

# SB 326: Water Utility Capacity & Infrastructure Adequacy Reporting

SENATE COMMITTEE ON GROWTH & INFRASTRUCTURE  
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## NRS 704.660(1)-(3) – Water Service Adequacy

- “Any public utility which furnishes, for compensation, any water for domestic purposes, shall furnish...a reasonably adequate supply of water at reasonable pressure for fire protection and at reasonable rates[.]”
- PUCN-approved rates, installations, and other infrastructure must be “adequate for the proper utilization and delivery of water for fire protection.”

## NRS 704.661(1) – Resource Planning & Reporting for Larger Providers

- Service providers that earn more than \$1M annually are subject to triennial integrated resource plan (IRP) rules.
- Utility's IRP details capacity “to provide sufficient water or [wastewater] services to satisfy the demand made on its system by its customers.”
- Water companies that earn more than \$2M annually and have more than 3,000 customers are subject to triennial general rate case (GRC) rules.
- Other quasi-municipal and public sector providers / political subdivisions are governed by elected boards and subject to public scrutiny by their constituents.

# NRS 704.095(1)-(2): Simplified Regulations for Smaller Providers

- Statute provides for relaxed regulations, or “simplified procedures or methodologies for a change of rates for those public utilities which furnish water or [wastewater] or both, which serve fewer than 3,000 persons, and...gross sales....amounting to \$2 million or less.”
- Additional relaxed requirements for filing a water conservation plan (NRS 704.662(5)).
- For certain smaller operators, this means less transparency and public involvement, and less public scrutiny regarding applications for rate changes, operations management, and infrastructure adequacy.
- This can have a disruptive effect on project development, and implicates public safety and transparency concerns.

# SB 326 – Closes the Reporting Gap for Certain Service Providers

- Amends NRS 704.095 to require adequacy and capacity reporting for smaller providers who are subject to simplified regulatory rules for rate adjustments

*3. A public utility described in subsection 1 which is located in a county whose population is 700,000 or more and which serves at least 250 persons and no more than 3,000 persons shall, each year on or before a date established by the Commission, submit to the Commission a report that includes, without limitation:*

*(a) Information concerning the adequacy of the infrastructure of the public utility, including, without limitation, the adequacy to supply water for fire protection as required by NRS 704.660 and the sufficiency and availability of any water rights that are necessary to provide service; and*

*(b) Any other information related to the infrastructure of the public utility that the Commission may require by regulation.*

# SB 326 – Closes the Reporting Gap for Certain Service Providers

## Questions?