JURISDICTION. This Contract and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of Nevada, without giving effect to any principle of conflict of laws that would require the application of the law of any other jurisdiction. The parties consent to the exclusive jurisdiction of the First Judicial District Court, Carson City, Nevada for enforcement of this Contract.

31. ENTIRE CONTRACT AND MODIFICATION. This Contract and its integrated attachment(s) constitute the entire agreement of the parties and as such are intended to be the complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this Contract specifically displays a mutual intent to amend a particular part of this Contract, general conflicts in language between any such attachment and this Contract shall be construed consistent with the terms of this Contract. Unless otherwise expressly authorized by the terms of this Contract, no modification or amendment to this Contract shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto and approved by the Office of the Attorney General and the State Board of Examiners.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be signed and intend to be legally bound thereby.

Independent Contractor's Signature	Date	Independent's Contractor's Title
Signature	Date	Title
Signature	Date	Title
Signature	Date	Title

Signature - Board of Examiners

APPROVED BY BOARD OF EXAMINERS

On _____
(Date)

Approved as to form by:

On _____
(Date)

Deputy Attorney General for Attorney General

ATTACHMENT AA

SCOPE OF WORK

A. Data Collection and Analysis

The Sierra Pacific Power Company d/b/a NV Energy ("SPPC") net metering system analysis shall include solar, wind, and small hydropower systems. The Nevada Power Company d/b/a NV Energy ("NPC") net metering system analysis shall include only solar energy systems.
The Presiding Officer will direct SPPC and NPC to provide, at a minimum, the following data to the consultant:

(1) NPC and SPPC fuel forecasts for both natural gas and coal;
(2) NPC and SPPC purchase power forecasts;
(3) The latest approved NPC and SPPC loads and resources tables and the associated production cost modeling runs;
(4) The latest approved avoided costs analyses for both SPPC and NPC;
(5) The latest approved load forecasts of both SPPC and NPC;
(6) The costs for both SPPC and NPC for the net metering program by year and by customer classification;
(7) The net metering generation levels for both SPPC and NPC by year and by customer classification; and
(8) The societal costs submitted by NPC and SPPC in their most recently filed integrated resource plans.

At a minimum, the consultant must also gather the following data in the report: participants' estimated installed costs for the net metering systems; participants' estimated total generation

levels by customer classification and by year; state property tax rates; state demographics; distribution and transmission line loss estimates; participants' estimated maintenance costs for the net metering system; and participants' net metering degradation rates.

B. Written Study

The consultant shall prepare a written study analyzing the costs and benefits of net metering in Nevada, including, but not limited to, the costs and benefits to the following four (4) groups:

(1) The State of Nevada;
(2) Customer-generators who participate in net metering (broken down into meaningfully stratified subgroups such as residential/commercial, or residential and small commercial/GS-2 and above);
(3) Customers of a utility who do not participate in net metering (broken down into meaningfully stratified subgroups such as residential/commercial, or residential and small commercial/GS-2 and above); and
(4) Each utility which offers net metering.

The study shall conform to the specifications set forth in Section 26.5 of AB 428, along with Nevada's energy policies as defined in NRS 701, 701B, 703, 704, and 704B.

For the study, the consultant shall use the Total Resource Test, Rate Impact Test, Utility Costs Test, Participant Costs and Societal Costs Test to evaluate the costs and benefits of net metering for the four (4) groups listed above (broken down into subgroups as specified above). For each of the four (4) groups (broken down into subgroups as specified above), the consultant will analyze quantifiable costs and benefits. Quantifiable costs and benefits include, but are not limited to, fuel hedging, renewable energy portfolio standard credits, cost shifting due to net metering, tax revenues (i.e. mill assessment, franchise fee, etc.), employment opportunities or losses, line losses, reliability in renewable energy portfolio standard compliance, utility system reliability, energy and capacity costs, and societal costs and benefits.

For net metering penetration, the analysis shall be divided in to two subsets. The first subset will be the existing penetration levels until December 1, 2013, for both the SPPC and NPC service areas. The second subset will consist of the future projected penetration levels from January 1, 2014, through December 31, 2016, for both the NPC and SPPC service areas.

COMPENSATION

As compensation for professional services, _____ shall receive total compensation and reimbursement up to a maximum of $_____, including reimbursement for pre-approved travel incurred on the behalf of the Public Utilities Commission of Nevada based upon coach class airfare, economy rental car, and Nevada State approved GSA per diem rates for lodging and meals. Contract amount includes travel and out-of-pocket expenses such as copying, faxing, long distance telephone charges, express mailing, postage, etc., as billed. Receipts must be shown as backup for all expenses.

PAYMENT

Contractor must submit a detailed invoice for services rendered on a monthly basis. The invoice must include a synopsis of activities accomplished for the billing period. Payment for the services rendered will be within 14 days from invoice receipt and using agency's approval, subject to acceptance of delivery.

ATTACHMENT BB
INSURANCE SCHEDULE

INDEMNIFICATION CLAUSE:

Contractor shall indemnify, hold harmless and, not excluding the State's right to participate, defend the State, its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against all liabilities, claims, actions, damages, losses, and expenses including without limitation reasonable attorneys' fees and costs, (hereinafter referred to collectively as "claims") for bodily injury or personal injury including death, or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the State.

INSURANCE REQUIREMENTS:

Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, his agents, representatives, employees or subcontractors and Contractor is free to purchase additional insurance as may be determined necessary.

A. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Contractor shall provide coverage with limits of liability not less than those stated below. An excess liability policy or umbrella liability policy may be used to meet the minimum liability requirements provided that the coverage is written on a "following form" basis.

1. **Commercial General Liability – Occurrence Form**
   Policy shall include bodily injury, property damage and broad form contractual liability coverage.

- General Aggregate $2,000,000
- Products – Completed Operations Aggregate $1,000,000
- Personal and Advertising Injury $1,000,000
- Each Occurrence $1,000,000

a. The policy shall be endorsed to include the following additional insured language: "The State of Nevada shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor".

2. **Automobile Liability**
Bodily Injury and Property Damage for any owned, hired, and non-owned vehicles used in the performance of this Contract.

Combined Single Limit (CSL) $1,000,000

a. The policy shall be endorsed to include the following additional insured language: "The State of Nevada shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor, including automobiles owned, leased, hired or borrowed by the Contractor".

3. **Worker's Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$100,000
Disease – Each Employee	$100,000
Disease – Policy Limit	$500,000

a. Policy shall contain a waiver of subrogation against the State of Nevada.

b. This requirement shall not apply when a contractor or subcontractor is exempt under N.R.S., **AND** when such contractor or subcontractor executes the appropriate sole proprietor waiver form.

4. **Professional Liability (Errors and Omissions Liability)**
The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Services of this contract.

Each Claim	$1,000,000
Annual Aggregate	$2,000,000

a. In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

B. **ADDITIONAL INSURANCE REQUIREMENTS:** The policies shall include, or be endorsed to include, the following provisions:

1. On insurance policies where the State of Nevada, Department (Division) of _____ is named as an additional insured, the State of Nevada shall be an additional insured to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Contract.
2. The Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.

C. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided or canceled except after thirty (30) days prior written notice has been given to the State, except when cancellation is for non-payment of premium, then ten (10) days prior notice may be given. Such notice shall be sent directly to **(State agency Representative's Name & Address)**.

D. **ACCEPTABILITY OF INSURERS:** Insurance is to be placed with insurers duly licensed or authorized to do business in the state of Nevada and with an "A.M. Best" rating of not less than A-VII. The State in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

E. **VERIFICATION OF COVERAGE:** Contractor shall furnish the State with certificates of insurance (ACORD form or equivalent approved by the State) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and any required endorsements are to be received and approved by the State before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

All certificates required by this Contract shall be sent directly to **(State Agency Representative's Name and Address)**. The State project/contract number and project description shall be noted on the certificate of insurance. The State reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time.

F. **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as additional insureds under its policies **or** Contractor shall furnish to the State separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

G. **APPROVAL:** Any modification or variation from the insurance requirements in this Contract shall be made by the Risk Management Division or the Attorney General's Office, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.