

**MINUTES**  
**New Energy Industry Task Force (NEITF)**  
**January 16, 2013**  
**1:00 p.m.**

The New Energy Industry Task Force held a public meeting on January 16, 2013, beginning at 1:00 p.m. at the following locations:

State Capitol, the Guinn Room, 101 North Carson Street, Carson City, Nevada 89703; via videoconference at the Grant Sawyer State Office Building, 555 East Washington, Suite 5100, Las Vegas, Nevada 89101.

- 1. Call to order and Roll Call.** Stacey Crowley, Chairman, opened the meeting at 1:04 p.m. and opened this agenda item.

<b>Task Force Members in Carson City</b>	<b>Task Force Members in Las Vegas (via videoconference)</b>	<b>Task Force Members Absent</b>
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Stacey Crowley  
Ellen Allman (via teleconference)  
Jim Woodruff (via teleconference)  
Jack McGinley  
Tom Husted (via teleconference)  
Paul Thomsen (via teleconference)  
Ian Rogoff

Matt Frazier  
Tom Morley  
Lawrence Willick

<b>Advisory Members in Carson City</b>	<b>Advisory Members in Las Vegas (via videoconference)</b>	<b>Advisory Members Absent</b>
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Victor Lozano (for Amy Leuders)  
Rebecca Wagner  
Jim Baak  
Jason Geddes  
Dan Jacobsen  
Connie Westadt

John Candelaria

Marilyn Kirkpatrick  
Kathleen Drakulich  
Joni Eastley  
Alex Gamboa  
Senator Settelmeyer

Also present were Byron Woertz, Lindsay Knox, Karen Davis, Sue Stephens, Dagny Stapleton, Cathy Erskine, Brenda Gilbert, Jayne Harkins, Sam Routson, Mike Hazard, Joyce Hazard and Wendy Ellis.

- 2. Public Comment and Discussion**

Chair Crowley opened this agenda item. Hearing no public comments or discussion, this agenda item was closed.

**3. Review and Approval of the Minutes from December 19, 2012 Task Force Meeting.**

Ian Rogoff moved that the minutes be approved as submitted. The motion was seconded by Jack McGinley. The motion was put to a vote and passed unanimously. The agenda item was closed.

**4. Presentation on Western Electricity Coordinating Council (WECC) Transmission Planning Process.**

Byron Woertz Jr., Senior Project Manager, WECC, made a presentation (by teleconference) on the transmission planning process in the Western U.S., WECC's objectives and policies, and the function of the Transmission Expansion Planning Policy Committee (TEPPC). He noted that the TEPPC receives input from a wide variety of stakeholders including transmission owners, environmental stakeholders, state and provincial entities, and Native American tribes. WECC develops a 10-year plan and a 20-year plan and analyzes the potential impact on the electric grid using production cost modeling and a base case.

**5. Update, Discussion and Possible Action on Subcommittees from Subcommittee Chairpersons.**

Chair Crowley noted that four documents were provided to the members. The purpose of these documents was to summarize the work that has been completed to date considering the fact that the Task Force and Subcommittees may be suspending some of their work during the legislative session. However, meetings may be called as necessary. She also noted that the comments, recommendations, and most reasonable options identified by the Task Force will be provided to the Governor to determine what further action should be taken:

- Transmission Planning Recommendation
- Summary of Financing Options
- Policy Recommendations
- Resource Sharing Recommendations

Transmission Planning Recommendation

Transmission Subcommittee Co-Chair Rebecca Wagner summarized the Transmission Planning Recommendation document regarding the Renewable Energy Zones designated in NAC 704.880 and the recommendation for the Public Utilities Commission (PUCN) to consider new information and recent data, open a rule-making docket, look at what other states are doing and revise and clarify the Renewable Energy Zones.

Ian Rogoff moved to approve the above recommendation and Jack McGinley seconded the motion. The motion was put to a vote and the members approved the motion unanimously, except for Ms. Wagner who abstained.

### Summary of Financing Options

Chair Crowley reviewed the Financing Options document that was prepared to summarize all of the studies that were reviewed by the Transmission Subcommittee related to financing. She noted that the state would not be a likely partner in terms of constructing, owning or operating transmission. However, the state could assist developers or policy makers and let them know that the state is supportive. One outstanding recommendation is the potential to partner with other government agencies such as the Western Area Power Administration, especially in projects that would increase grid reliability.

### Policy Recommendations

Chair Crowley said that the recommendations in this document were formatted in the same template as the format used for the Transmission Planning recommendations, and is documentation of what has been voted on previously.

Jason Geddes asked the members to submit any additional comments or suggestions they may have regarding the wording or format of the recommendations contained in this document.

Ms. Wagner expressed concern that recommendation number one in the Policy Recommendations document was vague with respect to what type of goals would be reported on. Chair Crowley noted that electric and gas service providers in Nevada are already required to report some information to the NSOE; the purpose of the recommendation was to expand that reporting based on discussions with the affected providers. Ms. Wagner also suggested that the recommendations to the PUCN be clarified with background and identification of the problem in question. Mr. Geddes agreed to add the requested clarification. Ms. Wagner added that the document should also clarify whether the recommendations had the Governor's endorsement.

### Resource Sharing Recommendation

Dan Jacobsen recommended that the Task Force not propose any legislation regarding transmission until after the PUCN has had a chance to determine whether retail customers would benefit from such legislation; however he supported PUCN review of the recommendations. Chair Crowley clarified the fact that the recommendation in this document was a request for PUCN review. Ms. Wagner commented that the PUCN may be reluctant to make the determination requested by the task force without looking at the possible impact on shareholders. Jim Baak said that he thought that aspect was reflected in the words of the recommendation regarding utility business models. Chair Crowley suggested that the words of the recommendation be clarified accordingly. Ms. Wagner also expressed concern about whether the PUCN is being asked by the recommendation to make policy. She also asked that the direction to the PUCN be modified to clarify whether the PUCN is being asked to study costs and benefits for mutually beneficial resource sharing arrangements. Ian Rogoff pointed out that the recommendation was asking the PUCN to identify what analyses are required, rather than to produce a study. John Candelaria disagreed; he said that the PUCN can collect the resources, information and people necessary to make the type of decisions that are

required to address the issue and determine whether it makes sense for Nevada. Ms. Crowley said that the recommendation may need to be modified to align it with the sentences that follow (“...open an investigatory docket to identify analyses required to assess...”), and delete the word “rational” from the second bullet. Mr. Candelaria suggested that the PUCN be asked to determine whether existing regulations are adequate to address this issue, or whether new legislation is required to allow the PUCN to consider a resource sharing arrangement. In other words, the question is what changes to regulations would be required in order for them to do so. Mr. Jacobsen expressed concern that the PUCN should be looking at whether resource sharing is in, not only ratepayer interest, but also in the public interest. At this point, John Candelaria expressed his concern that the audio quality of the teleconference was so poor that he was not comfortable with agreeing to what has been discussed. Chair Crowley suggested that a vote be deferred until the document can be structured to be clearer. Therefore, another public meeting may be required to vote on this recommendation. It was agreed that Mr. Candelaria and Mr. Geddes would discuss the content of the discussion of this recommendation in order to better inform Mr. Candelaria.

Chair Crowley discussed the report from Aspen Environmental that was distributed to the members. This report was produced based upon agreement that there were missing elements in the previous Synapse report received by the task force. John Candelaria gave a short summary of the Aspen Environmental report and its recommendations, including the benefits of resource sharing. He said that the purpose of the report is to complement the Synapse report. Jim Baak asked what action, if any, would be taken based on this report. Chair Crowley said that some of the benefits of the report are a better understanding of the issues and recommendations and possibly better discussions with neighboring states.

Chair Crowley asked the Policy Subcommittee to review the Aspen Environmental report and discuss the report and its recommendations via conference call.

Chair Crowley concluded by thanking the Subcommittees for their work thusfar.

## **6. Review, Discussion and Possible Action on Upcoming Meeting Topics.**

This agenda item was deferred to allow time for the Policy Subcommittee to meet.

## **7. Set Time and Date of Next Meeting**

This agenda item was deferred pending conclusion of the Policy Subcommittee’s work.

## **8. Public Comments and Discussion**

Chair Crowley opened this agenda item and asked for public comments. Wendy Ellis questioned why multiple reports were necessary and commented on California’s development of renewable resources that are not reliable. Mike Hazard commented on the resource sharing recommendation and stated his opinion that it could result in subsidies and fees from the government that could be paid for by ratepayers. He also questioned whether additional reports should be produced and that more specifics regarding ratepayer benefits should be

identified. Joyce Hazard expressed agreement with the previous public comments. Upon conclusion of public comments, Chair Crowley noted that only one report was prepared at the request of the task force.

**9. Adjournment**

The meeting was adjourned at 3:08 p.m.