



NEVADA CONSERVATION LEAGUE

May 14, 2025

Assembly Growth & Infrastructure Committee

Re: Opposition for SB417

Dear Chair Watts, Vice Chair Carter, and Members of the Committee,

On behalf of the Nevada Conservation League, I'm writing to express our respectful opposition to SB417, as passed by the Senate, which allows major rate-setting decisions for gas utilities to take place outside of general rate cases.

While we appreciate the interest in addressing utility regulation, we believe SB417 has moved forward without adequate vetting and raises serious concerns for Nevada ratepayers. The bill received significant opposition during its Senate hearing, including from the Nevada Bureau of Consumer Protection, a trusted advocate for consumers. SB417 also bypassed review by the Senate Finance Committee, despite a fiscal note nearing \$1.3 million, limiting opportunities for scrutiny and improvement.

Our primary concern is that SB417 reduces regulatory oversight at a time when families and small businesses are already struggling with high utility bills. The bill authorizes formula rates that could lead to rate increases with less transparency. It also does not contain requirements to align utility models with public policy goals. Additionally, this bill would reduce opportunities for stakeholder and public input.

SB417 is not comparable to SB300, the 2019 legislation focused on electric utilities. SB300 included strong consumer protections and was crafted to support Nevada's clean energy transition—conditions that do not apply to gas utilities in the same way. Gas providers lack the same ability to deliver affordable clean energy and are more limited in their ability to decarbonize.

As Nevada continues to evaluate its utility planning and oversight structures, particularly through the new gas utility planning process established by SB281 in the 2023 legislative session, we urge the Legislature to proceed with caution and vote no on SB417. Expanding rate-setting tools without clear, enforceable protections for customers would be premature and risky.

Thank you for the opportunity to share our perspective.

Sincerely,

Christi Cabrera-Georgeson
Deputy Director
Nevada Conservation League