

Public Utilities Commission of Nevada

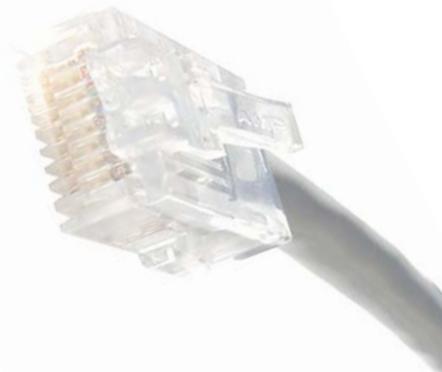
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Strategic Plan



**Fiscal Years
2007 - 2012**



PUBLIC UTILITIES COMMISSION OF NEVADA

STRATEGIC PLAN

Vision

The Public Utilities Commission of Nevada ("Commission") envisions an environment where utility ratepayers are protected from the effects of unreasonable and unfair business practice and the sellers of utility services regulated by the Commission are provided impartial regulation; where economic and technical efficiency are maximized for ratepayer benefit; where the long-term reliability of utility services is maximized; and where ratepayers receive safe, economic, efficient, prudent, accessible and reliable services; and sellers of competitive utility services are free to compete for customers in a market void of regulatory barriers to entry. The Commission also envisions a market environment where those utility services that are not offered competitively are appropriately regulated to assure universal access to safe and reliable utility service at rates that are just and reasonable while affording shareholders a fair opportunity for reasonable return on their investments. The Commission strives to increase diligence, in-depth and well researched work product and a high level of performance internally.

Mission

To enable universal access to affordable, efficient, safe and reliable utility service in Nevada, the Public Utilities Commission ("Commission") will foster fair competition in utility markets where appropriate and encourage innovation in the provision of utility services and serve as an effective surrogate for competition where it does not exist. In this regard, the Commission will take particular care to thoroughly examine the books and records of all regulated utilities. Additionally, the Commission will ensure that all of its decisions are based on a fair and impartial examination of the evidence, as well as exhaustive investigation. Where competition does not exist, the Commission is to balance the interest of customers and shareholders of public utilities by providing utilities with the opportunity to earn a fair return on their investments while providing customers with just and reasonable rates.

Philosophy

The Public Utilities Commission ("Commission") will strive to be efficient, flexible, impartial, objective, practical and diligent in its efforts to carry out its mission. The Commissioners will exhibit the highest standards of professional conduct, carrying out their duties with honesty, integrity and dedication to public service. The Commission will hold itself to the highest standards of professionalism, while fostering a commitment to mutual respect, and accessibility for each other and for those whom they serve.

PUBLIC UTILITIES COMMISSION OF NEVADA

STRATEGIC PLAN

INTERNAL ASSESSMENT

The following are functions that the Public Utilities Commission (“Commission”) has performed and continues to perform on an on-going basis for state agencies.

1. Annual Regulatory Assessment

Pursuant to NRS 704.033-035 the Commission levies and collects from all public utilities, providers of discretionary natural gas service and alternative sellers subject to the Commission’s jurisdiction an annual regulatory assessment that is used to fund the operation of the Commission. The statutory maximum for the Commission is 3.5 mills on each dollar of gross operating revenue derived from intrastate operations of the utilities. A mill is 1/10 of a cent.

The Commission sets the annual regulatory assessment each year at a noticed agenda meeting. Utilities are notified by mail of the assessment no later than June 15th. The assessment is due to the Commission by July 1st of each year or the utility may opt to pay quarterly on August 1st, October 1st, January 1st and April 1st without a penalty.

Additionally, the Commission levies and collects the annual regulatory assessment for the Attorney General’s Bureau of Consumer Protection. The money is collected and transferred into an account that is used to fund the operation of the Bureau of Consumer Protection. The statutory maximum for the Consumer Advocate is 0.75 mills.

The annual regulatory assessment is set at 2.0 mills for the Commission and .65 for the Bureau of Consumer Protection for fiscal year 2007. The total annual regulatory assessment must not be more than 4.25 mills collectively.

2. Office of Disability Services - TDD Budget and Surcharge

Pursuant to NRS 426.295 the Commission approves or disapproves the Department of Health and Human Services, Office of Disability Services budget for the hearing and speech impaired, establishes and collects an annual surcharge used to fund that budget and deposits those funds into an account for the Office of Disability Services.

The access line surcharge has been set at \$0.03 per line, per month for Fiscal year 2007. The Commission notifies each carrier of the amount of the surcharge to be assessed for the coming year on or before June 1st of each year.

3. Division of Welfare and Housing Division – Universal Energy Charge (“UEC”) for Low Income Households

Pursuant to NRS 702.160 the Commission is charged with administering the collection of the UEC, which is levied on all retail customers who consume electricity and natural gas within the boundaries of the state of Nevada. The UEC funding provides for energy assistance and weatherization assistance to low-income Nevadans. To carry out its powers and duties, the Commission retains an administrative fee not to exceed 3 percent and deposits the remaining monies to the Fund for Energy Assistance and Conservation administered by the Welfare Division.

EXTERNAL ASSESSMENT

1. Electric Utilities

Governor Kenny Guinn and the Nevada Legislature have been keenly aware of the challenges to the electric utility industry over the past years. As a result, legislation has been promulgated that addresses electric reliability, supply and demand, as well as energy conservation and efficiency issues in the state.

Highlights of pertinent legislation passed during the 73rd legislative session:

The 2005 Legislature passed:

Assembly Bill 236, which modified the net metering provisions, increased the net metering size to 30 kilowatts, and established the pricing of the energy supplied to the utility in excess of the customers’ usage. Additionally, the utility facilities definition was modified to exclude facilities with generating capacity equal to or less than 150 kilowatts that use renewable energy as the primary fuel.

Senate Bill 256 modified the general rate change and deferred energy application schedules, which are dependent upon if the utility serves a densely populated county or not. Pursuant to the definitions, Sierra Pacific Power Company (“Sierra”) is required to file a general rate case, at a minimum, every 24 months commencing October 3, 2005, and Nevada Power Company (“NPC”), at a minimum, every 24 months commencing November 15, 2006. Further, the deferred energy applications were modified whereby commencing December 1, 2005, and every December thereafter Sierra shall file a deferred energy application. Commencing January 17, 2006, and every January thereafter NPC shall file a deferred energy application. Additionally, due to the complexity of the process, the six-month suspension period has been extended to seven-months.

Assembly Bill 3 increased the minimum percentage of electricity generated from renewable energy resources that must be a part of each electric service provider's generation portfolio. For 2005, the minimum requirement was raised from five to six percent and will increase thereafter until 2015. By 2015, and each year thereafter, providers of electric service must obtain no less than 20 percent of their electricity needs from renewable energy resources

instead of the 15 percent previously required. Assembly Bill 3 also allows providers of electric service to meet up to 25 percent of the new renewable energy requirements from reduced energy consumption resulting from energy efficiency measures financed by the provider of electric service.

Major Proceedings before the Commission:

02-12005 – Investigation into participation in Regional Transmission Organizations (“RTO”) by Sierra and NPC

Two interim orders were issued in this docket. The first order dealt with Grid West’s Decision Point 2 (“DP2”), which included a cost/benefit study for Grid West and a two year funding commitment. Based on DP2, Sierra was allowed to continue funding Grid West if the Bonneville Power Administration (“BPA”) decided to continue its funding of Grid West. NPC was ordered to discontinue Grid West funding because it was not included in the cost/benefit analysis and was ordered to join WestConnect.

Sierra’s funding levels increased dramatically as other electric companies and BPA decided not to fund and to leave Grid West. As a result, the next interim order required Sierra to stop funding Grid West and join WestConnect. As a result of these two workshops, Sierra and NPC departed Grid West and joined WestConnect. Grid West (the organization) terminated as a result of Sierra’s exit.

02-12002 & 03-4031 – Rulemaking to amend and adopt regulations pertaining to NAC 704B and to explore the compatibility of NRS 704B with municipal and other government entities

On May 5, 2005, the Legislative Counsel Bureau (“LCB”) returned the revised regulations for Commission review and action. These regulations deal with the process a qualifying electric customer may take to leave the electric utility’s system and take service from another provider. They also established the process for termination of the granted authority under certain circumstances.

Major issues:

- Established a safe harbor provision whereby the customer will commit to depart and the exit fee will not be updated.
- Established the criteria for granting a waiver from these regulations.
- Clarified what information is confidential and modified protective order provisions.
- If the Commission objects to the eligible customer purchasing services from an alternative provider pursuant to terms that differ from those originally approved, other than price, the customer’s authority may be revoked.

The regulations were adopted by the Commission as permanent regulations.

04-7009 – Application for Approval of Methodology and Standards for Service Quality (Merger costs/savings)

This was a major docket that dealt with the determination of service quality standards for the collection of the merger costs (about \$360 million in total) for both Sierra and NPC. As a result of this order, service quality standards were determined for Sierra and NPC. It also settled the question, which was left unanswered in Sierra and NPC’s last general rate case; whether

merger savings exceeded merger costs (the Commission determined that savings did exceed costs in Docket No. 04-7009). As a result, the utilities are entitled to amortize their merger costs into rates over the next 38 years. It also determined that there should be no “defined” penalties associated with not meeting the service quality standards.

05-1028 – Sierra’s Deferred Energy Application

The main issue was the Base Tariff Energy Rate (“BTER”). Sierra sought to increase the BTER from \$0.05430 per kWh to \$0.05620, or approximately \$15.5 million. Subsequent to filing the application and pursuant to an oral agreement amongst the parties, Sierra filed an updated BTER of \$0.06277 per kWh, which represented an approximate \$74.9 million increase. Both the proposed and updated BTERs were developed using forecasts. The then-existing regulations required use of an historic cost methodology, which produced a BTER of \$0.05824 per kWh. The Commission approved the BTER of \$0.05824 per kWh, which raised annual revenues by approximately \$36 million.

Additionally, Sierra sought to recover approximately \$27.7 million in deferred costs over a one-year period. The Commission allowed recovery of \$27.1 million over a one-year period. Sierra initially sought a 1.85 percent increase and a revised 9.2 percent increase. The Commission authorized an approximate 4.4 percent increase.

05-5014 – Investigation regarding the treatment of costs of undergrounding transmission lines pursuant to mandates issued by local governments

The issue was the appropriate rate making treatment to be afforded the costs associated with undergrounding transmission facilities. It was decided to address the costs on a case-by-case basis, and until addressed, no decision would be reached. However, the Commission did express a preference for an incremental surcharge methodology applicable to all customers residing in that political subdivision when not done for safety reasons. Further, the Order required the electric utilities to keep certain records denoting the cost of undergrounding versus overhead.

05-10003 & 05-10004 – Sierra’s Electric Department General Rate Case and Depreciation Cases

Sierra sought to increase rates by 0.36 percent or \$3.3 million. Single-family residential customers would experience a 2.22 percent increase. The Commission granted an approximately 1.58 percent or \$14 million reduction.

05-10024 & 05-10025 – Sierra’s and NPC’s Financing Applications

The top three issues in these cases were: the authorization to refinance approximately a combined \$2.1 billion in old debt; be granted approximately a combined \$1.2 billion in new debt authority; and establish or reestablish dividend restrictions. The Commission granted the requested debt authority with the standard proviso that the utility retains the burden of proof of the reasonableness of its actions, which be addressed in the appropriate general rate case. The Commission restricted Sierra’s and NPC’s ability to issue dividends to Sierra Pacific Resources. The restriction expires when two of the three credit rating agencies give them an investment grade credit rating.

04-12036 – Newmont Mining Corporation

As part of a complex transaction between Sierra and Newmont Mining Corporation, the Commission has conditionally approved Newmont Mining Corporation's plan to commence taking service from another provider. In 2005, the Commission gave final approval for Barrick Goldstrike Mines to exit utility service, which meets the intent of the regulations as it holds remaining customers harmless and includes the addition of 115 MW of new generation capacity to Sierra Pacific Power Company's electric system. In December 2005, Barrick Goldstrike Mines commenced taking service from an alternative provider.

The following are proceedings that will come before the Commission in the next year.

NPC has indicated it will file the following cases this year: 1) Rule 9 tax Liability Factor in June; 2) Integrated Resource Plan ("IRP") 7/1/06; 3) BTER application 8/1/06; 4) FERC Form 580 9/1/06; 5) General Rate Case 11/15/06; and 6) Depreciation Study 11/15/06.

Sierra has indicated it will file the following cases this year: 1) Rule 9 tax Liability Factor in June 2006; 2) BTER application 6/1/06; 3) Long-term QF rate June 2006; 4) Ely Energy Project amendment to IRP 7/1/06; 5) Demand Side Management ("DSM") amendment 8/1/06; 6) IRP DSM Annual Update 8/15/06; 7) 2nd energy supply plan update for year 2007 9/1/06; 8) FERC Form 580 9/1/06; 9) FERC transmission cost-of-service update; and 10) Coal Gasification Study Compliance Item (Docket No. 04-7004).

2. Natural Gas Utilities

Highlights of pertinent legislation passed during the 73rd legislative session:

The 2005 Legislature passed:

Senate Bill 238 became effective in June 2005. The bill allows a natural gas utility to include with its general rate case application a statement showing all increases and decreases in revenues, expenses and investments that may occur within 210 days after the application date. The increases and decreases in revenues, expenses and investments must be reasonably known and measurable. The bill also directed the Commission to open an investigatory docket to study, examine and review the various processes, theories and methodologies that may be used to establish just and reasonable rates for energy companies. The Legislature specifically requested the Commission to investigate alternatives to the historical test year methodology. The report is due to the Legislature in the 2007 Legislative Session.

Major Proceedings before the Commission:

05-5011 & 05-5012 – Westpac Utilities (Sierra Gas) PGA

These dockets dealt with Sierra's annual Purchased Gas Adjustment ("PGA") filings for liquid propane and natural gas. They included huge natural gas and liquid propane gas rate increases of 24.5 percent and 38.5 percent, respectively, for residential customers. The consumer sessions were organized to educate consumers on how to deal with the huge rate increases that were affecting them and the entire nation.

05-5015 – Southwest Gas Corporation (“Southwest”) Deferred Energy Application

The main issue was the BTER. Pursuant to the regulations, Southwest calculated a BTER using both a historic cost methodology and a forecasted methodology. Due to the potential transition to the new quarterly rate adjustment processes, Southwest proposed the adoption of the historic methodology BTERs, which were significantly lower than the forecasted BTERs. Regulatory Operations Staff of the Commission (“Staff”) and the Bureau of Consumer Protection (“BCP”) proposed other BTERs, which were equal to or greater than Southwest’s forecasted BTER. The Commission approved Southwest’s forecasted BTER as corrected for errors by Staff.

	<u>Southern Nevada</u>	<u>Northern Nevada</u>
Current BTER	\$0.58455	\$0.80741
Requested BTER	\$0.61667	\$0.79716
Increase	\$11.1 Million	(\$0.9 million)
Approved BTER	\$0.76350	\$0.96970
Increase	\$62.1 million / 16.7%	\$15 million / 12.8%

Additionally, Southwest sought to recover in its Southern Nevada and Northern Nevada service areas \$35.2 million and \$6.5 million in deferred gas costs, respectively. Southwest requested and was granted authority to recover these costs over a one-year period.

05-7018 – Investigation into Weather Normalization Adjustment (“WNA”) for Southwest Gas

In Docket No. 04-3011 (Southwest’s last general rate case), Southwest asked for a WNA, which decoupled revenues from sales. It was denied in Docket No. 04-3011, but the Commission decided to open an investigation to gather more information on a WNA. Southwest is asking for a “real-time” WNA that decouples revenues from sales on a real-time basis (currently a hot topic in natural gas on a national level). A report must be filed with Staff on May 31, 2006. Staff must reply to the Commission by July 30, 2006.

05-7047 – Investigation regarding the revision of regulations concerning general rate cases for gas companies to conform to state law

The first workshop is on June 2, 2006. Preliminary work has been done with the LCB on revising the NACs to conform to subsection 4 of NRS 704.110, which was added by the Legislature in the last session. Comments have been filed by Staff and Newmont Mining Corporation for the workshop.

05-7048 – Investigation to review processes, theories and methodologies that may be used to establish just and reasonable rates in general rate cases

Senate Bill 238 became effective on June 14, 2005. It directed the Commission to open an investigation to study, examine and review the various processes, theories and methodologies that may be used to establish just and reasonable rates in general rate cases filed by public utilities. A report was sent to LCB on May 10, 2006, based on this investigation concerning alternatives to the historical test year. The Legislature will determine if a future test period should be allowed.

05-10005 – Sierra’s Gas General Rate Case

This was the only major gas general rate case in 2005-2006. Total revenues increased about 2.3 percent.

The following are proceedings that will come before the Commission in the next year.

Southwest Gas Corporation has indicated it will file the following cases this year:

1) Variable Rate Mechanism was filed 5/15/06; 2) Quarterly BTER on 6/30/06 and 9/29/06.

Federal Energy Regulatory Commission (“FERC”) Matters

RP05-163

The Commission participated in the Paiute Pipeline Company general rate case filed at FERC. The Commission acted as an intervening party in that proceeding, which included participating in settlement talks.

CP01-153

The Commission also participated in negotiating a rate reduction with Tuscarora Gas Transmission Company pursuant to a settlement with FERC.

3. Telecommunications

Highlights of pertinent legislation passed during the 73rd legislative session:

The 2005 Legislature passed

Senate Bill 210 was passed during the 73rd Regular Session of the Nevada Legislature. An act that allows for applicable regulation of county-owned telephone systems concerning the Universal Service Fund. The Commission has established a regulation requiring a county-owned telephone system to participate in the fund to maintain the availability of telephone service administered by the Commission; providing the criteria for a county-owned telephone system to qualify for disbursement of money from the fund; and providing other matters properly relating thereto.

Proceedings before the Commission

05-12009

On December 9, 2005, Nevada Bell Telephone Company, d/b/a SBC Nevada Bell Telephone Company, filed an application with the Commission to change its name to Nevada Bell Telephone Company, d/b/a AT&T Nevada. The Commission's Staff reviewed and recommended that the request be approved. The Commission approved the application at its agenda meeting held on February 1, 2006.

06-04013

On April 18, 2006, Central Telephone Company-Nevada, d/b/a Sprint of Nevada, filed an application with the Commission to change its name to Central Telephone Company d/b/a

Embarq. The Commission's Staff reviewed the application and recommended approval. The Commission approved the application.

The telecommunications industry is moving towards Internet Protocol ("IP") technology. This will not only have an impact on competition but will also change the infrastructure as we know it today. The future will bring multimedia services over broadband access to include wireless broadband. During the period 2005 - 2010, we can expect an optical infrastructure in joint use that will provide common facilities for telecom services and digital media contents over IP-based networks. The role that regulators will play under this technology remains to be determined. The classification of broadband (telecommunication or information services) by the Federal Communications Commission will determine the degree of regulation that will be exercised over these providers.

JURISDICTIONAL UTILITIES AND SERVICE POPULATIONS*

Utility Type	No. of Firms	Service Connections
Investor-Owned Electric Utilities	2	1,127,132
Electric Cooperative	8	51,119
Natural Gas Utilities	2	817,917
Geothermal Hot Water Utilities	2	126
Water Utilities	19	11,511
Water Cooperatives	11	4,093
Sewer Utilities	7	2,526
Master Meter Mobile Home Park Utilities	280	19,759
Liquefied Petroleum Gas Systems	10 ^(A)	909
Interstate Pipeline Companies	3 ^(B)	N/A
Customer (Industrial Owned Pipelines)	3	N/A
Railroads	3	N/A
Incumbent Local Exchange Companies (Large)	4	1,273,276
Cellular Phone Companies	50	N/A
Alternative Operator Service Providers	49 ^(C)	N/A
Telecommunications Resellers	272	N/A
Incumbent Local Exchange Companies (Small)	9	18,610
**Competitive Local Exchange Companies	127	716,484

* The above numbers were compiled from annual reports and by Commission Staff as of May 16, 2006, and are subject to change.

** Note: For companies with both basic and interexchange authority, there are no breakouts as to whether customers are local or long distance.

(A) Based on number of certificates

(B) Paiute, Tuscarora and Kern River – not rate regulated by the Commission

(C) Alternative Operator Service and Inmate

N/A = Not Available

PUBLIC UTILITIES COMMISSION OF NEVADA

The Public Utilities Commission (“Commission”) is divided into two general sections: Commission Policy/Administration and Regulatory Operations. The Commission Policy/Administration includes the Commissioners, Administrative Attorneys, Utilities Hearings Officers, Administration, General Counsel, Policy Analysis and Public Information Officer. Regulatory Operations includes the enforcement and analytical staff of the Commission, containing the Director of Regulatory Operations, Staff Counsel, Tariffs and Compliance, Resource and Market Analysis, Safety and Quality Assurance, and Consumer Complaint Resolution.

COMMISSION POLICY/ADMINISTRATION

Commission

The Commission is comprised of three Commissioners who are each appointed by the Governor to a four-year term. The Governor designates one Commissioner as Chairman and Chief Executive Officer, who oversees the daily operation of the agency. In this capacity, the Chairman approves contracts, requests amendments to the legislatively approved budget via work programs, delegates the day-to-day processing of paperwork to the administrative division, approves the hiring of personnel for the Commission Policy/Administration and delegates the hiring of Staff personnel to the Director of Regulatory Operations.

In contested matters, rulemakings, and investigations, a Commissioner is assigned to govern the proceedings to act as the Presiding Officer. The Presiding Officer, in contested cases, acts in a quasi-judicial manner by receiving and ruling on the admissibility of evidence and amendments to pleadings, acting upon any pending motions which do not involve a final determination of the proceeding, issuing appropriate interim orders, ruling on all procedural matters, setting timeframes for oral testimony and making findings of fact and conclusions of law for the full Commission to approve. Witnesses are presented and are subject to cross-examination by the other parties, Commissioners and Commissioners’ advisors. Likewise, in rulemaking proceedings, the Presiding Officer receives public comment on proposed regulations.

All matters over which the Commission has supervision, control, jurisdiction or advisory power must be approved by a quorum of Commissioners during a public agenda meeting. Thus, during these meetings, the Commissioners vote on Regulatory Operation Staff (“Staff”) recommendations for resolution of matters which did not go to hearing, and vote on other recommendations presented by the Presiding Officer for final determination of matters in which hearings have been held. The Commissioners also vote on various administrative, legislative, legal and policy issues in state and federal regulatory matters, including those before the Federal Energy Regulatory Commission (“FERC”) and the Federal Communications Commission (“FCC”).

Purpose:

The Commission regulates public companies engaged in electric, natural gas, telephone, water and sewer services; gas and electric "master meter" service at mobile home parks; some propane systems; and is involved in monitoring gas pipeline and railroad safety.

I. GOALS:

- 1) Provide fair impartial regulation of public utilities and provide for safe, economic, efficient, prudent, accessible and reliable operation and service of public utilities.
- 2) Balance the interests of customers and shareholders of public utilities by providing public utilities with the opportunity to earn a fair return on their investment while providing customers with just and reasonable rates.
- 3) Conduct regulatory activities in an open, helpful, and efficient manner.
- 4) Strive to create operating and administrative efficiencies that give the public increasing value for the service provided by the Commission.

Administrative Attorneys

The Administrative Attorneys are responsible for providing preliminary advice and counsel to the assigned Commissioner; interpreting relevant laws, regulations, policies and procedures as they apply to specific utility issues; drafting legally sufficient opinions, notices, orders, and regulations for the Commissioners; and making fair and impartial recommendations to the Commissioners based on fact and conclusions of the law.

I. GOAL: Expediently process assigned dockets.

- **Strategies**
 - 1) Resolve dockets within six (6) months of assignment.
 - 2) Review streamlined approaches to process assigned dockets.
 - 3) Commissioners and Administrative Attorneys will attend training in adjudicating techniques and industry issues.
- **Objectives**
 - 1) Resolve 80% of assigned dockets within six (6) months after they are filed.
 - 2) Send 50% of Commissioners and Administrative Attorneys to adjudicating techniques and industry issue training on an annual basis.
- **Outcome Measures**
 - 1) Number of assigned dockets closed during the year that took less than six (6) months to resolve divided by the total number of assigned dockets that were closed during the year.
 - 2) Number of Commissioners and Administrative Attorneys attending adjudicating techniques and industry issues training on an annual basis divided by the total number of Commissioners and Administrative Attorneys.

Utilities Hearings Officer

The Utilities Hearings Officer holds administrative hearings on applications to provide utility services, tariff rates, financial practices, jurisdictional issues, and consumer complaints; writes administrative orders; and arbitrates disputes between telecommunications providers. A Utilities Hearings Officer schedules and presides over administrative proceedings including prehearing conferences, consumer sessions, workshops, mediations, arbitrations, and hearings in rulemakings, investigations, and contested cases. They also research and analyze evidence while drafting orders and opinions based on the record as well as state and federal law, which will be reviewed and voted on by the Commissioners. Finally, the Utilities Hearings Officer reviews petitions for reconsideration and drafts appropriate responses.

The decisions of a Utilities Hearings Officer are subject to appeal by the Commission in the same manner that the decisions of a Presiding Officer are subject to appeal and review by the Commission. The Utilities Hearings Officer, however, would not be able to vote on any matter before the Commission.

I. GOAL: Administratively process and adjudicate assigned dockets.

- **Strategies**
 - 1) Review and notice dockets (as applicable).
 - 2) Initiate and conduct proceedings including prehearing conferences, consumer sessions, workshops, mediations, arbitrations and hearings in rulemakings, investigations and contested cases.
 - 3) Research and analyze evidence and rule on administrative matters.
 - 4) Draft proposed orders and opinions of the Commission based on the record.
 - 5) Appear at Commission agenda meetings and present proposed orders to be voted on by the Commissioners.
- **Objective**
 - 1) Process and adjudicate 80% of assigned dockets within six (6) months after they are filed.
- **Outcome Measure**
 - 1) Number of assigned dockets closed during the year that took less than six (6) months to resolve divided by the total number of assigned dockets that were closed during the year.

II. GOAL: Reduce the number of dockets assigned to Commissioners.

- **Strategies**
 - 1) Provide assistance for larger workload precipitated by legislative return to traditional rate cases and increased number of public comment hearings.

- 2) Efficiently process time-sensitive and time-consuming dockets to allow the Commissioners to dedicate and focus their time and resources on cases that have a greater impact, from both a policy and monetary aspect, on a greater number of people in Nevada.
- **Objective**
 - 1) Eliminate or reduce Commissioner assignment of time-sensitive and time-consuming dockets.
 - **Outcome Measure**
 - 1) Total number of dockets assigned on an annual basis.

ADMINISTRATION

Administration is responsible for the overall administrative operations of the entire agency, to include regulatory operations. Administration ensures that all employees perform at a high level of competence and professionalism. Other responsibilities include: budget and fiscal management; human resources and management services; case management, including reviewing filings for administrative compliance; computer systems and operations; matters of policy and procedure; work organization, coordination, production, and results; as well as the timely docketing, complete filing and processing, and proper record keeping of Commission findings.

Fiscal Services

I. GOAL: Accept and process payments to the Commission electronically. These payments include annual regulatory assessments (public utilities, including railroads), licensing fees (commercial mobile radio service, alternative sellers of natural gas), and surcharges (assistance to persons with impaired speech or hearing, universal energy charge).

- **Strategies**

- 1) Maximize information technology resources and offer an electronic check payment option (e-check) to our customers through the Commission's website.

- **Objectives**

- 1) Make the payment process quick and simple for the utilities regulated by the Commission.
- 2) Improve the Commission's administrative efficiencies by collecting and processing money faster.

- **Outcome Measures**

- 1) Number of e-check payments received divided by the total number of assessments, fees, and surcharges annually due.

II. GOAL: Effectively monitor and control regulatory assessments, surcharges and fees.

- **Strategies**

- 1) Aggressively pursue payment of assessments, surcharges and fees.
- 2) Monitor database for public utilities and other utility service providers that are non-compliant.
- 3) Utilize General Counsel's division to enforce past due collections.

- **Objectives**

- 1) Prepare and mail annual assessment letter/form by June 15th of each year.
- 2) Monitor database for public utilities and other utility service providers that are non-compliant when thirty (30) calendar days past due.

- 3) Refer all public utilities and other utility service providers ninety (90) calendar days past due to General Counsel's division for collection.

- **Outcome Measures**

- 1) Number of past due notices mailed divided by total number of assessments thirty (30) calendar days past due.
- 2) Number of past due notices referred to General Counsel's division divided by total number of assessments ninety (90) calendar days past due.

III. GOAL: Effectively monitor and control accounts receivable.

- **Strategies**

- 1) Compare the invoices in the pending payment folder to unpaid invoices on the database to ensure invoice is unpaid before taking action.
- 2) Prepare and mail past due notices for all invoices.
- 3) Utilize General Counsel's division to enforce past due collections.

- **Objectives**

- 1) Prepare and mail past due notices for 100% of all invoices thirty (30) calendar days past due.
- 2) Refer 100% of all invoices ninety (90) calendar days past due to General Counsel's division for collection.

- **Outcome Measures**

- 1) Number of past due notices mailed divided by total number of invoices thirty (30) calendar days past due.
- 2) Number of invoices referred to General Counsel's division divided by total number of invoices ninety (90) calendar days past due.

IV. GOAL: Actively recruit and maintain a diverse, multi-tasked work force that is qualified and technically capable of supporting Commission goals.

- **Strategies**

- 1) Explore alternative recruitment strategies.
- 2) Increase applicant awareness of Commission employment opportunities.
- 3) Explore compensation and incentive alternatives.
- 4) Provide a rewarding, challenging and respectful work environment.
- 5) Increase employee retention, thereby reducing employee turnover.

- **Objectives**

- 1) Alternative recruitment strategies will be explored with every recruitment.
- 2) Upon direction of the Chairman, open recruitment within two (2) business days.
- 3) Compensation and incentive alternatives will be explored at least once per biennium.
- 4) Provide professional development training to forty-seven (47) professional level employees per biennium.

- **Outcome Measures**
 - 1) Number of days in which recruitment opened after receipt of direction from the Chairman.
 - 2) Number of times compensation and incentive alternatives are explored this biennium.
 - 3) Number of professional level employees completing professional development training per biennium.

V. GOAL: Encourage a work environment that values employees, innovation, teamwork, professional development, and career advancement.

- **Strategies**
 - 1) Ensure employees are treated fairly and are provided equal opportunities for professional development and career advancement.
 - 2) Provide a rewarding, challenging and respectful work environment.
 - 3) Improve employee competency in using information management tools.
 - 4) Maximize employee development in the workplace to achieve the desired performance objectives of the Commission.
- **Objectives**
 - 1) Provide professional-specific training to seventy-one (71) employees per biennium.
 - 2) Provide state-offered training classes to ninety-one (91) employees per biennium.
- **Outcome Measures**
 - 1) Number of employees completing professional-specific training per biennium.
 - 2) Number of employees completing state-offered training classes per biennium.

Policy Support Services

Policy Support Services reviews, docket, and distributes all filings with the Commission; prepares and processes legally sufficient notices and orders; manages the master docket files in electronic and paper format; prepares, distributes and posts notices of agenda meetings; and maintains the Commission's master calendar.

I. GOAL: Accept and manage Commission filings electronically (over the internet).

- **Strategies**
 - 1) Implement and deploy Records Management Application.
 - 2) Implement and deploy internet web screen to accept and process filings electronically (over the internet).
 - 3) Enable public access to public information over the internet.
- **Objectives**
 - 1) 100% of all filings may be filed electronically (over the internet).
 - 2) 100% of all filings will be available electronically (over the internet).
- **Outcome Measures**
 - 1) Total number of filings made electronically (over the internet).
 - 2) Total number of filings available electronically (over the internet) divided by the total number of filings received.

II. GOAL: Convert paper filings into electronic format.

- **Strategies**
 - 1) Implement and deploy Records Management Application.
 - 2) Scan filings received over the counter into Ascent Capture.
 - 3) Verify, validate and commit scanned filings to the Records Management Application.
- **Objective**
 - 1) 100% of all filings made in paper form will be scanned and committed to the Records Management Application.
- **Outcome Measure**
 - 1) Total number of filings made in paper form divided by the total number of paper filings scanned and committed to the records management system within one day of receipt or acceptance.

III. GOAL: Ensure filings comply with applicable NRS and NAC requirements. Ensure timely processing of filings, notices and orders.

- **Strategies**
 - 1) Review filings to ensure compliance with NRS and NAC requirements.
 - 2) Prepare and issue notices on filings as determined by NRS and NAC requirements.
 - 3) Timely prepare final orders after Commission vote.
- **Objectives**
 - 1) 100% of all filings will be reviewed, docketed and distributed within four (4) business days of receipt date.
 - 2) 100% of all dockets will be noticed within ten (10) business days of distribution of the docket.
 - 3) 100% of all orders will be executed within fourteen (14) business days of Commission vote.
- **Outcome Measures**
 - 1) Total number of filings reviewed, docketed and distributed within four (4) business days of receipt date divided by total number of filings received.
 - 2) Total number of dockets noticed within ten (10) business days of distribution of the docket divided by the total number of dockets distributed.
 - 3) Total number of orders executed within fourteen (14) business days of Commission vote divided by total number of orders issued by the Commission.

IV. GOAL: Comply with all Nevada state laws and Commission Rules of Practice and Procedure to meet legal deadlines for agenda posting, dissemination of Commission orders and legal noticing.

- **Strategies**
 - 1) Post agenda meeting notices in accordance with the Nevada Open Meeting Law.
 - 2) Provide immediate access to agenda meeting notices and related materials electronically.
 - 3) Mail and distribute all notices and orders within twenty-four (24) hours of execution. All notices and orders will be available electronically.
- **Objectives**
 - 1) 100% of all agenda meeting notices will be posted three (3) business days prior to the agenda meeting.
 - 2) Agenda meeting notices and related materials will be available electronically within four (4) hours of posting.
 - 3) 100% of all notices and orders will be mailed and distributed within twenty-four (24) hours of execution.
 - 4) 100% of all notices and orders will be available electronically within four (4) business hours of distribution.

- **Outcome Measures**

- 1) Total number of agenda meeting notices posted within three (3) business days of agenda meeting divided by total number of agenda meetings held in current year.
- 2) Total number of agenda meeting notices and related materials available electronically divided by the total number of agenda meetings held in the current year.
- 3) Total number of notices and orders mailed and distributed within twenty-four (24) hours of execution divided by the total number of notices and orders issued in current year.
- 4) Total number of notices.

Computer Systems (2007-5 years)

Computer Systems is responsible for the direct provision of computer assistance services to all employees of the Commission; oversight and maintenance of the local area network for the Commission; maintenance and update of the database applications programs and records management system used by the Commission for docketing and docket tracking; security and data integrity of the database tables where the docketing information is stored; and oversight and maintenance of the Commission's video conferencing system and website.

I. GOAL: Keep computer hardware up-to-date.

- **Objective**

- 1) Ensure that 100% of computers used on a day-to-day basis are no more than five (5) years old and that spare and "visiting" personal computers at the Commission are no more than six (6) years old.

- **Strategies**

- 1) Replace end-users personal computers on a four (4) to five (5) year cycle as specified in the Department of Information Technology Policies, Standards and Procedures (PSP) 5.02.
- 2) Replace printers on an as-needed basis.

- **Outcome Measure**

- 1) Number of computers more than five (5) years old divided by the total number of users.

II. GOAL: Ensure that the Commission's website provides information to consumers and other interested parties and meets any requirements set forth by the Governor's Office and the Department of Information Technology ("DoIT").

- **Objectives**

- 1) The website will be available 95% of the hours of the year, excluding those hours when it is down because the state web server is down.
- 2) There will be no delays in posting or updating the website due to obsolete software.

- **Strategies**

- 1) Provide technical expertise to add data, graphics and links to the website.
- 2) Keep software needed to add data, graphics and links to the website up-to-date.
- 3) Leveraging the new (Electronic Filings and Records Management ("EFRM")) system, make all docket-related public documents available on the Commission website.
- 4) Public documents related to new dockets will be posted to the internet within 24 hours of receipt. Public documents related to open dockets will be available immediately after scanning or importation.

- **Outcome Measures**
 - 1) Number of hours the website is available divided by total hours in one (1) year.
 - 2) Number of days updates or postings are delayed per year due to obsolete software.
 - 3) Number of documents posted.

III. GOAL: Operate and maintain the Commission's videoconferencing equipment.

- **Objectives**
 - 1) Less than 5% of scheduled videoconferences will be cancelled due to technical problems with Commission-owned hardware or lack of operators.
 - 2) Keep user's manual for the Carson City and Las Vegas offices up-to-date.
 - 3) Two (2) employees will be trained to operate the video conferencing equipment.
- **Strategies**
 - 1) Provide at least one (1) operator for any videoconference scheduled by the Commission.
 - 2) Maintain a user's manual for videoconferencing for the Carson City and Las Vegas offices.
 - 3) Keep two (2) employees trained outside the Computer Systems division to operate the videoconferencing equipment.
- **Outcome Measures**
 - 1) Number of videoconferences scheduled that are cancelled due to technical problems divided by the total number of videoconferences held.
 - 2) User's manual up-to-date.
 - 3) Number of employees trained to operate the videoconferencing equipment.

IV. GOAL: Broadcast the audio portion of agenda meetings over the Internet and archive broadcasts for later access.

- **Objectives**
 - 1) 100% of agenda meetings will be available on the Internet.
 - 2) 100% of agenda meetings will be archived and linked by the end of the business day.
 - 3) Links will be updated within four (4) hours of completion of agenda meetings.
- **Strategies**
 - 1) Capture and broadcast audio using Windows Media player technology.
 - 2) Provide a link on the Commission's website for the public and other interested parties to listen to the agenda.
 - 3) Provide a link under "Agenda Meeting Minutes" on the agenda page on the website for the public and other interested parties to playback the previous agenda.

- **Outcome Measures**
 - 1) Number of agenda meetings available on the Internet divided by the total number of agenda meetings held per year.
 - 2) Number of agenda meetings archived by the end of the business day divided by the total number of agenda meetings held per year.
 - 3) Number of times playback link not available within four (4) hours of agenda meeting completion.

V. GOAL: Enhance and leverage the new technologies implemented during the EFRM Project.

- **Objective**
 - 1) Design and support 100% of new applications requested and approved by division managers and the Commission, leveraging the EFRM technologies.
 - a. Implement On-line Electronic Filing System.
 - b. Implement On-line Electronic Payment System for all fees and assessments collected by the Commission.
 - c. Enhance the records management capabilities for the new EFRM system.
 - d. Add a secure application only accessible to the Commission's General Counsel for management of confidential Docket information (i.e. those filing submissions that have been redacted and submitted directly to General Counsel).
 - e. Add a secure application only accessible to Staff Counsel to enable the acceptance and management of data requests and responses electronically.
 - 2) Continue to enhance and improve the disaster recovery capabilities for electronic systems.
- **Strategies**
 - 1) Work with the Commission, division managers and staff to:
 - a. Gather recommendations for new applications.
 - b. Identify the requirements for new applications.
 - c. Prioritize recommendations for new applications.
 - d. Evaluate the requirements for new applications.
 - e. Evaluate impacts on policies and procedures.
 - f. Implement the required applications based on agreed-upon priorities.
 - g. Test the new applications and new policies and procedures.
 - h. Train affected personnel on the new applications, and policies and procedures.
 - i. Place the new applications into production.
- **Outcome Measures**
 - 1) On-line filing system implemented before 12/31/06.
 - 2) Electronic payment system implemented before 12/31/06.
 - 3) Number of applications implemented at the request of the division managers and the Commission divided by the total number of applications approved by the Commission.

VI. GOAL: Leverage the hardware and software that the EFRM system is based on, integrate the major MS-Access databases in use at the Commission into one industrial strength database.

- **Objectives**

- 1) Create a comprehensive EFRM information system where data is maintained without duplication.
- 2) Reduce the overhead of maintenance and potential for conflicting information.
- 3) Improve access to information, yet secure and limit access to confidential information where security is necessary.

- **Strategies**

- 1) Identify common data fields from each of the three major MS-Access databases used at the Commission:
 - a. Docket Tracker
 - b. Policy
 - c. Utilities (annual reports)
- 2) Integrate and migrate the three major databases into one comprehensive EFRM system leveraging the new SQL Server technologies implemented during the Records Management Application phase of the EFRM project.
- 3) Image enable the new system using the Records Management Application implemented in Records Management Application phase 1 of the EFRM project.
- 4) Secure access to confidential information (annual reports, etc.).
- 5) Ensure interfaces of information to external applications is maintained (example: sending data to Postmaster to create certified receipts).

- **Outcome Measure**

- 1) The successful implementation of an integrated and image enabled comprehensive EFRM information system where information is accessible yet securely maintained without duplication

VII. GOAL: Leveraging the hardware and software and information maintained in the newly integrated EFRM system and implement a new electronic Web enabled Consumer Complaints System

- **Objectives**

- 1) Allow consumers to file electronic complaints and electronic attachments over the Internet.
- 2) Allow Consumer Complaints personnel to manage and track electronic complaints and associated attachments.

- **Strategies**

- 1) Implement a new Consumer Complaints system that leverages the Records Management Application implemented in the Records Management Application phase of the EFRM project.

- 2) Achieve database integration by using the same information for company data that the new EFRM system uses.
- **Outcome Measure**
 - 1) The successful implementation of a new Consumer Complaints system that is image and web enabled and capable of using the same company information maintained in the EFRM system.

GENERAL COUNSEL

Commission General Counsel Division is responsible for representing the Commission's interests in all proceedings in state and federal court. In addition, the division represents the Commission's interests before various state and federal regulatory agencies, including the FERC. The division also counsels commissioners and administrative attorneys on legal and policy issues. The division reviews and approves notices, orders, notices of agenda meetings, regulations, legislation and other legal documents prepared by administrative attorneys and the legal case manager. The division is also responsible for reviewing the Commission's administrative procedures to assure compliance with the Administrative Procedures Act as well as other statutes and regulations applicable to the Commission.

I. GOAL: Effectively represent the Commission before the federal and state courts and before the FERC, other federal regulatory agencies as applicable, and in state administrative proceedings.

- **Strategies**

- 1) Each attorney shall attend continuing legal education classes involving topics of changes in the regulatory law, legal procedures and skills enhancement. The division shall maintain a current library of statutes, rules and regulations.
- 2) Prepare appropriate documents in matters in which the Commission has voted to participate or to which it is a party. Calendar each deadline for timely filing, calendar hearings, workshops and settlement conferences.
- 3) Circulate court rulings and important documents with appropriate explanations to the Commissioners and department managers for their information. Circulate a status report with summaries of each case to the Commissioners as appropriate.
- 4) Keep abreast of the latest changes in legal issues, rules and regulations for practice and procedures before each agency or court.
- 5) Review assigned dockets, FERC cases and other matters in which the Commission may have an interest for Commission action on agenda; prepare briefing memos to the Commission with appropriate information and recommendations.

- **Objectives**

- 1) Each attorney shall meet the Nevada State Bar's requirements as to continuing legal education and focus on topics enhancing their knowledge and skills used daily in advising the Commission.
- 2) Briefing memos will be prepared and distributed at least three (3) business days prior to an agenda.
- 3) Timely file 100% of relevant documents in matters that the Commission has voted to participate or to which it is a party. Represent the Commission effectively at all hearings, arguments, trials, workshops and settlement conferences. Work efficiently with outside counsel.
- 4) As appropriate, provide reports to the Commissioners informing them of the status of FERC matters and court cases.

- **Outcome Measures**
 - 1) Number of attorneys meeting the Nevada State Bar's requirement as to continuing legal education divided by the total number of attorneys. Topics are related to Commission's topics of regulation and related judicial processes.
 - 2) Number of briefing memos prepared and distributed at least three (3) business days prior to the agenda divided by the total number of General Counsel items placed on the agenda.
 - 3) Number of timely filed relevant documents in matters that the Commission has voted to participate in or to which it is a party divided by the total number of relevant documents not timely filed.

II. GOAL: Effectively evaluate petitions and complaints filed with the Commission and, when appropriate, advise the Commission as to the legal aspects of the filing.

- **Strategy**
 - 1) Review and calendar petitions and complaints to ensure compliance with NRS and NAC regulations stating that each petition or complaint must be set for further proceedings sixty (60) calendar days after the receipt of the petition or complaint.
- **Objective**
 - 1) Bring petitions and complaints to Commission agenda meetings before the statutory deadline.
- **Outcome Measure**
 - 1) Number of petitions and complaints brought to Commission agenda meetings divided by the total number of petitions and complaints filed with the Commission and assigned to General Counsel.

III. GOAL: Respond to inquiries by Commissioners and staff regarding legal analysis as to Commission matters.

- **Strategy**
 - 1) Respond effectively and timely to each oral or written request to ensure a response is made within the requested period of time.
- **Objective**
 - 1) Respond to 100% of all inquiries within the time frame requested by the inquiring party.
- **Outcome Measure**
 - 1) Number of inquiries responded to within the requested time frame divided by the total number of inquiries.

IV. GOAL: Review all notices and orders for legal compliance prior to issuance by the Commission.

- **Strategy**
 - 1) Provide an effective legal review of the notices and orders prior to issuance by the Commission.

- **Objective**
 - 1) Review all notices and orders within the time frames requested by the submitting party.

- **Outcome Measure**
 - 1) Number of notices and orders reviewed within the time frames requested by the submitting party to the General Counsel's division divided by the total number of notices and orders received in General Counsel's division.

POLICY ANALYSIS

Policy Analysis Division is responsible for providing policy, technical support, and advice to the Commissioners on various aspects of utility issues (i.e., telecommunications, electric, gas, water and sewer). This includes evaluating, analyzing and interpreting utility data; drafting opinions, orders, and regulations, and ensuring they are technically accurate, consistent, and complete; and providing policy and technical assistance to the Commission during hearings and rulemaking sessions and to General Counsel during all proceedings before state and federal courts as well as federal regulatory agencies.

I. GOAL: Provide the Commission with policy and technical support on regulatory issues to include evaluating, analyzing and interpreting utility data.

- **Strategies**

- 1) Provide policy and technical support on regulatory issues on assigned dockets.
- 2) Recommend streamlined approaches to process assigned dockets.
- 3) Attend policy and technical support training on regulatory issues.
- 4) Provide advice and guidance to Commissioners, Utilities Hearings Officers and Administrative Attorneys on various aspects of utility issues (i.e., electric, gas, telecommunications, water and sewer).
- 5) Prepare technical and policy portions of Commission draft orders and ensure they are technically accurate, consistent and complete.

- **Objectives**

- 1) Provide policy and technical support on assigned dockets within the statutory time frame.
- 2) All policy advisors will attend at least one (1) training course on regulatory issues annually.
- 3) Prepare technical and policy portions of Commission draft orders within the statutory time frame and ensure they are technically accurate, consistent and complete.

- **Outcome Measure**

- 1) Number of policy advisors attending training on a calendar year basis divided by the total number of policy advisors.

II. GOAL: Provide a written report that summarizes the development of the electricity industry in the state to the Legislative Commission on a quarterly basis pursuant to NRS 704B.210.

- **Strategies**

- 1) Review and summarize the applications filed by eligible customers to obtain energy from new electric resources.
- 2) Review and summarize the findings of the Commission concerning the effect of the proposed transaction on the public interest.

- **Objective**
 - 1) Provide a written report on a quarterly basis to the Legislative Commission summarizing the processing of applications by eligible customers to obtain energy from new electric resources.
- **Outcome Measure**
 - 1) Number of written reports provided to the Legislative Commission in the current year.

III. GOAL: Monitor FERC actions that affect policy issues in the electric and natural gas industries and monitor FCC actions that affect policy issues on regulation of the telecommunications industry.

- **Strategies**
 - 1) Access FERC's website for reports that affect Commission policy on the electric and natural gas industries in Nevada.
 - 2) Access FCC's website for reports that affect Commission policy on the telecommunications industry in Nevada.
- **Objectives**
 - 1) Provide, at a minimum, weekly FERC reports that effect Commission policy on the electric and natural gas industries in Nevada.
 - 2) Provide, at a minimum, weekly FCC reports that effect Commission policy on the telecommunications industry in Nevada.
- **Outcome Measures**
 - 1) Number of FERC reports prepared that affect Commission policy on the electric and natural gas industries in Nevada divided by fifty-two (52) weeks.
 - 2) Number of FCC reports prepared that affect Commission policy on the telecommunications industry in Nevada divided by fifty-two (52) weeks.

IV. GOAL: Address legislative directives and utility issues in a timely manner through rulemaking and investigation dockets.

- **Strategies**
 - 1) Identify all pertinent legislative directives.
 - 2) Regulatory and policy staff will review NRS that have an impact upon the Commission and make recommendations to open rulemaking dockets to address legislative directives.
 - 3) Integrate expertise of regulatory and policy staff through regular meetings.
- **Objectives**
 - 1) Regulatory and policy staff will identify 100% of NRS that have an impact upon the Commission within five (5) business days of passage of legislation.
 - 2) Conduct regulatory and policy staff meetings at least once monthly.

- **Outcome Measures**

- 1) Number of NRS that have an impact upon the Commission not identified by regulatory and policy staff within five (5) business days.
- 2) Number of meetings held with regulatory and policy staff during the calendar year divided by twelve (12) months.

Public Information Officer

Public Affairs and Consumer Education is responsible for coordinating all external communications with the public, media, financial community, trade organizations, and other interested groups. It monitors state legislative activities and produces reports as needed; interacts with other state agencies and branches of local, state, and federal government to increase understanding of Commission activities; coordinates emergency management activities; coordinates special meetings that allow the public to address the commission; and arranges meetings between members of the Commission and its staff with external parties. Additionally, the section is responsible for the production and dissemination of press releases, consumer informational brochures, various reports and other printed material; and manages consumer education activities and staff assigned to the division.

I. GOAL: Respond to all public information related inquiries and provide timely and accurate information.

- **Strategy**

- 1) Ensure that all public information-related inquiries are timely and accurately responded to.

- **Objective**

- 1) 95% of all public information related inquiries will be responded to within two (2) business days of receipt.

- **Outcome Measure**

- 1) Total number of inquiries not responded to within two (2) business days of receipt.

II. GOAL: Identify communication needs and develop strategies to maximize resources.

- **Strategies**

- 1) Prepare and issue press releases as appropriate.
- 2) Work with other Commission divisions, i.e. Consumer Complaint Resolution, when necessary to produce brochures and web pages to further public information efforts.

- **Objectives**

- 1) Issue at least two press releases per quarter that address Commission activities.
- 2) The Public Information Officer will attend at least one (1) conference annually wherein utility issues, communication skills and public information efforts are addressed.

- **Outcome Measures**

- 1) Number of press releases that address Commission activities issued annually.
- 2) Number of conferences attended annually.

III. GOAL: Publish the Commission’s Biennial Report in accordance with NRS 703.180.

- **Strategies**
 - 1) Determine timeline and budget.
 - 2) Work with all Commission divisions to facilitate the timely and accurate publication of the report.
 - 3) Ensure report is prepared and distributed timely.
- **Objective**
 - 1) Produce a comprehensive, error-free report in accordance with NRS 703.180.
- **Outcome Measure**
 - 1) Number of Biennial Reports published pursuant to NRS 703.180.

IV. GOAL: Monitor state legislative activities during legislative sessions and interims and provide status reports on legislation affecting the Commission.

- **Strategies**
 - 1) Identify and track proposed legislation effecting the Commission during the legislative session.
 - 2) Monitor interim legislative activities.
 - 3) Provide status reports on legislative activities, as needed.
- **Objectives**
 - 1) Identify 100% of bill draft requests and/or proposed legislation effecting the Commission within five (5) business days of proposal.
 - 2) Attend 75% of the committee meetings dealing with legislation effecting the Commission during the legislative session.
 - 3) Attend Interim Legislative Commission meetings addressing issues related to the Commission.
- **Outcome Measures**
 - 1) Number of bill draft requests and/or legislative proposals effecting the Commission not identified within five (5) business days of proposal.
 - 2) Number of legislative committee meetings not attended during the legislative session divided by the total number of legislative committee meetings held dealing with legislation affecting the Commission.

V. GOAL: Edit and review draft orders at the request of the Policy Manager or Policy Advisors.

- **Strategy**
 - 1) Edit and review specified draft orders providing constructive feedback on grammar and readability.

- **Objective**
 - 1) Edit and review 100% of specified draft orders within 1.5 business days of receipt.
- **Outcome Measure**
 - 1) Number of specified draft orders not edited and reviewed within 1.5 business days of receipt.

VI. GOAL: Attend State Public Information Officer meetings and Energy Assistance Outreach Advisory Committee meetings on a regular basis.

- **Strategies**
 - 1) Attend regularly scheduled State Public Information Officer meetings.
 - 2) Attend regularly scheduled Energy Assistance Outreach Advisory Committee meetings.
- **Objectives**
 - 1) Attend 90% of scheduled State Public Information Officer meetings.
 - 2) Attend 90% of scheduled Energy Assistance Outreach Advisory Committee meetings.
- **Outcome Measures**
 - 1) Number of State Public Information Officer meetings attended divided by the number of meetings held.
 - 2) Number of Energy Assistance Outreach Advisory Committee meetings attended divided by the number of meetings held.

REGULATORY OPERATIONS

The Director of Regulatory Operations (“DRO”) supervises and manages all aspects of the Regulatory Operations Staff, consisting of four operating divisions and Staff Counsel's division. The DRO ensures that all staff employees perform at a high level of competence and professionalism. Other responsibilities include: organizing and managing all staff regulatory functions including establishment of staff policy, making recommendations to the Commission regarding public utility matters, and assuring that: (1) public utilities comply with Commission regulations and provide safe and reliable service; (2) utility applications are processed in a timely manner; and (3) consumer issues are resolved fairly.

Staff Counsel

Staff Counsel Division performs the legal functions of the Regulatory Operations Staff (“Staff”) and is responsible for providing legal counsel and support to staff management and employees. These duties include formulating legal strategy and legal positions regarding utility filings; drafting case discovery; reviewing utility filings for legal adequacy and content; and preparing pleadings, briefs, responses to petitions, stipulations, and other filings applicable to the regulation of Nevada utilities. The division reviews and assists in the development of staff testimony and filings and ensures that staff's positions are in compliance with Nevada statutes and regulations. The division represents staff at Commission hearings and workshops, assists in the development of proposed regulations and legislation, and provides other legal support to staff divisions.

I. GOAL: Effectively represent Staff before the Commission by providing a high level of legal representation and strong case and issue leadership in all written pleadings, oral presentations, and hearings.

- **Strategies**

- 1) Set goals and objectives for each docket with the assigned Staff member(s); plan intermediate steps of case development to ensure adequate preparation time and review.
- 2) Present Staff's position in a concise, thorough, and direct manner. Use peer critique and division brain storming sessions as tools in preparation.
- 3) Reflect professional demeanor by having complete presentation organized and well-prepared prior to commencement of proceedings before the Commission.

- **Objectives**

- 1) Each attorney should attend at least one (1) continued legal education (“CLE”) course in case advocacy once every year, concentrating on witness preparation and cross examination.
- 2) Each attorney should attend at least one (1) CLE course on relevant utility subjects or current topics once every year.

- **Outcome Measures**

- 1) Total number of attorneys attending one (1) training course on case advocacy once every year divided by the total number of attorneys.
- 2) Total number of attorneys attending one (1) training course on relevant utility subjects or current topics once every year divided by the total number of attorneys.

II. GOAL: Effectively represent Staff before the Commission by timely filing professional pleadings with the Commission.

- **Strategies**

- 1) Calendar all deadlines in a timely and accurate manner.
- 2) Use a uniform pleading style, and appropriately use rules of grammar and punctuation.
- 3) Appropriately cite legal authority as set forth in *The Bluebook – A Uniform System of Citation*.

- **Objectives**

- 1) 100% of all Staff Counsel filings must be filed within the Commission's designated time frame, including approved extensions of time.
- 2) Each Staff Counsel division member should be provided a copy of *The Bluebook – A Uniform System of Citation*.

- **Outcome Measure**

- 1) Number of filings made by Staff Counsel within the Commission's designated time frame divided by the total number of filings made.

III. GOAL: Effectively represent Staff by facilitating coordination with Regulatory Operations Staff members on all joint efforts.

- **Strategies**

- 1) Respond promptly to requests for assistance from Staff members and communicate proactively on case schedule, allocation of responsibilities, special case requirements, etc.
- 2) Proactively assist Staff members in preparing legal strategy, formulating data requests, preparing for Commission agenda meetings, writing testimony, preparing to give oral testimony, drafting stipulations, and other relevant duties, as necessary.
- 3) Review all briefing memos and provide constructive comments, if necessary.

- **Objectives**

- 1) Respond to requests for assistance from Staff within the requested time frame. At a minimum, the attorney must confirm receipt of the request and advise Staff of an anticipated date by which the request will be answered/resolved.
- 2) Review 100% of all briefing memos for the cases to which the attorney is assigned and provide necessary feedback to the Staff member prior to the agenda.

- 3) Convene "all-hands" meetings periodically to coordinate work assignments and case strategies.
- **Outcome Measures**
 - 1) Number of requests responded to within the requested time frame divided by the total number of requests.
 - 2) Number of briefing memos reviewed divided by the total number of briefing memos submitted for review.
 - 3) Several coordination meetings should be held on each case involving some complexity.

Resource and Market Analysis

Resource and Market Analysis Division (“RMA”) conducts engineering, economic, and quantitative analysis of electric, natural gas, and local telephone utility performance. The division analyzes general rate case applications, purchase gas adjustments, deferred energy cases, utility environmental permit applications (“UEPA”), and electric resource plans, as well as the effects of wholesale electrical and gas markets. The division monitors the effective implementation of electric renewable portfolio standards (“RPS”) and demand-side management activities and forecasts Nevada’s electric energy and capacity requirements. The division also conducts investigations and drafts regulations.

I. GOAL: Identify for the Commission and the DRO conditions that detract from the establishment and maintenance of competitive markets for telecommunications.

- **Strategies**

- 1) Investigate complaints filed with the Commission related to anti-competitive and discriminatory activities in telecommunications markets, mediate as assigned, and report the findings of such investigations to the DRO, along with recommendations for further action. Monitor telecommunications markets for evidence of anti-competitive and discriminatory activities.
- 2) Review annual Performance Incentive Plans filed by incumbent local exchange carriers (“LEC”) within sixty (60) calendar days of receipt.

- **Objectives**

- 1) Provide timely notice, as well as appropriate information and evidence, when credible claims of less than effective competition in telecommunications markets are brought before the Commission.
- 2) Within thirty (30) calendar days of receipt of a complaint about anticompetitive activities, the Division will initiate an investigation and advise the DRO about the complaint.
- 3) Within sixty (60) calendar days of receipt of annual Performance Incentive Plans filed by incumbent LECs, review such plans and make recommendations to the DRO and to the Commission as to the disposition of the plans (approval, approval with modifications, hearing).
- 4) Monitor implementation of unbundled network elements (“UNE”) cost models and other interactions between incumbent LECs and competitive LECs; promptly identify discriminatory or anti-competitive outcomes.

- **Outcome Measures**

- 1) Total number of anti-competitive complaints filed and assigned to RMA, and brought forward to the DRO within thirty (30) calendar days of receipt, divided by the total number of anti-competitive complaints filed and assigned to RMA.
- 2) Total number of Performance Incentive Plans reviewed (three), including disposition recommendations (three), by March 30 each year, divided by six.

II. GOAL: Prepare for the Commission and the DRO electric utility analyses and recommendations, as appropriate, to foster just and reasonable prices, cost-effective resource planning, electric system reliability, compliance with the RPS, compliance with Nevada environmental permitting statutes, and other investigations and studies needed to address issues of potential concern in the rapidly changing regulatory environment for electric utilities in the western interconnection.

- **Strategies**

- 1) Investigate complaints filed with the Commission related to discriminatory activities; report the findings of such investigations to the DRO, along with recommendations for further action.
- 2) Analyze deferred energy filings prepared by the electric utilities, make recommendations regarding the prudence of fuel and power purchase expenses and the establishment of a base tariff energy rate.
- 3) Continuously monitor electric system reliability, analyze conditions that might compromise system reliability, and make recommendations regarding changes to improve system reliability.
- 4) Evaluate the triennial resource plans submitted by the electric utilities, as well as associated amendments; continuously monitor the status of the resource plans including the supply portfolio and associated risk management analyses, load management and demand side activities, and load forecasts; remain actively engaged with resource planning personnel at the electric utilities; and make recommendations, as needed, for changes to the resource plans.
- 5) Develop an annual forecast of energy and capacity requirements for both electric utilities and the balance of the state; use these forecasts to compare similar forecasts developed independently by the electric utilities.
- 6) Continuously monitor compliance with the RPS by the electric utilities and eligible customers taking energy, capacity or ancillary service from a provider of new electric service; establish a system for the recording and transfer of renewable energy credits; investigate potential non-compliance with the RPS; and make recommendations to the Commission and the DRO on how to deal with non-compliant providers.
- 7) Conduct other specialized economic and financial reviews of the electric utilities as assigned by the DRO.
- 8) Calculate, as needed or assigned, the short-term and long-term avoided cost of the electric utility for the construction of base load, intermediate load, peak load, and renewable intermittent capacity and energy; analyze applications for qualifying facility status under federal Public Utility Regulatory Policy Act ("PURPA") regulations; make recommendations to the Commission.
- 9) Conduct informal inspections of electrical system repairs or upgrades when mobile home park operators seek to use tenant funds to make the repairs or upgrades; advise the Tariffs and Compliance Division of the results of informal inspections.
- 10) Continuously monitor customer departures under NRS 704B for issues relating to interconnection, resource planning, reliability and equity.

- **Objectives**

- 1) Within thirty (30) calendar days of receipt of a complaint about discriminatory activities, the Division will advise the DRO about the complaint and initiate an investigation, as assigned.
- 2) Within thirty (30) calendar days of assignment as the active division, establish a working schedule for the docket and identify initial discovery requirements to Staff Counsel.
- 3) Within statutory requirements, provide testimony, comments or briefing memos for dockets assigned to RMA.
- 4) Systematically review the operational reliability of the service provided by the electric utilities.
- 5) By August 1st each year, prepare an annual forecast of energy and capacity requirements using the most recent data available.
- 6) Beginning in 2004, determine the annual renewable energy requirement for each electric utility and provider, and determine the value of the administrative fine for each megawatt per hour not consumed by the electric utility or provider of new electric resources; throughout the calendar year.
- 7) Monitor the trading of renewable energy credits and administer renewable energy credit accounts for each electric utility and provider; within thirty (30) calendar days of the receipt of a request to qualify a renewable resource, establish contact with the operators/constructors of the renewable resource and set a schedule to determine the level of renewable credits available from the resource.
- 8) Semiannually, approximately in August and February, conduct an inspection of the minutes, briefing materials and handouts for the Sierra Pacific Board of Directors, the Planning and Finance Committee, the Risk Management Committee, and other committees of the Board, as appropriate; within thirty (30) calendar days of the inspection, file a report with the Commission relative to the inspection findings.
- 9) As required by regulation or according to a procedural schedule established by the Commission, calculate the avoided cost of the utility for energy and capacity provided by a qualifying facility or other generator.
- 10) According to the procedural schedule established by the Commission, conduct an informal inspection of mobile home park electrical repairs and upgrades to verify that expenses incurred for the repairs and upgrades were actually incurred and reasonable.

- **Outcome Measures**

- 1) Total number of complaints filed and assigned to RMA, and brought forward to the DRO within thirty (30) calendar days of receipt, divided by the total number of complaints filed and assigned to RMA.
- 2) Total number of dockets assigned to RMA for which a work schedule was established within thirty (30) calendar days and presented to the DRO, divided by the total number of dockets assigned to RMA.

- 3) For calculations of the required renewable energy consumption and associated administrative fines, the total number of requirement and fine calculations performed by June 1st of the year beginning in 2004, divided by the total number of entities required to meet the RPS.

III. GOAL: Prepare for the Commission and the DRO natural gas utility analyses and recommendations, as appropriate, to foster cost effective gas supply planning, including appropriate price and volume risk management techniques, and other investigations and studies as assigned.

- **Strategies**

- 1) Investigate complaints filed with the Commission related to anti-competitive and discriminatory activities related to natural gas service delivery, report the findings of such investigations to the DRO, along with recommendations for further action.
- 2) Evaluate annual gas supply plans submitted by the natural gas utilities; evaluate the appropriateness of the supply portfolio and analyze the prudence of the associated risk or volatility management policies.
- 3) Receive and process applications from discretionary providers of natural gas service.

- **Objectives**

- 1) Within thirty (30) calendar days of receipt of a complaint about anticompetitive or discriminatory activities, RMA will advise the DRO about the complaint and initiate an investigation, as assigned.
- 2) Within ninety (90) calendar days of receipt of the annual gas supply plan for each natural gas utility, RMA will initiate an analysis of the adequacy of the supply portfolio and the risk or volatility management aspects of the plan; according to the procedural schedule set by the Commission, provide the results of that analysis in the form of draft testimony.
- 3) Within thirty (30) calendar days of receipt of an application to provide discretionary gas service, recommend a disposition of the application.

- **Outcome Measures**

- 1) Total number of anti-competitive and discrimination complaints filed and assigned to RMA, and brought forward to the DRO within thirty (30) calendar days of receipt, divided by the total number of anti-competitive and discrimination complaints filed and assigned to RMA.
- 2) The number of applications for discretionary gas service acted upon within thirty (30) calendar days of receipt, divided by the total number of applications received.

IV. GOAL: Prepare for the Commission and the DRO analyses and recommendations, as appropriate, regarding applications by eligible customers to take energy, capacity, or ancillary services from a provider of new electric resources.

- **Strategies**

- 1) Comply with the procedural deadlines established in regulations for analyses and discussions with parties upon the filing of a letter of intent or an application by an eligible customer.
- 2) Conduct comprehensive quantitative and qualitative analyses to determine whether the departure of an eligible customer will harm the electric utility or its remaining customers.
- 3) Develop improved tools for the conduct of the quantitative analyses described above.
- 4) Foster constructive discussions regarding the appropriate allocation of transmission and distribution capacity, and the installation of additional metering and communications equipment needed to support the taking of service from a provider of new electric resources.
- 5) Develop a tariff or tariffs from which eligible customers may take electric service from the electric utility in the event that eligible customers choose to return to utility service or are otherwise prevented from taking service from their chosen providers of new electric resources.

- **Objectives**

- 1) Comply with the procedural requirements of NAC 704B.
- 2) Prior to December 31, 2005, develop and place into use an improved analysis for analyzing potential benefits due to customer departures.

- **Outcome Measure**

- 1) For each eligible customer letter of intent or application, subtract one (1) percent for each business day that a meeting is delayed, at Staff's request, beyond the regulation or Commission set procedural date; and, if all input data is received timely, subtract two (2) percent for each business day that a Staff analysis is delivered beyond the regulation or Commission set procedural date; the measure is 100%, less the subtractions identified above.

V. GOAL: Prepare, as directed by the Commission, analyses and recommendations regarding new and amended regulations.

- **Strategies**

- 1) Continue the current efforts to harmonize resource planning and renewable portfolio regulations, to include a more efficient renewable energy credit program, and to add clarity to resource planning requirements related to the energy/capacity supply portfolio and risk management activities.
- 2) Revise regulations and tariff rules, as necessary and technically feasible, governing parallel generation, self-generation and cogeneration to improve the

options of the electric utility and its large customers to effect load management strategies.

- 3) Review and revise, as necessary telecommunications regulations governing a plan for alternative regulation (“PAR”), to foster effective competition.
- 4) Revise UEPA processing to include processes for balancing evaluations of: 1) the need for energy and capacity; and 2) environmental harm.

- **Objective**

- 1) For each rulemaking docket established by the Commission and assigned to RMA for action; within sixty (60) calendar days, or according to the procedural schedule established by the Commission, develop a Staff draft of the proposed regulation if directed to do so.

- **Outcome Measure**

- 1) No outcome measures are proposed.

VI. GOAL: Prepare for the Commission and the DRO analyses and recommendations, as appropriate, regarding utility environmental permit applications (“UEPAs”).

- **Strategies**

- 1) Investigate UEPAs to ensure that applicants have met the permitting requirements of appropriate state and local agencies, have provided an adequate explanation of the proposed project, and that coordination, when needed, between Staff other state and local agencies is initiated.
- 2) Prepare briefing memos when no new issues are raised by an application, or request a hearing.

- **Objectives**

- 1) Within thirty (30) calendar days of receipt and noticing of the submission of a UEPA, begin an investigation.
- 2) Within ninety (90) calendar days of receipt and notice of the submission of a UEPA, file a briefing memo recommending disposition of the application or formally requesting a hearing.

- **Outcome Measures**

- 1) Number of investigations begun in thirty (30) calendar days divided by the total number of UEPA filings.
- 2) Number of briefing memos prepared or requests for hearing within ninety (90) calendar days divided by the total number of UEPA filings.

VII. GOAL: Provide timely responses to administrative and technical questions related to Division activities.

- **Strategies**

- 1) Establish and maintain an inventory of general knowledge and skills required by RMA personnel; address shortcomings in this regard through new hires (when possible) or expert consulting contracts; explore relationships with Nevada universities or large employers that would provide graduate students in economics to work under "cooperative" learning arrangements.
- 2) Improve RMA expertise in the following areas: UNE cost modeling, depreciation expense methodologies, utility rate design, natural gas supply portfolio modeling, incremental cost methodologies, design of renewable energy credit programs, distributed generation, avoided cost methodologies, and environmental assessments.
- 3) Maintain effective division telephone coverage during working hours.
- 4) Assign docketed and non-docketed responsibilities to the appropriate person in a timely manner.
- 5) Establish project milestones and deadlines for major docketed and nondocketed activities.
- 6) Deliver docketed and non-docketed work products to the DRO or docket coordinator, as appropriate, in a timely manner.
- 7) Provide electrical engineering, quantitative analysis, and economic expertise in support of investigations by other divisions.
- 8) Maintain current knowledge at the federal level: Congressional and federal appeals court activity that could alter federal and state responsibilities in utility regulation, FERC rules and orders governing electric and natural gas regulation, and FCC rules and orders governing telecommunications regulation at the federal level.
- 9) Maintain current knowledge of the technical and economic issues related to the western interconnect as a whole, including the activities of the Western Electricity Coordinating Council, western Regional Transmission Organizations, renewable resource development projects, western region fossil generation, and transmission projects.

- **Objectives**

- 1) By January 1, 2005, establish an inventory of skills and abilities needed by individuals in RMA.
- 2) Within ten (10) calendar days of notice, make divisional assignments for docket responsibility.
- 3) Within ten (10) calendar days of receipt of procedural orders in major dockets, develop a list of project milestones and resource requirements for divisional personnel and the DRO.
- 4) Within ninety (90) calendar days of receipt and noticing of the submission of a UEPA, file a briefing memo recommending favorable disposition of the application or formally request that the application be addressed by the Commission at hearing.

- **Outcome Measure**
 - 1) No outcome measures are proposed.

Tariffs and Compliance

Tariffs and Compliance Division is responsible for the project management and audit of general rate case applications and analyzing tariff filings for electric, natural gas, telephone, and water and sewer utilities. The division is responsible for the project management and audit of deferred energy and purchase gas adjustment applications and mobile home park filings. The division analyzes and processes applications for licenses, certificates of public convenience and necessity, and changes in ownership. The division reviews annual report filings, tracks compliance for non-safety issues, and monitors universal energy charge collections.

I. GOAL: Ensure that each public utility company filing that involves a rate change is prepared in accordance with the NAC and the Commission's opinions and orders, and that rates charged by regulated utilities are just and reasonable.

- **Strategies**

- 1) Conduct a review of rate change applications filed with the Commission. Obtain input from and coordinate with other divisions, as necessary.
- 2) From this review make a recommendation as to a just and reasonable level of revenue required to provide regulated utility service.
- 3) Develop rates that will recover this revenue requirement.

- **Objectives**

- 1) File with the Commission prepared testimony in accordance with the procedural schedule established by the Commission.
- 2) Provide general rate case or surcharge application preparation assistance to small water/wastewater utilities within fifteen (15) calendar days of written request.

- **Outcome Measures**

- 1) Number of testimony timely filed divided by the total number of testimony filed.
- 2) Number of days elapsed from date of written request by utility to date initial assistance is provided to small water/wastewater utilities requesting general rate case or surcharge application assistance.

II. GOAL: Ensure timely and accurate processing of applications for certificates of public convenience and necessity, joint petitions pursuant to Section 252 of the Telecommunications Act of 1996, and applications filed under advice letters.

- **Strategies**

- 1) Assign applications to the appropriate analyst in an expeditious manner.
- 2) Ensure that applications meet the regulatory and statutory standards so that they can be reviewed and processed in the established time frames.

- 3) When necessary, contact applicants and petitioners to obtain information needed by the Commission but not supplied with the application. Issue discovery as necessary.
- 4) Provide applicants with written and/or electronic information describing certificate or licensing requirements.
- 5) File comments on joint petitions pursuant to Section 252 of the Telecommunications Act of 1996 within established timeframes established by the procedural schedule.
- 6) Coordinate with other divisions as needed.
- 7) Maintain the Tariff Books.

- **Objectives**

- 1) 95% of telecommunications certificate applications are brought to the Commission's agenda within sixty (60) calendar days of filing.
- 2) 100% of tariff filings and advice letters are brought to the Commission's agenda before the relevant deemed approved date.

- **Outcome Measures**

- 1) Total number of telecommunication certificate applications brought to an agenda within sixty (60) calendar days of filing divided by the total number of such certificate applications.
- 2) Total number of tariff filings and advice letters received and brought to an agenda before the relevant deemed approved date divided by the total number of tariff filings and advice letters received.

III. GOAL: Promote the equitable treatment of ratepayers residing in mobile home parks with master-metered utilities in accordance with the NRS and Commission regulations.

- **Strategies**

- 1) Maintain a mobile home park database to track and monitor mobile home park annual reports.
- 2) Dedicate one half of one position to reviewing annual reports and maintaining the database.
- 3) Investigate request for tenant service charge account ("TSCA") withdrawal filings and conduct special investigations as warranted.

- **Objectives**

- 1) Review 80% of mobile home park annual reports within fifteen (15) calendar days of receipt.
- 2) Review, investigate and complete 90% of requests to TSCA withdrawal filings and bring to a Commission agenda for approval within ninety (90) calendar days of filing date.

- **Outcome Measures**
 - 1) Number of mobile home park annual reports reviewed within fifteen (15) calendar days of receipt divided by the total number of mobile home park annual reports received.
 - 2) Number of requests for TSCA withdrawal filings brought to a Commission's agenda for approval within ninety (90) calendar days of the filing date divided by the total number of requests for TSCA withdrawal filed.

IV. GOAL: Promote the timely submission and ensure prompt review by staff of utility and telecommunication annual reports as required by NRS and the Commission's regulations.

- **Strategies**
 - 1) Monitor and track the annual reporting requirements and annual reports submissions for each utility and telecommunications class utilizing Microsoft Access database.
 - 2) Notify utilities and telecommunications companies of past-due filing of annual reports.
 - 3) Provide list of companies not in compliance with reporting regulations to the Commission's General Counsel for further action.
 - 4) Track, review and maintain the annual report filings.
- **Objectives**
 - 1) Review 80% of the utility and telecommunications annual reports submitted within fifteen (15) calendar days of receipt.
 - 2) Notify by letter 100% of utilities and telecommunications companies that are late in filing their annual reports.
- **Outcome Measures**
 - 1) Number of utility and telecommunications annual reports reviewed within fifteen (15) calendar days of receipt divided by the total number of utility annual reports filed.
 - 2) Number of late letters issued divided by the total number of outstanding annual reports.

V. GOAL: Maintain a data base of compliance items contained in Commission orders to ensure their completion.

- **Strategy**
 - 1) Utilize Commission orders and the compliance order tracking system to accommodate the timely identification of required compliances.
- **Objectives**
 - 1) Identify and report to the case management division 100% of compliance items contained in Commission orders, including compliance due dates and responsible

division, within thirty (30) days of Commission orders. (Division administrative personnel disseminate compliance reports for their division).

- 2) At least monthly, distribute the Tariffs and Compliance division's compliance report to division personnel for follow-up.

- **Outcome Measures**

- 1) Number of Commission orders containing compliances reported to case management within thirty (30) days divided by the number of Commission orders containing compliances.
- 2) Number of compliance reports applicable to the Tariffs and Compliance division distributed to division personnel for follow-up divided by twelve.

VI. GOAL: Ensure that the collection by the Commission of monies for the Universal Energy Charge ("UEC") is performed using the proper forms and methodology on a timely basis pursuant to the applicable sections of the NRS and NAC.

- **Strategies**

- 1) Develop, maintain and utilize reports for tracking and accounting for UEC monies.
- 2) Develop, maintain and utilize reports to verify that entities are compliant with statutes and regulations.

- **Objectives**

- 1) Maintain and utilize the Quarterly UEC Receipts Report to summarize collections, requests for prepayment, and requests for refunds.
- 2) Follow up on and resolve 100% of utilities and retail customers that did not properly or timely file quarterly reports.
- 3) Process 100% of requests by retail customers for a refund of amounts paid in excess of the statutory requirement within fifteen (15) business days of receipt.
- 4) Process 100% of requests for exemption within fifteen (15) business days of receipt.
- 5) Process 100% of requests by retail customers for exemption through use of the prepayment option within fifteen (15) business days of receipt.

- **Outcome Measures**

- 1) The number of quarterly reports not timely or properly filed which were resolved divided by the total number of quarterly reports not timely or properly filed.
- 2) The number of refund requests processed within fifteen (15) business days divided by the total number of refund requests received.
- 3) The number of requests for exemption processed within fifteen (15) business days divided by the total number of requests for exemption received.
- 4) The number of requests by retail customers for exemption through use of the prepayment option processed within fifteen (15) business days divided by the total number of requests for exemption through the prepayment option received.

VII. GOAL: Ensure that utility customers that are exempt from the UEC are not charged the UEC.

- **Strategy**
 - 1) Review and/or maintain a list of utility customers that are exempt from paying the UEC, by utility.

- **Objectives**
 - 1) Determine if customers are exempt based on the criteria set forth in statute(s) and regulations.
 - 2) On a quarterly basis, review utility generated lists of governmental customer accounts exempt from the UEC.
 - 3) On a quarterly basis, review and maintain a list of all non-governmental utility customers, by utility, which are exempt from paying the UEC.

- **Outcome Measures**
 - 1) The number of times the utility generated list is reviewed divided by four (4).
 - 2) The number of times the non-governmental lists are reviewed and maintained divided by four (4).

Safety and Quality Assurance

Safety and Quality Assurance Division is responsible for safety and service issues for utilities regulated by the Commission. The division implements a natural and liquefied propane gas (“LPG”), gas pipeline safety program in conjunction with the US Department of Transportation (“US DOT”) Pipeline and Hazardous Materials Safety Administration. The division implements a railroad safety program in conjunction with the US DOT Federal Railroad Administration. The division also monitors water and wastewater utilities for quality of service, environmental compliance, and financial performance. The division also reviews applications to modify or construct new railroad crossings and UEPA applications for construction permits for compliance with environmental requirements for new water and/or sewer facilities.

Water and Sewer Systems

I. GOAL: Promote the safety, reliability, efficiency and viability of water and sewer utilities in accordance with Commission rules and regulations.

- **Strategies**

- 1) Inspect water and sewer utilities to discuss and evaluate technical, managerial and financial capabilities of the utility.
- 2) Conduct and prepare General Order 26 Reports that detail and discuss the water utilities' current capabilities and compliance with Commission regulations.
- 3) Construct and calibrate WaterCAD models of the utilities' distribution systems as part of each General Order 26 Report.
- 4) Address customer complaints from water and sewer utilities' customers that deal with engineering issues, and assist in formulating solutions as appropriate.
- 5) Process applications for new or expanded Certificates of Public Convenience and Necessity for water and/or sewer service.
- 6) Provide assistance to small utilities in preparation of water and sewer general rate cases.
- 7) Provide guidance to water and sewer utility owners to prepare effective and appropriate applications with the Commission.
- 8) Coordinate with other state agencies to verify utility compliance with state rules and regulations, and assist utilities in achieving compliance.

- **Objectives**

- 1) Visit 50% of the water and sewer utilities annually.
- 2) Conduct assessments and prepare General Order 26 Reports for 20% of all jurisdictional utilities annually.
- 3) Use the WaterCAD models in 100% of General Order 26 Reports to identify system deficiencies and assist the utility in planning capital improvements.

- **Outcome Measures**

- 1) Number of water and wastewater site visits divided by the total number of jurisdictional utilities.

- 2) Number of General Order 26 Reports prepared divided by the total number of jurisdictional General Order 26 utilities.
- 3) Number of General Order 26 Reports including WaterCAD model results divided by the total number of General Order 26 Reports prepared.

Rail Safety Program

II. GOAL: Improve the safety of railroad facilities and operating practices.

- **Strategies**
 - 1) Conduct field inspections of railroad rolling stock to determine whether cars and locomotives conform to federal requirements.
 - 2) Conduct inspections and audits of shippers and consignees of hazardous material rail cars to verify compliance with federal regulations.
 - 3) Conduct inspections of general system track to verify compliance with federal track standards.
 - 4) Conduct surveillance of train operating crews in railroad operations to ensure safe practices.
 - 5) Coordinate with the Federal Railroad Administration ("FRA") on inspections and follow-up inspections to verify compliance or corrective actions.
 - 6) Maintain and/or develop inspector certification through close cooperation with the FRA on training and education of Commission personnel in the rail safety program.
- **Objectives**
 - 1) Inspect six thousand (6,000) freight and passenger cars and locomotives annually.
 - 2) Inspect 100% of hazardous material shippers and consignees annually and nine hundred (900) hazardous material cars.
 - 3) Inspect three thousand five hundred (3,500) track units (miles of rail, turnouts, switches, ties, audits, etc.) annually.
 - 4) Not less than six hundred (600) units inspected (train rides, records inspections, safety audits, observations, testing, etc.).
- **Outcome Measures**
 - 1) Total number of Motive Power and Equipment units for freight and passenger car and locomotive inspections per year.
 - 2) Total number of hazardous material shippers and consignees inspected annually divided by the total number of hazardous material shippers and consignees. Total number of hazardous material cars inspected annually.
 - 3) Total number of track units inspected annually.
 - 4) Total number of Operating Practices units inspected for surveillance of railroad operations annually.

Gas Pipeline Safety Program

III. GOAL: Ensure jurisdictional gas system operators comply with federal and state safety regulations.

- **Strategies**

- 1) Conduct comprehensive pipeline safety audits of jurisdictional operators for compliance with federal and state regulations.
- 2) Assist jurisdictional gas system operators in complying with regulations by offering advice and support on resolution or correction of potential safety violations.
- 3) Provide prompt and efficient response and investigation of pipeline incidents to identify whether code violations contributed to the incident or its severity.
- 4) Obtain operator compliance with federal and state safety requirements by employing the minimum enforcement action that will ensure compliance.

- **Objectives**

- 1) Inspect all gas pipeline systems for direct sales, master meters and liquefied petroleum gas systems every two (2) years.
- 2) Inspect all gas pipeline systems for local distribution companies and intrastate transmission facilities every year.

- **Outcome Measures**

- 1) Total number of gas pipeline system inspection units for direct sales, master meters and liquefied petroleum gas systems inspected during the past two (2) years divided by the total number of units in this group.
- 2) Total number of gas pipeline system inspection units for local distribution companies and transmission facilities inspected during the current year divided by the total number of units in this group.

IV. GOAL: Reduce the number of violations of pipeline safety regulations through education, inspection and enforcement.

- **Strategies**

- 1) Provide jurisdictional operators a detailed description of identified probable violations and potential courses of corrective/remedial action during the inspection or investigation, and summarize Staff's findings at the conclusion of each inspection or incident investigation.
- 2) Conclude follow-up inspections with written correspondence outlining probable violations and explaining how the operator is in violation of safety requirements.
- 3) Arrange and participate in pipeline safety seminars.
- 4) Consider formal complaint action (petition Commission) for repeat violations and violations which contribute to accidents.

- **Objective**
 - 1) Obtain closure or correction of 100% of probable violations arising from audits, construction inspections, and incident investigations.
- **Outcome Measure**
 - 1) Total of prior year carryover plus current year violations closed divided by the total number of prior year plus current year violations.

Damage Prevention Program (Call-Before-You-Dig)

V. GOAL: Increase usage of the "One-Call" (Call-Before-You-Dig) system by contractors and underground facility owners in Nevada.

- **Strategies**
 - 1) The Safety and Quality Assurance division staff will participate in the operating committee for the One-Call center that serves the State, Underground Service Alert of Nevada ("USAN") and will support its goals.
 - 2) Staff will participate in the Nevada Regional Common Ground Alliance Partnership (NRCGAP) and will support implementation of the CGA Best Practices and goals in this State.
 - 3) Staff will participate in excavator and/or operator safety awareness functions organized by USAN, operators or their associations, contract excavators as a sponsor or program speaker.
 - 4) Staff will work with USAN, utility associations, contractor associations, and public works associations to promote a widespread, full and complete understanding of the requirements of NRS 455 and the regulations adopted to implement the program.
 - 5) Implement adopted regulations for the Call-Before-You-Dig program and effectively resolve formal and informal complaints.
 - 6) Staff will work with damage prevention stakeholders to facilitate the development and population of a damage cause database. Analyse the database to identify causes for violations and increase educational focus on these issues.
 - 7) Support utilities and excavators by explaining the essentials of effective complaints and the complaint resolution process.
 - 8) Employ the least enforcement necessary to obtain full compliance with the regulations.
 - 9) Staff will continue to work with damage prevention stakeholders to improve the process and effectiveness of the program in Nevada.
- **Objectives**
 - 1) Staff will conduct a series of focused work group sessions during the first half of 2006 with stakeholders to consider: potential enhancements to the existing regulation; potential improvements to the one-call center functionality; and development of a comprehensive reporting system.
 - 2) Staff will regularly attend USAN, NV Regional CGA, excavator and other stakeholder association meetings to communicate: responsibilities and rights per

statute and regulation, to provide needed clarification and guidance, and to seek input on how the one-call system can be improved and the frequency of dig-in damage events can be reduced.

- 3) Staff will maintain records of complaints received against excavators or operators and the measures employed to obtain resolution, and will monitor the effectiveness of the complaint resolution process in achieving better compliance.

- **Outcome Measures**

- 1) Development of a draft modification to the regulation by July 1, 2006, for submittal to the Commission for consideration.
- 2) Development of clear proposals for presentation to the USAN Board on one-call center upgrades including provision of direct, electronic access, scheduling and tracking tools, automated positive response to the excavator, and perhaps a comprehensive reporting module by December 31, 2006.
- 3) Development of a consensus dig-in database specification, including required fields, data input options and the mechanism by which to accommodate such reporting by December 31, 2006.

Consumer Complaint Resolution

Consumer Complaint Resolution Division is responsible for responding to utility consumer needs, problems, and inquiries. The division is responsible for receiving, investigating and mediating complaints that arise between customers and their serving utilities (i.e., electric, gas, telecommunications, water and sewer). The division also tracks complaint levels and apprises the Commission of arising problem areas. Additionally, it makes recommendations to the Commission and the utilities regarding possible changes in policies or practices relating to the improvement of customer service and complaint resolution.

I. GOAL: Resolve written complaints that arise between regulated utilities and their customers effectively and efficiently.

- **Strategies**
 - 1) Provide management oversight on turnaround times on all written complaints.
 - 2) Ensure the division is sufficiently staffed and trained to timely respond to written complaints.
 - 3) Maintain a database to track written complaints.
- **Objective**
 - 1) Ensure 75% of all written complaints that arise between regulated utilities and their customers are resolved within forty-five (45) calendar days of formal notification to the utility.
- **Outcome Measure**
 - 1) Total number of written complaints resolved within forty-five (45) calendar days of formal notification to the utility divided by the total number of written complaints.

II. GOAL: Respond to telephone inquiries effectively and efficiently.

- **Strategies**
 - 1) Provide management oversight on turnaround times on all telephone inquiries.
 - 2) Ensure the division is sufficiently staffed and trained to timely respond to telephone inquiries.
 - 3) Develop and maintain a database to track telephone inquiries.
- **Objective**
 - 1) Ensure 75% of all telephone inquiries are resolved within five to seven (5-7) business days of receipt.
- **Outcome Measure**
 - 1) Total number of telephone inquiries resolved within five to seven (5-7) business days of receipt divided by the total number of telephone inquiries.

III. GOAL: Distribute pamphlets and other descriptive material containing information about the Commission and the public utilities under its jurisdiction pursuant to NRS 703.400.

- **Strategies**

- 1) Track utility consumer issues and/or concerns that need to be addressed.
- 2) Work with the Commission's Public Affairs and Consumer Education staff and the Attorney General's Bureau of Consumer Protection to identify current utility trends and concerns that Nevada utility consumers tend to call the Commission with when seeking assistance.
- 3) Distribute pamphlets and publications that provide information and increase the understanding of issues for Nevada utility customers.

- **Objective**

- 1) Distribute pamphlets and other publications that describe the Commission's complaint process, how to participate in consumer sessions, how to conserve energy, and other relevant topics.

- **Outcome Measures**

- 1) Number of informational pamphlets distributed in current year.
- 2) Number of energy conservation pamphlets distributed in current year.

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