

STEVE SISOLAK
Governor

STATE OF NEVADA

VICTORIA CARREÓN
Administrator

TERRY REYNOLDS
Director



PERRY FAIGIN
Deputy Administrator

**DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF INDUSTRIAL RELATIONS
3360 W. Sahara Avenue, Suite 250
Las Vegas, NV 89102**

**NOTICE OF SECOND PUBLIC WORKSHOP TO SOLICIT COMMENTS
ON PROPOSED REGULATIONS
LCB File No. R033-21**

(THIS IS NOT A NOTICE OF INTENT TO ACT ON A REGULATION)

The Division of Industrial Relations, Department of Business and Industry, State of Nevada, ("Division"), will conduct a public workshop on proposed permanent regulations amending Chapter 455C of the Nevada Administrative Code ("NAC").

The public hearing on these proposed regulations will be conducted by Webex on Tuesday, July 19, 2022 at 3:00 p.m. There is no physical location for this virtual meeting, and this workshop will be held via remote technology system only (WebEx) in accordance with Assembly Bill 253 (Effective May 31, 2021). Members of the public may attend and participate in this meeting in the following ways:

Webex Access

Meeting Link:

<https://meet222.webex.com/join?MTID=mdb05453d65693cb9576f307c66aed445>

Meeting number (access code): 2559 379 3683

Meeting password: Jx3Y2J3Kzpk (59392535 from video systems)

Join from a video system or application

Dial 25593793683@meet222.webex.com

You can also dial 173.243.2.68 and enter your meeting number.

Join by phone

+1-415-655-0001 US Toll

Need help? Go to <http://help.webex.com/>

Pursuant to NRS 233B.0608 and 233B.0609, the Division is providing the following statements pertaining to the public hearing on proposed changes to Chapter 455C of the Nevada Administrative Code ("NAC").

The need and purpose of the proposed revisions to regulations: *The Division of Industrial Relations, Mechanical Compliance Section (“MCS”) shall adopt by regulation the stands and procedures for the installation, inspection, maintenance, relocation, improvement, alterations, and repair of boilers, elevators, and pressure vessels. The Division may adopt regulations that apply to the equipment and apparatuses used in connection with a water heater (enacted in Senate Bill 205, chapter 328, Statutes of Nevada 2021, at page 1959). The proposed relate to public safety; create and revise certain definitions; revise and remove certain exceptions to provisions governing boilers and pressure vessels; establish certain inspection fees for the equipment and apparatuses used in connection with a water heater; provide an inspection schedule of the equipment and apparatuses used in connection with a water heater; provide when an inspector or special inspector may inspect boilers or pressure vessels; require that certain persons allow an inspector, upon presentation of credentials, to enter upon the premises at any reasonable time to carry out an inspection; provide that certain connective pipes are part of the installation of a boiler or pressure vessel and must comply with the requirements for the boiler or pressure vessel; and provide other matters properly relating thereto.*

The estimated economic effect of the proposed regulations on (a) regulated businesses and (b) the public, including, stated separately: (i) adverse and beneficial effects; and (ii) immediate and long-term effects:

(a) Regulated businesses:

(i) Adverse and beneficial effects:

The Division anticipates a direct effect on small businesses that seek a permit for equipment and apparatuses used in connection with a water heater as the result of the adoption of this regulation. The proposed regulation provides for a \$110 fee for the issuance of an initial operating permit, based on an inspection by an inspector for equipment and apparatuses used in connection with a water heater. In addition, the proposed regulation provides for a \$50 fee for the biennial renewal of an operating permit, based on an inspection by an inspector or a special inspector of equipment and apparatuses used in connection with a water heater.

The Division anticipates beneficial effects on small businesses, including that the proposed regulation will help monitor crucial safety issues for the installation and use of equipment and apparatuses used in connection with a water heater to assist with prevention of losses to businesses. Additionally, the Division anticipates that small business owners will achieve savings in maintenance costs as biennial inspection will alert small business owners to potential failures and malfunctions of equipment prior to critical failures.

(ii) Immediate and long-term effects:

The Division does not anticipate any immediate effects, either adverse or beneficial, on regulated and small businesses as a result of these regulations that apply to the equipment and apparatuses used in connection with a water heater

(enacted in Senate Bill 205, chapter 328, Statutes of Nevada 2021, at page 1959).

The Division anticipates beneficial effects on small businesses, including that the proposed regulation will help monitor crucial safety issues for the installation and use of equipment and apparatuses used in connection with a water heater to assist with prevention of losses to businesses. Additionally, the Division anticipates that small business owners will achieve savings in maintenance costs as biennial inspection will alert small business owners to potential failures and malfunctions of equipment prior to critical failures.

The Division does not anticipate any long-term effects, either adverse or beneficial, on regulated businesses as a result of these regulations. However, the proposed regulation provides for a \$110 fee for the issuance of an initial operating permit, based on an inspection by an inspector for equipment and apparatuses used in connection with a water heater. In addition, the proposed regulation provides for a \$50 fee for the biennial renewal of an operating permit, based on an inspection by an inspector or a special inspector of equipment and apparatuses used in connection with a water heater.

(b) The public:

(i) Adverse and beneficial effects:

The Division anticipates no adverse effects, either direct or indirect, on the public as the result of these regulations that apply to the equipment and apparatuses used in connection with a water heater (enacted in Senate Bill 205, chapter 328, Statutes of Nevada 2021, at page 1959). There will be no direct or indirect cost to the public.

The Division believes that there will be beneficial effects on the public as the result of these regulations, including that the proposed regulation will help monitor crucial safety issues for the installation and use of equipment and apparatuses used in connection with a water heater to assist with mitigation of injuries to the public.

(ii) Immediate and long-term effects:

The Division does not anticipate any immediate effects, either adverse or beneficial, on the public as a result of these regulations that apply to the equipment and apparatuses used in connection with a water heater (enacted in Senate Bill 205, chapter 328, Statutes of Nevada 2021, at page 1959). There will be no direct or indirect costs to the public.

The Division anticipates long-term beneficial effects on the public as a result of these regulations, including that the proposed regulation will help monitor crucial safety issues for the installation and use of equipment and apparatuses used

in connection with a water heater to assist with mitigation of injuries to the public. There will be no direct or indirect costs to the public.

The estimated cost to the Division for enforcement of the proposed regulations: *The Division does not anticipate incurring any additional costs for these proposed permanent regulations necessary to implement the regulations that apply to the equipment and apparatuses used in connection with a water heater (enacted in Senate Bill 205, chapter 328, Statutes of Nevada 2021, at page 1959).*

The Division believes that the proposed regulation does not overlap or duplicate any existing regulation. *Local jurisdictions in Nevada require an installation permit for water heaters installed singly or in a series. However, local jurisdictions do not issue periodic renewal of operating permits for these installations and do not conduct regular safety inspections after installation. In contrast, under the proposed regulation, the Mechanical Compliance Section of the Division would issue an installation permit and then require an inspection every two years to renew an operating permit, in addition to requiring the installation of an emergency gas shutoff valve. The proposed regulation will help monitor crucial safety issues for the installation and use of equipment and apparatuses used in connection with a water heater to assist with prevention of losses to businesses.*

The proposed regulation does not establish a new fee or increase an existing fee. *The proposed regulation provides for a fee of \$110 per system of equipment and apparatus used in connection with a water heater in the first year, and a biennial fee of \$50 thereafter. The annual total collected is estimated to be less than \$10,000, collected via permit fee invoices. The money will go into the Workers' Compensation and Safety Fund, which funds a variety of agencies for activities related to workers' compensation and safety, including the Mechanical Compliance Section.*

The Division invites representatives of regulated businesses and the public to attend the public hearing and/or prepare written and/or oral comments concerning the proposed regulations. A copy of the proposed language for LCB File No. R033-21, may be downloaded from the Division's website: <http://dir.nv.gov/Meetings/Meetings/>. Before the Public Workshop, persons may submit written comments to Christopher A. Eccles, Esq., Senior Division Counsel, Division of Industrial Relations, 3360 W. Sahara Ave., Suite 250, Las Vegas, Nevada 89102 or by email to ceccles@dir.nv.gov. If no person who is directly affected by the proposed regulation appears to make oral comments, the Division may proceed immediately to act upon any written submissions.

After the comments have been reviewed and considered, the Division will give notice of intent to act on the regulation and conduct one or more public hearings to solicit written and/or oral comments, data, and views on the proposed regulation.

Persons with disabilities who require special accommodations or assistance at the workshop must notify Rosalind Jenkins at the Division of Industrial Relations, by email at rozjenkins@dir.nv.gov, or by calling (702) 486-9014 by 5:00 p.m., three (3) working days prior to this Workshop.

This notice has been posted on Nevada's notice website: <http://leg.state.nv.us/App/Notice/A/>; State of Nevada notice website: <https://notice.nv.gov>; and the Division's website: <http://dir.nv.gov/Meetings/Meetings>, as set forth in NRS 241.020(4)(b) and (4)(c). A copy of the

Notice and the proposed permanent regulation to be adopted and/or amended is on file and has also been posted at the following locations: Division of Industrial Relations, 3360 West Sahara Avenue, Suite 250, Las Vegas, Nevada 89102; and 400 West King Street, Suite 400, Carson City, Nevada 89710.

**HEARING AGENDA
DIVISION OF INDUSTRIAL RELATIONS
DEPARTMENT OF BUSINESS AND INDUSTRY**

Notice: (1) Items on the Agenda may be taken out of order; (2) the Division may combine two or more Agenda items for consideration; and (3) the Division may remove an item on the Agenda at any time.

- I. Call to Order.**
- II. Public Comment.** The opportunity for public comment is reserved for any matter listed below on the Agenda as well as any matter within the jurisdiction of the Division. No action on such an item may be taken by the Division unless and until the matter has been noticed as an action item. Comment may not be restricted based on viewpoint.
- III.** Discussion of Proposed Permanent Regulations – LCB File No. R033-21, amendment of regulations that pertain to Chapter 455C of the Nevada Administrative Code.
- IV. Public Comment.** The opportunity for public comment is reserved for any matter within the jurisdiction of the Division. No action on such an item may be taken by the Division unless and until the matter has been noticed as an action item. Comment may not be restricted based on viewpoint.
- V. Adjournment.**

**REVISED PROPOSED REGULATION OF THE DIVISION OF
INDUSTRIAL RELATIONS OF THE DEPARTMENT OF
BUSINESS AND INDUSTRY**

LCB File No. R033-21

May 27, 2022

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: §§ 1-6, 8 and 9, NRS 455C.110 and 455C.112; § 7, NRS 455C.112 and 455C.120.

A REGULATION relating to public safety; creating and revising certain definitions; revising and removing certain exceptions to provisions governing boilers and pressure vessels; establishing certain inspection fees for the equipment and apparatuses used in connection with a water heater; providing an inspection schedule of the equipment and apparatuses used in connection with a water heater; providing when an inspector or special inspector may inspect boilers or pressure vessels; requiring that certain persons allow an inspector, upon presentation of credentials, to enter upon the premises at any reasonable time to carry out an inspection; providing that certain connective pipes are part of the installation of a boiler or pressure vessel and must comply with the requirements for the boiler or pressure vessel; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Division of Industrial Relations of the Department of Business and Industry to adopt regulations that apply to the equipment and apparatuses used in connection with a water heater. (NRS 455C.112) Existing law clarifies that such regulations do not apply to the water heater itself if, with regard to the water heater, none of the following limitations are exceeded: (1) an input of heat of 199,999 British thermal units per hour (58,600 watts); (2) a water temperature of 210 degrees Fahrenheit (99 degrees Centigrade); and (3) a water capacity of 120 gallons (450 liters). (NRS 455C.090)

Existing law defines “water heater” to mean an appliance that is: (1) designed primarily to supply hot water for domestic or commercial purposes; and (2) equipped with automatic controls which limit water temperature to a maximum of 210 degrees Fahrenheit (99 degrees Centigrade). (NRS 455C.085) Existing regulations define “potable water heater” and set forth various provisions governing certain water heaters, fired water heaters, storage water heaters, hot water heaters, hot water heating boilers and potable water heaters. (NAC 455C.064, 455C.114, 455C.156, 455C.210, 455C.232, 455C.234) **Section 3** of this regulation clarifies that the statutory definition for “water heater” applies to these existing regulations.

Existing regulations govern boilers and pressure vessels. (Chapter 455C of NAC) **Section 5** of this regulation provides that the term “boiler” includes the equipment and apparatuses used in connection with a water heater, which results in the existing regulations that govern boilers also governing the equipment and apparatuses used in connection with a water heater.

Existing regulations exempt certain boilers, pressure vessels and other appliances from the regulations that govern boilers and pressure vessels. (NAC 455C.114) **Section 6** of this regulation exempts any water heater from these existing regulations if the water heater does not exceed certain limitations as provided in existing law. (NRS 455C.090) **Section 6** additionally removes the exemption for certain boilers or heaters for a pool.

Existing law requires the Division to prescribe any fee that is necessary to carry out the provisions governing boilers and pressure vessels, including fees for inspections of boilers or pressure vessels. (NRS 455C.120) **Section 7** of this regulation sets forth a fee of: (1) \$110 for the issuance of an initial operating permit for the equipment and apparatuses used in connection with a water heater; and (2) \$50 for the biennial renewal of such an operating permit.

Existing regulations set forth the frequency and scope of inspections of various types of boilers and pressure vessels. (NAC 455C.156) Unless the type of inspection is specified, existing regulations require the inspection to be internal or, for certain inspections, to be made by ultrasonic testing. Existing regulations provide that an external inspection is acceptable if the design or construction of a boiler or pressure vessel is such that an internal inspection is not possible. (NAC 455C.154) **Section 8** of this regulation requires the equipment and apparatuses used in connection with a water heater to be inspected upon installation and at least once every 2 years thereafter. **Section 8** further provides, for all applicable devices, that: (1) an inspector employed by the Mechanical Compliance Section of the Division must perform the initial inspection or the inspection upon installation, as applicable; and (2) an inspector or a special inspector employed or retained as an independent contractor by certain companies or organizations may perform any subsequent inspection. (NAC 455C.060, 455C.100) **Section 8** requires the owner, operator or agent in charge of the premises containing a boiler or pressure vessel to allow an inspector, upon presentation of credentials, to enter upon the premises at any reasonable time to carry out an inspection or subsequent inspection.

Existing regulations provide that all connective pipes that are subjected to pressure emanating from certain appliances and vessels are part of the installation of the boiler or pressure vessel and must comply with the requirements for the boiler or pressure vessel. (NAC 455C.210) **Section 9** of this regulation provides that all connective pipes that are subjected to pressure emanating from the equipment and apparatuses used in connection with a water heater are part of the installation of the boiler or pressure vessel and must comply with the requirements for the boiler or pressure vessel.

Section 1. Chapter 455C of NAC is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this regulation.

Sec. 2. 1. *“Equipment and apparatuses used in connection with a water heater” means the following systems and rooms that are used for fuel-fired water heater systems:*

(a) The emergency shut-off valve described in NAC 455C.206;

(b) Carbon monoxide monitoring systems;

(c) Air and ventilation systems as described in NAC 455C.270; and

(d) Any rooms and any exits from such rooms that are described in NAC 455C.272.

2. As used in this section, “fuel-fired water heater system” means a system which:

(a) Has a capacity to burn fuel at an input heat of not less than 1,000,000 British thermal units per hour; and

(b) Is comprised of water heaters that individually would be exempt pursuant to subsection 7 of NAC 455C.114 but, together, make up the system.

Sec. 3. *“Water heater” has the meaning ascribed to it in NRS 455C.085.*

Sec. 4. NAC 455C.020 is hereby amended to read as follows:

455C.020 As used in NAC 455C.020 to 455C.300, inclusive, *and sections 2 and 3 of this regulation*, unless the context otherwise requires, the words and terms defined in NAC 455C.022 to 455C.106, inclusive, *and sections 2 and 3 of this regulation* have the meanings ascribed to them in those sections.

Sec. 5. NAC 455C.026 is hereby amended to read as follows:

455C.026 “Boiler” has the meaning ascribed to it in NRS 455C.020 ~~§~~ *and includes the equipment and apparatuses used in connection with a water heater.*

Sec. 6. NAC 455C.114 is hereby amended to read as follows:

455C.114 The provisions of NAC 455C.020 to 455C.300, inclusive, *and sections 2 and 3 of this regulation* do not apply to:

1. Boilers and pressure vessels governed by the provisions of chapter 512 of NRS and chapter 512 of NAC.

2. Boilers and pressure vessels installed or used in a single-family residence unless the boiler or pressure vessel is a:
 - (a) Hot water supply boiler;
 - (b) Hot water supply tank that has a storage capacity which exceeds 120 gallons;
 - (c) Low-pressure heating boiler;
 - (d) Power boiler; or
 - (e) Pressure vessel that:
 - (1) Operates at pressures that exceed 15 PSIG; or
 - (2) Has a storage capacity of 5 cubic feet or more by volume.
3. Boilers and pressure vessels under the control of the Federal Government.
4. Unfired pressure vessels meeting the requirements of the United States Department of Transportation for the shipment of liquids or gases under pressure.
5. Unfired pressure vessels having an inside diameter not exceeding 6 inches (152 millimeters).
6. Unfired pressure vessels containing cold water under pressure, including those containing air, the compression of which serves only as a cushion.
7. A ~~{fired-storage}~~ water heater ~~{that is directly fired with oil, gas or electricity,}~~ or a pressure vessel containing water heated by steam or by any other indirect means, if none of the following limitations is exceeded:
 - (a) An input of heat of 199,999 British thermal units per hour (58,600 watts).
 - (b) A water temperature of 210 degrees Fahrenheit (99 degrees Centigrade).
 - (c) A water capacity of 120 gallons (450 liters).
8. Unfired pressure vessels that do not exceed 5 cubic feet in volume and 15 PSIG.

9. An unfired pressure vessel that may be classified as a pressure container which is an integral part or component of a rotating or reciprocating mechanical device, including a pump, compressor, turbine, generator, engine and hydraulic or pneumatic cylinder where the primary considerations of stresses in the design, or both, are derived from the functional requirements of the device.

10. Unfired pressure vessels used for the storage of compressed air only.

11. A hot water heater constructed of continuous coils, which is used only to produce steam vapor to clean machinery, equipment and buildings, if:

(a) The tubing or pipe size does not exceed three-fourths of an inch in diameter and drums and headers are not attached;

(b) The nominal water containing capacity does not exceed 6 gallons;

(c) The water temperatures do not exceed 350 degrees Fahrenheit; and

(d) Steam is not generated within the coil,

↪ except that the provisions of NAC 455C.020 to 455C.300, inclusive, *and sections 2 and 3 of this regulation* do apply to safety relief valves on a hot water heater constructed of continuous coils.

12. Unfired pressure vessels and piping containing liquid petroleum gas and liquid natural gas.

~~13. A boiler or heater for a pool, if:~~

~~—(a) The supply or return line has no stop valves installed; and~~

~~—(b) It is impossible for the unit to build pressure in excess of 15 pounds per square inch.~~

Sec. 7. NAC 455C.118 is hereby amended to read as follows:

455C.118 1. Except as otherwise provided in subsections 3 and 4, the Mechanical Compliance Section shall charge and collect the following fees:

Certificates	Fees
For the issuance of a certificate.....	\$100
For the renewal of a certificate.....	50

Power Boilers	Fees
If the power boiler has 250 square feet or less of heating surface:	
For the issuance of an initial operating permit, based on a preliminary and final inspection by an inspector	\$160
For the annual renewal of an operating permit, based on one internal inspection and one external inspection or two external inspections	110
If the power boiler has more than 250 square feet but not more than 750 square feet of heating surface:	
For the issuance of an initial operating permit, based on a preliminary and final inspection by an inspector	160
For the annual renewal of an operating permit, based on one internal inspection and one external inspection or two external inspections	120
If the power boiler has more than 750 square feet of heating surface:	

Power Boilers

Fees

For the issuance of an initial operating permit, based on a preliminary and final inspection by an inspector	160
For the annual renewal of an operating permit, based on one internal inspection and one external inspection or two external inspections	140

Equipment and Apparatuses Used in Connection with a Water Heater

Fees

<i>For the issuance of an initial operating permit, based on an inspection by an inspector.....</i>	<i>\$110</i>
<i>For the biennial renewal of an operating permit, based on an inspection by an inspector or a special inspector.....</i>	<i>50</i>

Low-Pressure Steam Heating Boilers

Fees

If the low-pressure steam heating boiler has less than 500 square feet of heating surface:	
For the issuance of an initial operating permit, based on a preliminary and final inspection by an inspector	\$160
For the annual renewal of an operating permit, based on one internal inspection and one external inspection or two external inspections	60

Low-Pressure Steam Heating Boilers

Fees

If the low-pressure steam heating boiler has 500 square feet or more of heating surface:

For the issuance of an initial operating permit, based on a preliminary and final inspection by an inspector 160

For the annual renewal of an operating permit, based on one internal inspection and one external inspection or two external inspections 65

Low-Pressure Hot Water Heating Boilers

Fees

If the low-pressure hot water heating boiler has less than 500 square feet of heating surface:

For the issuance of an initial operating permit, based on a preliminary and final inspection by an inspector \$160

For the biennial renewal of an operating permit, based on one internal inspection or one external inspection..... 60

If the low-pressure hot water heating boiler has 500 square feet or more of heating surface:

For the issuance of an initial operating permit, based on a preliminary and final inspection by an inspector 160

For the biennial renewal of an operating permit, based on one internal inspection or one external inspection..... 65

Hot Water Supply Boilers

Fees

For the issuance of an initial operating permit for a hot water supply boiler, based on
a preliminary and final inspection by an inspector \$110

For the biennial renewal of an operating permit for a hot water supply boiler, based
on one internal inspection or one external inspection 50

Unfired Pressure Vessels

Fees

For the issuance of an initial operating permit for an unfired pressure vessel, based
on a preliminary and final inspection by an inspector..... \$90

For the renewal of an operating permit for an unfired pressure vessel, based on one
internal inspection or one external inspection..... 40

Refrigeration Pressure Vessels

Fees

If the output capacity of the system of refrigeration is less than 100 tons:

For the issuance of an initial operating permit for the refrigeration pressure
vessel, based on a preliminary and final inspection by an inspector \$80

For the renewal of an operating permit for the refrigeration pressure vessel, based
on one internal inspection or one external inspection 50

If the output capacity of the system of refrigeration is 100 tons or more:

Refrigeration Pressure Vessels

Fees

For the issuance of an initial operating permit for the refrigeration pressure vessel, based on a preliminary and final inspection by an inspector	90
For the renewal of an operating permit for the refrigeration pressure vessel, based on one internal inspection or one external inspection	60

Boilers or Pressure Vessels Installed or Used in Single-Family Residences

Fees

For the preliminary and final inspections of a boiler or pressure vessel that is installed or used in a single-family residence that are required to be made at the time of installation pursuant to NAC 455C.156.....	\$80
For each subsequent inspection of the boiler or pressure vessel that is requested by the owner of the boiler or pressure vessel	40

Renewal of Operating Permits for Boilers or Pressure Vessels

Inspected by Special Inspectors

Fees

For the renewal of an operating permit for a boiler or pressure vessel if the operating permit is renewed based on a report of an inspection made by a special inspector	\$20
--	------

Special Services

Fees

For any services rendered by the Mechanical Compliance Section to assist a person in complying with the provisions of this chapter, including, without limitation, an inspection other than an inspection required by NAC 455C.156 and the review of plans and specifications before those plans and specifications are submitted to the Mechanical Compliance Section pursuant to NAC 455C.182:

Per hour charge for those services provided during the first 8 hours of a day \$40

Per hour charge for those services provided after the first 8 hours of the day 60

2. In addition to paying the fees imposed by this section for services rendered by the Mechanical Compliance Section to assist a person in complying with the provisions of this chapter, a person who requests that the Mechanical Compliance Section perform such services must pay all necessary expenses incurred by the Mechanical Compliance Section in fulfilling the request.

3. The fees imposed by this section for operating permits or inspections of boilers or pressure vessels do not apply to boilers or pressure vessels that are owned by the United States, the State of Nevada or any political subdivision of the State of Nevada, including, without limitation, any county, city, municipality, district or commission.

4. The fees imposed by this section for a request for services by the Mechanical Compliance Section to assist a person in complying with the provisions of this chapter and any necessary expenses incurred by the Mechanical Compliance Section in fulfilling the request will not be

charged to the United States, the State of Nevada or any political subdivision of the State of Nevada, including, without limitation, any county, city, municipality, district or commission.

Sec. 8. NAC 455C.156 is hereby amended to read as follows:

455C.156 1. A power boiler or a high-pressure, high-temperature water boiler must be inspected upon installation and must have an internal inspection, if the construction and design of the boiler so allows, at least once each year thereafter, and an external inspection approximately 6 months after the date of the internal inspection. If an internal inspection is not possible, such a boiler must have an external inspection at least once every 6 months.

2. A low-pressure steam heating boiler must be inspected upon installation and at least once each year thereafter. The inspection must be:

(a) An internal inspection, if the construction and design of the boiler so allows and the inspector or special inspector so requests; or

(b) An external inspection that includes operational testing of all controls and safety devices.

3. Except as otherwise provided in subsection 4, a low-pressure hot water heating boiler and a hot water supply boiler must be inspected upon installation and at least once every 2 years thereafter. The inspection must be:

(a) An internal inspection, if the construction and design of the boiler so allows and the inspector or special inspector so requests; or

(b) An external inspection that includes operational testing of all controls and safety devices.

4. A potable water heater must have an external inspection at least once every 2 years. The external inspection must include operational testing of all controls and safety devices if the installation and construction of the potable water heater so allows.

5. Any other fired pressure vessel for which a frequency of inspection is not specified in subsections 1 to 4, inclusive, must be inspected upon installation and at least once each year thereafter. The inspection must be:

- (a) An internal inspection, if the construction and design of the pressure vessel so allows;
- (b) An external inspection that includes operational testing of all controls and safety devices, if the installation and construction of the pressure vessel so allows; or
- (c) An external inspection that includes operational testing of each control and safety device that it is possible to test given the installation and construction of the pressure vessel.

6. An unfired pressure vessel must be inspected upon installation and at least once every 4 years thereafter. The inspection must be:

- (a) An internal inspection, if the construction and design of the pressure vessel so allows; or
- (b) An external inspection that includes operational testing of all controls and safety devices.

7. A refrigeration pressure vessel must be inspected upon installation and at least once every 4 years thereafter. The inspection must be:

- (a) An internal inspection, if the construction and design of the pressure vessel so allows; or
- (b) An external inspection that includes operational testing of all controls and safety devices.

8. A boiler or pressure vessel installed or used in a single-family residence must be inspected by an inspector upon installation. The inspection must include a preliminary and a final inspection and must be an internal inspection, if the construction and design of the boiler or pressure vessel so allows, or an external inspection that includes operational testing of all controls and safety devices. If the owner of the boiler or pressure vessel wishes to have an inspector perform any subsequent inspections of the boiler or pressure vessel, he or she must submit a written request for such an inspection to the Mechanical Compliance Section.

9. *The equipment and apparatuses used in connection with a water heater must be inspected upon installation and at least once every 2 years thereafter.*

10. An inspector or special inspector may require any boiler or pressure vessel to be prepared for inspection in the manner set forth in NAC 455C.158 if, in his or her opinion, an inspection is necessary to determine whether the boiler or pressure vessel is operating in a safe manner.

~~10.1~~ 11. An inspection organization that has been authorized by the Mechanical Compliance Section to inspect its boilers and pressure vessels may request approval from the Mechanical Compliance Section to inspect its boilers and pressure vessels at a different interval.

~~11.1~~ 12. Upon application from a petroleum company, chemical plant, public utility or other employer considered by the Mechanical Compliance Section as having a program acceptable to the Mechanical Compliance Section for preventive maintenance and examination, an operating permit that allows an extension of time between required internal inspections may be granted if the power boiler is inspected by external inspections at intervals of approximately 6 months. The application for the operating permit that allows an extension of time must be submitted in writing at least 45 days before the required internal inspection. The application must include the history of the power boiler or, if the power boiler is newly installed, of a similar boiler, substantiating that there is no significant deterioration from scaling, corrosion, erosion or overheating. Points of reference established by the owner of the power boiler or an authorized inspection entity at the time of the first inspection must be used to determine the thickness of the walls of the power boiler. If the application is approved after the internal inspection of each power boiler, a record showing the total corrosion and any other conditions that need correction must be submitted to the Mechanical Compliance Section.

~~12.1~~ 13. An operating permit issued pursuant to subsection ~~11.1~~ 12 expires 1 year after the date of an internal inspection. Before the expiration of the permit, the boiler must be inspected by an external inspection conducted by an inspector or special inspector who will review the operation logs and records of water treatment. If the owner of the power boiler or his or her agent applies for an extension of an operating permit issued pursuant to subsection ~~11.1~~ 12, the inspector or special inspector shall submit a report of inspection and recommendations to the Mechanical Compliance Section. If the Mechanical Compliance Section approves the application, it may extend the operating permit for a period not to exceed 6 months. Before the expiration date of the extension, the owner or his or her agent must apply again for an extension and the boiler must again be inspected by an external inspection conducted by an inspector or special inspector. A second extension may be issued for an additional period of 6 months after which the boiler must be inspected by an internal inspection.

14. An inspector shall perform the initial inspection or the inspection upon installation, as applicable. An inspector or special inspector may perform any subsequent inspection.

15. The owner, operator or agent in charge of the premises containing a boiler or pressure vessel shall allow an inspector, upon presentation of credentials, to enter upon the premises at any reasonable time to carry out an inspection or subsequent inspection.

Sec. 9. NAC 455C.210 is hereby amended to read as follows:

455C.210 All connective pipes that are subjected to pressure emanating from:

1. A heating boiler;
2. A hot water supply boiler;
3. A fired storage water heater;
4. A power or process boiler; ~~10.1~~

5. *The equipment and apparatuses used in connection with a water heater; or*

6. An unfired pressure vessel,

↪ are part of the installation of the boiler or pressure vessel and must comply with the requirements for the boiler or pressure vessel. The inspection of the initial installation of such pipes must be performed by an inspector.

STEVE SISOLAK
Governor

STATE OF NEVADA

VICTORIA CARREÓN
Administrator

TERRY REYNOLDS
Director



PERRY FAIGIN
Deputy Administrator

DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF INDUSTRIAL RELATIONS

AMENDED SMALL BUSINESS IMPACT STATEMENT

AS REQUIRED BY NRS 233B.0608 AND 233B.0609

LCB FILE NO. R033-21

June 30, 2022

Note: Small Business is defined as “a business conducted for profit which employs fewer than 150 full-time or part-time employees.” (NRS 233B.0382).

1. Describe the manner in which comment was solicited from affected small businesses, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.

ANSWER: To determine whether the proposed regulations are likely to have an impact on small businesses, the Division considered the purpose and scope of the proposed regulations. The proposed relate to public safety; create and revise certain definitions; revise and remove certain exceptions to provisions governing boilers and pressure vessels; establish certain inspection fees for the equipment and apparatuses used in connection with a water heater; provide an inspection schedule of the equipment and apparatuses used in connection with a water heater; provide when an inspector or special inspector may inspect boilers or pressure vessels; require that certain persons allow an inspector, upon presentation of credentials, to enter upon the premises at any reasonable time to carry out an inspection; provide that certain connective pipes are part of the installation of a boiler or pressure vessel and must comply with the requirements for the boiler or pressure vessel; and provide other matters properly relating thereto.

On June 1, 2022, the Division sent out a Small Business Impact Statement Questionnaire to interested parties and also posted the same to the Division’s Mechanical Compliance Section’s website, <https://dir.nv.gov/MCS/Information/>. The Questionnaire inquired from small businesses whether they believed there would be any economic effects, adverse or beneficial, direct or indirect, on their respective businesses from the proposed regulation. The deadline to return responses to the questionnaire was June 17, 2022. As of this date, the Division received one (1) response, namely from Taryn Feno of J&J Plumbing, LLC.

The response indicated the respondent’s belief that the proposed regulation would have an adverse economic effect on its business, noting that in the last calendar year, it had installed roughly 18 water heaters, and therefore, the additional fees would equate to almost \$2,000.00 in additional fees. The response further noted the respondent’s belief that the regulation would not have a beneficial effect on its business. Moreover, the response indicated the respondent’s belief that the regulation would have an indirect adverse effect on its business, explaining, “Time to obtain

CARSON CITY
400 West King Street
Suite 400
Carson City, NV 89703
(775) 684-7270

LAS VEGAS
3360 West Sahara Avenue
Suite 250
Las Vegas, NV 89102
(702) 486-9080

permit/inspection(s) – added paperwork & processing – which we’ve experienced communication/processing hickups [sic] already w/ other install permits prior.”

Based on this review, the Division determined that a possible direct adverse effect on small businesses that seek a permit for equipment and apparatuses used in connection with a water heater, would be the cost of the inspections delineated in the proposed regulation. Specifically, the proposed regulation provides for a \$110 fee for the issuance of an initial operating permit, based on an inspection by an inspector for equipment and apparatuses used in connection with a water heater. In addition, the proposed regulation provides for a \$50 fee for the biennial renewal of an operating permit, based on an inspection by an inspector or a special inspector of equipment and apparatuses used in connection with a water heater.

2. The manner in which the analysis was conducted.

ANSWER: As noted in Answer 1, above, on June 1, 2022, the Division sent out a Small Business Impact Statement Questionnaire to interested parties and also posted the same to the Division’s Mechanical Compliance Section’s website, <https://dir.nv.gov/MCS/Information/>. The Questionnaire inquired from small businesses whether they believed there would be any economic effects, adverse or beneficial, direct or indirect, on their respective businesses from the proposed regulation. The deadline to return responses to the questionnaire was June 17, 2022. As of this date, the Division received one (1) response, namely from Taryn Feno of J&J Plumbing, LLC.

The response indicated the respondent’s belief that the proposed regulation would have an adverse economic effect on its business, noting that in the last calendar year, it had installed roughly 18 water heaters, and therefore, the additional fees would equate to almost \$2,000.00 in additional fees. The response further noted the respondent’s belief that the regulation would not have a beneficial effect on its business. Moreover, the response indicated the respondent’s belief that the regulation would have an indirect adverse effect on its business, explaining, “Time to obtain permit/inspection(s) – added paperwork & processing – which we’ve experienced communication/processing hickups [sic] already w/ other install permits prior.”

Based on the Division’s review of the purpose of the regulation, as well as the response to the Questionnaire, the Division determined that there will be a direct or financial effect on small businesses that seek a permit for equipment and apparatuses used in connection with a water heater. The proposed regulation provides for a \$110 fee for the issuance of an initial operating permit, based on an inspection by an inspector for equipment and apparatuses used in connection with a water heater. In addition, the proposed regulation provides for a \$50 fee for the biennial renewal of an operating permit, based on an inspection by an inspector or a special inspector of equipment and apparatuses used in connection with a water heater.

3. The estimated economic effect of the proposed regulation on the small businesses which it is to regulate, including, without limitation:

- (a) Both adverse and beneficial effects; and**
- (b) Both direct and indirect effects.**

ANSWER: The Division anticipates a direct effect on small businesses that seek a permit for equipment and apparatuses used in connection with a water heater as the result of the adoption of this regulation. The proposed regulation provides for a \$110 fee for the issuance of an initial operating permit, based on an inspection by an inspector for equipment and apparatuses used in connection with a water heater. In addition, the proposed regulation provides for a \$50 fee for the biennial renewal of an operating permit, based on an inspection by an inspector or a special inspector of equipment and apparatuses used in connection with a water heater. The Division anticipates beneficial effects on small businesses, including that the proposed regulation will help monitor crucial safety issues for the installation and use of equipment and apparatuses used in connection with a water heater to assist with prevention of losses to businesses. Additionally, the Division anticipates that small business owners will achieve savings in maintenance costs as biennial inspection will alert small business owners to potential failures and malfunctions of equipment prior to critical failures.

4. Describe the methods that the agency considered to reduce the impact of the proposed regulation on small businesses and a statement regarding whether the agency actually used any of those methods.

ANSWER: Because there will be no substantial impact on small businesses in general, there are no methods available to reduce the impact the Division could have considered. The proposed fees are commensurate with existing fees for issuance of an initial operating permit and for biennial operating permit renewal for equipment such as hot water supply boilers.

5. The estimated cost to the agency for enforcement of the proposed regulation.

ANSWER: There is no additional cost to the agency for enforcement of this regulation.

6. If the proposed regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

ANSWER: The proposed regulation provides for a fee of \$110 per system of equipment and apparatus used in connection with a water heater in the first year, and a biennial fee of \$50 thereafter. The annual total collected is estimated to be less than \$10,000, collected via permit fee invoices. The money will go into the Workers' Compensation and Safety Fund, which funds a variety of agencies for activities related to workers' compensation and safety, including the Mechanical Compliance Section.

7. If the proposed regulation includes provisions which duplicate or are more stringent than federal, state or local standards regulating the same activity, an explanation of why such duplicative or more stringent provisions are necessary.

ANSWER: Local jurisdictions in Nevada require an installation permit for water heaters installed singly or in a series. However, local jurisdictions do not issue periodic renewal of operating permits for these installations and do not conduct regular safety inspections after installation. In contrast, under the proposed regulation, the Mechanical Compliance Section of the Division would issue an installation permit and then require an inspection every two years to renew an operating

permit, in addition to requiring the installation of an emergency gas shutoff valve. The proposed regulation will help monitor crucial safety issues for the installation and use of equipment and apparatuses used in connection with a water heater to assist with prevention of losses to businesses.

8. The reasons for the conclusions of the agency regarding the impact of a regulation on small businesses.

ANSWER: The Division complied with NRS 233B.0608 by considering the purpose and scope of the proposed amendments. The proposed regulation creates and revises certain definitions; revises and removes certain exceptions to the provisions governing boilers and pressure vessels; establishes certain inspection and subsequent inspection fees for the equipment and apparatuses used in connection with a water heater; provides an inspection schedule of the equipment and apparatuses used in connection with a water heater; provides when a special inspector may inspect boilers or pressure vessels; requires that certain persons allow an inspector, upon presentation of credentials, to enter upon the premises at any reasonable time to carry out an inspection or subsequent inspection; provides that certain connective pipes are part of the installation of a boiler or pressure vessel and must comply with the requirements for the boiler or pressure vessel; and provides other matters properly relating thereto. The Division made a concerted effort to determine whether the proposed regulations impose a direct or significant economic burden upon small businesses, or directly restricts the formation, operation, or expansion of a small business. The fees proposed in the regulation are commensurate with existing fees for issuance of an initial operating permit and for biennial operating permit renewal for equipment such as hot water supply boilers. The Division determined that these regulations will have no substantial effect on small businesses and will not restrict the formation, operation or expansion of small businesses.

I, VICTORIA CARREÓN, Administrator of the Division of Industrial Relations, certify that, to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on small businesses and that the information contained in the statement was prepared properly and is accurate.

DATED this 30th day of June, 2022.


VICTORIA CARREÓN, Administrator