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OFFICE OF THE GOVERNOR
NEVADA STATE OFFICE OF ENERGY

DETERMINATION OF NEVADA STATE OFFICE OF ENERGY DIRECTOR/COMMISSIONER NOT TO PREPARE SMALL BUSINESS IMPACT STATEMENT REGARDING A REGULATION PROPOSED BY THE NEVADA ENERGY DIRECTOR/COMMISSIONER

Pursuant to Nevada Revised Statutes ("NRS") 233B.0608 (1), the Nevada Energy Commissioner ("the Commissioner") is required to make a determination whether the proposed regulations to adopt the 2009 International Energy Conservation Code will: (a) impose a direct and significant economic burden upon small business, and (b) directly restrict the formation, operation, or expansion of small business.

On April 5, 2011, the Commissioner requested that the Regulatory Operations Staff ("Staff") of the Public Utilities Commission of Nevada ("Commission"), pursuant to NRS 701.330(2), perform a Delphi Method Small Business Impact Investigation on the proposed regulations. Staff was asked to conduct an investigation regarding whether the proposed regulations are likely to impact small businesses as contemplated in NRS 233B.0608(1).

On April 27, 2011, Staff submitted a Small Business Impact Report to the Commissioner. The report contained the following findings:

1) The Delphi method was used to determine the potential impact of the proposed regulations on small business;
2) The participants were members of Staff and the Commission's Policy Analysis Division. Each participant in the exercise used his or her background and expertise to reflect upon and analyze the impact of the regulations on small businesses;
3) The implementing statute, NRS 701.220, is the primary driver of any effects, positive, or negative on small business. The proposed regulations only carry out the intent of the statute by adopting the 2009 version of the IECC.
4) Any definitive measure of the incremental impacts (i.e., the difference between the IECC in place currently and the 2009 IECC) on small businesses as a result of the proposed regulations is indeterminable at this time. However, any negative effects would also have to be balanced against potential positive effects. The negative effects would include higher costs incurred for new construction and retrofit projects. The positive effects would include increased business for energy efficiency auditors, builders and retrofit contractors that are small businesses. Further, small businesses required to install IECC compliant materials, fixtures, and other compliant items, will likely see some positive effects from energy efficiency, which may include lowered utility bills. However, as stated, the magnitude of these effects is indeterminable at this time.

5) The 2009 IECC has already been adopted by several local jurisdictions, so small businesses are already subject to its provisions not as a result of the proposed regulations.

Staff recommended that, in accordance with NRS 233B.0608(1), the Commissioner find that the proposed regulations are not likely to impose a direct or significant economic burden on a small business, nor to restrict the formation, operation or expansion of a small business.

THEREFORE, the Nevada State Office of Energy Director/Commissioner makes the following determination:

The Director/Commissioner accepts Staff's recommendations and finds that the proposed regulations are not likely to impose a direct or significant economic burden on a small business, nor to restrict the formation, operation or expansion of a small business. Therefore, a small business impact statement pursuant to NRS 233B.0608(2) is not required.

Nevada Energy Director/Acting Commissioner,

Stacey Crowley

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5/11/11

Date