

A MONTHLY NEWSLETTER FROM the PUBLIC UTILITIES COMMISSION OF NEVADA

Produced by the PUCN's Outreach & Public Information Offices

October 2021 Edition

Who Does the PUCN Regulate Anyway?

Nevada Revised Statute 704.020 determines which utility companies are regulated by the PUCN. As a general rule, the PUCN regulates investor-owned public utilities that provide a monopoly utility service to customers.

WHAT IS AN INVESTOR-OWNED UTILITY?

It is a utility owned by an individual or group of people who invest their money in the utility for the purpose of making a reasonable profit. They want to sell service at a price higher than their costs. Any money left over can then be reinvested in the utility or returned to the owners as a cash dividend.

WHAT IS A MONOPOLY?

The Nevada Legislature has passed laws which allow investorowned utilities in Nevada to be monopolies. A monopoly exists when there is no competition for a product or service. In the case of utility companies, this means that there is only one provider of a utility service in a given area, or service territory. In return for being granted the right to be sole provider in a service territory, the investor-owned utility submits to price and service quality regulation by the PUCN. Regulation of investor-owned utilities exists because the investor-owned utility is motivated by the pursuit of a reasonable profit. Regulation ensures that the utility provides reliable service at just and reasonable rates. In other words, the PUCN's role is to prevent utilities from price gouging and/or providing substandard service because their customers have no available alternative provider of service.

WHY MONOPOLIES?

Utility services such as water, gas and electric service, etc., are considered essential public services and require expensive infrastructure, such as transmission and distribution lines and pipes. It is often impractical for more than one provider in an

area to provide utility services due to the cost of producing and constructing competing infrastructure. In other words, the barriers to entry for a competitor are high.

Deregulation of utility services is a possible alternative to a monopoly system. For example, the telecommunications industry was largely deregulated by the federal government through the Telecommunications Act of 1996. Advances in technology, such as fiber optics and cell phones, allowed competitors to function in this industry and a competitive market to be created. As a result, the PUCN's regulation of telecommunication companies in Nevada is minimal. As of May 2013, the PUCN exercises traditional regulatory authority over rate and service quality for only 10 telecommunications companies called Small Scale Providers of Last Resort, which operate largely in the rural areas of Nevada. The PUCN has no traditional rate regulation authority over telephone providers in Clark and Washoe Counties.

WHICH UTILITIES ARE NOT REGULATED BY PUCN?

As a general rule, the PUCN does not regulate the service quality or rates of cooperatives or other non-profit utilities. The PUCN also does not regulate utilities operated by a city, county or state government, or quasi-governmental entity. However, the PUCN may have some limited oversight concerning these types of utilities' service territory, construction permits for new plant, and excavation practices that may impact underground facilities (pipeline, electrical wire, etc.). The PUCN has no regulatory authority over cable companies, Internet, satellite service, or trash collection services.

For comprehensive lists of PUCN-regulated companies, visit puc.nv.gov/Consumers/Be_Informed/PUCN_Regulated_
Utilities.

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General Consumer Sessions Scheduled in Clark County

Nevada Revised Statute (NRS) 704.069 requires the PUCN to, each calendar year, conduct at least one general consumer session in the county with the largest population (Clark) and in the county with the second largest population (Washoe). The PUCN also conducts a general consumer session annually in Elko County.

General consumer sessions allow the public to provide input about any topic concerning utilities regulated by the PUCN, including NV Energy and Southwest Gas, as well as some telecommunication, railroad and water companies. Visit puc.nv.gov/FAQ/Who_Does_The_PUCN_Regulate/ to learn which utilities are regulated by the PUCN. The record from the general consumer sessions is provided to the Legislature.

Public comments may be limited to three minutes per speaker. If, within 15 minutes after the start of the consumer session, no member of the public has appeared to participate or comment, the consumer session may be adjourned.

Interested persons may also file comments electronically through the <u>Electronic Filings System</u> on the PUCN website or at either of the PUCN's offices (1150 E. William Street, Carson City, NV 89701 and 9075 W. Diablo Drive, Suite 250, Las Vegas, NV 89148) on or before the date of the consumer sessions.

THURSDAY | OCTOBER 7 | 1:00 p.m. & 6:00 p.m.

Hearing Room A
Public Utilities Commission of Nevada
9075 W. Diablo Drive, Suite 250
Las Vegas, NV 89148
Comments via Telephone: (775) 687-6014

(The Washoe and Elko county general consumer sessions took place in August.)

Learn more about PUCN consumer sessions at puc.nv.gov/Consumers/Be Heard/Consumer Sessions/.

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WHY DOESN'T THE PUCN REGULATE COOPERATIVES, NON-PROFIT UTILITIES OR UTILITIES OWNED BY MUNICIPALITIES?

The primary reason is that these utilities have their own governing bodies, generally elected by customers, which set prices and determine service quality. Thus, these utilities are considered by lawmakers to be self-regulated because they are run by and/or take direction from their customers. They set prices as high or as low as they deem appropriate and customers weigh in on these matters through the voting process. Regulation by the PUCN would be duplicative of the customer protections these utilities already have in place.

For more information about non-PUCN regulated companies and service provides, visit <u>puc.nv.gov/Consumers/</u>
<u>Be_Informed/PUCN_Regulated_Utilities</u> and scroll to the bottom of the page.

HOW CAN I TELL THE DIFFERENCE BETWEEN A FOR-PROFIT, INVESTOR-OWNED UTILITY & A COOPERATIVE, NON-PROFIT OR QUASI-GOVERNMENTAL UTILITY?

The best way to determine this is to contact the utility or look for this information on its website. Short of that, many times the name of the utility provides a clue. Look for the words "cooperative" or "association" in the name (e.g., Harney Electric Cooperative., Inc., and Valley Electric Association, Inc.). Cooperatives and associations generally have their own governing bodies. Other words in a name that indicate an entity is not regulated by the PUCN include "authority," "district" and "mutual." These words indicate that a utility was created and is run by a government or quasi-governmental entity (e.g.,

Las Vegas Valley Water District or Truckee Meadows Water Authority).

WHAT IS A QUASI-GOVERNMENTAL UTILITY?

A quasi-governmental utility is formed by an act of legislation and is generally run similarly to a government agency. The Truckee Meadows Water Authority (TMWA) is an example. Its website, tmwa.com, states that it "is a not-for-profit, community-owned water utility, overseen by elected officials and citizen appointees from Reno, Sparks and Washoe County." The website also states that TMWA was "formed under the Joint Powers Legislation of the state of Nevada and is subject to the Open Meeting Law."

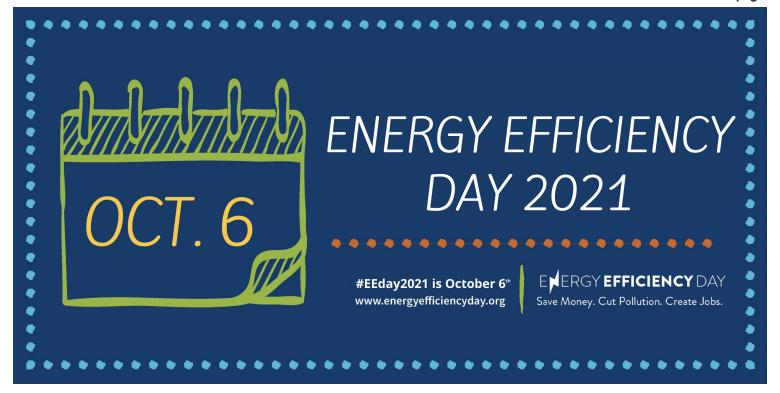
The Southern Nevada Water Authority is another example. Its website, snwa.com, states that it "is a cooperative agency . . . governed by a seven-member agency comprised of representatives from each of its member organizations." The member organizations include the city of North Las Vegas, the city of Henderson, and the city of Las Vegas, among others.

Dockets Opened at the PUCN in September 2021

Visit <u>puc.nv.gov/Dockets/Dockets/</u> to view documents filed in the dockets listed below.

Docket No.	Date Filed	Description
21-09001	9/01/2021	Application of Southwest Gas Corporation for authority to increase its retail natural gas utility service rates for Southern and Northern Nevada.
21-09002	9/01/2021	Southwest Gas Corporation filed Notice, under Advice Letter No. 525, to adjust Northern and Southern Nevada Base Tariff Energy Rates and Deferred Energy Account Adjustment Rates effective October 1, 2021.
21-09003	9/01/2021	Report of Nevada Power Company d/b/a NV Energy and Sierra Pacific Power Company d/b/a NV Energy on the progress of its Natural Disaster Protection Plan for the Action Plan Period 2021-2023.
21-09004	9/01/2021	Joint Application of Nevada Power Company d/b/a NV Energy and Sierra Pacific Power Company d/b/a NV Energy for approval of their Economic Recovery Transportation Electrification Plan for the period 2022-2024.
21-09005	9/08/2021	Application of Frontier Communications of the Southwest Inc., filed under Advice Letter No. NV-21-02, to revise Tariff No. 3-B to add language for discontinued Unbundled Network Elements DS3 loops and dark fiber transport.
21-09006	9/08/2021	Request of Republic Wireless, Inc. to cancel its commercial mobile radio service registration.
21-09007	9/08/2021	Joint Application of The Earl E. and Wanda J. Oliver Living Trust ("Trust"), majority owner of Indian Springs Water Co., Inc. ("Indian Springs"), and Gary Earl Oliver for approval of the transfer of 76.724% of stock of Indian Springs from the Trust to Gary Earl Oliver.
21-09008	9/09/2021	Notice by Boomerang Wireless, LLC d/b/a enTouch Wireless and ViaOne Acquisition Company, LLC of a transaction that will result in a transfer of control of a telecommunication company.
21-09010	9/14/2021	Application of Sierra Pacific Power Company d/b/a NV Energy, filed under Advice Letter No. 336-G, to revise Gas Tariff No. 1 to modify Firm Transportation of Customer-Owned Natural Gas Schedule No. TF and Interruptible Transportation of Customer-Owned Natural Gas Schedule No. TI pursuant to the Order issued in Docket No. 19-02024.
21-09011	9/23/2021	Filing by Southwest Gas Corporation of revised rate for transportation customer Saguaro Power Company previously approved in Docket No. 94-4050.
21-09012	9/17/2021	Filing by Southwest Gas Corporation of revised rate for transportation customer Nevada Power Company d/b/a NV Energy previously approved in Docket No. 95-3052.
21-09013	9/17/2021	Filing by Southwest Gas Corporation of revised rate for transportation customer Nevada Cogeneration Associates #1 pursuant to the Opinion issued in Docket Nos. 93-3003, et al.

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Docket No.	Date Filed	Description
21-09014	9/17/2021	Filing by Southwest Gas Corporation of revised rate for transportation customer Nevada Cogeneration Associates #2 pursuant to the Opinion issued in Docket Nos. 93-3003, et al.
21-09015	9/17/2021	Filing by Southwest Gas Corporation of revised rate for transportation customer NV Energy (LV2), previously Las Vegas Cogeneration II, LLC, pursuant to the Opinion issued in Docket Nos. 93-3003, et al.
21-09016	9/17/2021	Filing by Southwest Gas Corporation of revised rate for transportation customer Desert Star Energy Center pursuant to the Opinion issued in Docket Nos. 93-3003, et al.
21-09017	9/17/2021	Filing by Southwest Gas Corporation of revised rate for transportation customer Cyanco Company, LLC pursuant to the Opinion issued in Docket Nos. 93-3003, et al.
21-09018	9/16/2021	Application of Nevada Power Company d/b/a NV Energy, filed under Advice Letter No. 514, to revise NV GreenEnergy Rider Schedule No. NGR pursuant to Docket No. 19-11019.
21-09019	9/16/2021	Application of Sierra Pacific Power Company d/b/a NV Energy, filed under Advice Letter No. 639-E, to revise NV GreenEnergy Rider Schedule No. NGR pursuant to Docket No. 19-11019.
21-09020	9/17/2021	Application of Central Telephone Company d/b/a CenturyLink, filed under Advice Letter No. 17, to revise Tariff No. 3C to grandfather certain low-bandwidth Private Line Services.
21-09021	9/17/2021	Application of CenturyTel of the Gem State, Inc. d/b/a CenturyLink, filed under Advice Letter No. 16, to revise Tariff No. 2A to grandfather certain low-bandwidth Private Line Services.
21-09022	9/20/2021	Filing by Frontier Communications of the Southwest Inc. and Citizens Telecommunications Company of NV d/b/a Frontier Communications of Nevada of annual data regarding Connect America Fund Intercarrier Compensation Replacement funding eligibility pursuant to the requirements of 47 CFR 54.304 and annual certification that price cap carrier is not seeking duplicative Eligible Recovery pursuant to the requirements of 47 CFR 51.915.
21-09023	9/20/2021	Application of Sprint Communications Company L.P. to voluntarily discontinue telecommunication service conducted under Certificate of Public Convenience and Necessity ("CPC") 946 Sub 4.
21-09024	9/20/2021	Application of Scenergy NV, LLC for authority to operate as a competitive supplier of telecommunication service within the State of Nevada.
21-09025	9/22/2021	Application of CenturyTel of the Gem State, Inc. d/b/a CenturyLink, filed under Advice Letter No. NV2021-14, to revise Tariff No. 1A to introduce Simply Unlimited Residence service package, standardize the names of various services and features, standardize the functionality for Custom Ring, grandfather Selective Call Acceptance, and discontinue payper-use options for Selective Call Acceptance, Selective Call Forwarding, and Selective Call Rejection.
21-09026	9/23/2021	Application of Southwest Gas Corporation, filed under Advice Letter No. 526, to revise Tariff No. 7 to update the Annual Charge Adjustment rate.
21-09027	9/23/2021	Application of i-wireless, LLC d/b/a Access Wireless to expand its designation as an eligible telecommunications carrier in the State of Nevada pursuant to NAC 704.680461 and Section 214 of the Communications Act of 1934.
21-09028	9/23/2021	Notice by Silver State South Solar, LLC, under the provisions of the Utility Environmental Protection Act, of an application to a federal agency for approval to construct the Silver State South Solar Battery Energy Storage Project consisting of the expansion of an existing 230 kV substation, an up to 250 MW battery energy storage system, a 230 kV generation-tie line, and associated facilities to be located in Clark County, Nevada.
21-09029	9/23/2021	Joint Petition of Central Telephone Company d/b/a CenturyLink and Wide Voice, LLC for approval of the Third Party Transit Provider Amendment to their Interconnection Agreement pursuant to Section 252 of the Telecommunications Act of 1996.
21-09030	9/23/2021	Joint Petition of Central Telephone Company d/b/a CenturyLink and Wide Voice, LLC for approval of the Routing of Traffic Through a Third Party Transit Provider Amendment to their Interconnection Agreement pursuant to Section 252 of the Telecommunications Act of 1996.
21-09031	9/23/2021	Application of Nevada Power Company d/b/a NV Energy, filed under Advice Letter No. 516, to revise Schedule No. IP to provide a path for NRS Chapter 704B customers to return to bundled utility service and identify rates and conditions applicable to such customers.
21-09032	9/23/2021	Application of Sierra Pacific Power Company d/b/a NV Energy, filed under Advice Letter No. 642-E, to revise Schedule No. IP to provide a path for NRS Chapter 704B customers to return to bundled utility service and identify rates and conditions applicable to such customers.

Prior editions of PUCN Connection are available at puc.nv.gov/About/Media_Outreach/PUCN_Connection/.

For questions or comments about this newsletter, contact Consumer Outreach Director Dawn Rivard at drivard@puc.nv.gov or Communications Director Peter Kostes at pkostes@puc.nv.gov.