

MINUTES
New Energy Industry Task Force¹

February 15, 2012

The New Energy Industry Task Force held a public meeting on February 15, 2012 beginning at 1 p.m. at the following locations:

State Capitol, the Guinn Room, 101 North Carson Street, Carson City, Nevada 89703, and 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, Director of the State Office of Energy, Chair, called the meeting to order at 1:10 p.m. and opened this agenda item.

The following Task Force and Technical Advisory Members were present:

Task Force Members in Carson City	Task Force Members in Las Vegas	Task Force Members Absent and Excused
Ellen Allman (via telephone)	Angel Ayala	Jim Woodruff
Jack McGinley		Ian Rogoff
John Tull		Tom Morley
Lawrence Willick (via telephone)		Tom Husted
Matt Frazer		
Paul Thomsen		
Jack McGinley		
Advisory Members in Carson City	Advisory Members in Las Vegas	Advisory Members Absent and Excused
Alex Gamboa		John Candelaria
Patrick Gubbins participated on behalf of Ms. Lueders		Amy Lueders
Dan Stransky participated on behalf of Dan Jacobsen		Dan Jacobsen
Connie Westadt		James Settelmeyer
Jason Geddes		Marilyn Kirkpatrick
Jim Baak		
Joni Eastley (via telephone)		
Kathleen Drakulich		
Rebecca Wagner		

Also present was Cassandra Joseph, Deputy Attorney General, and Emily Nunez with the NSOE.

Members of the public were asked to sign in.

¹ Handout materials provided prior to or during the meeting can be found at http://energy.state.nv.us/resources-forms/EL_TF.html

2. Welcome and Introductions – Stacey Crowley

Chairwoman Crowley opened this agenda item and stated that she would leave any comments until the agenda items call for it. She then closed the agenda item and moved to agenda item 3.

3. Public comments and discussion.

The Chair opened this agenda item for public comments and discussion. No public comments were made at this time. The agenda item was closed.

4. Review and approval of the minutes of the January NEITF meeting.

The Chair opened this agenda item for review and discussion. Mr. Baak suggested some minor corrections be made to the draft minutes. Ms. Allman moved that the minutes be approved as corrected by Mr. Baak. The motion was seconded by Mr. McGinley. The motion was put to a vote and passed unanimously. The agenda item was closed.

5. Update and discussion on subcommittee memo and report from subcommittee leads.

Chairwoman Crowley opened this agenda item and discussed the need to revise a motion that was presented at the previous meeting to allow the chair to develop subcommittee categories. Ms. Allman moved that the Chair be allowed to form subcommittees and appoint subcommittee members, and appoint public members as stakeholders to serve as subcommittee members in a stakeholder capacity. She also added that non-task force members appointed to subcommittees would have the same voting rights as task force committee members within the subcommittee setting. Mr. Frazer seconded the motion. The motion was put to a vote and passed unanimously.

The Chair then referenced the subcommittee memo and asked members if anyone had comments on the subcommittees, how they were broken out and the task and goals of each committee. The group went through the memo starting from the Business Case to the Transmission Planning section. She asked each chairperson to provide the goals and any updates they may have for their subcommittee.

Starting with the Business case, subcommittee “A” to survey and summarize existing studies, Mr. Baak stated that the objective of the group is to put together a list and summarize any studies that they find or are aware of, that address the economic impacts of renewable energy development or transmission development to the state in terms of jobs, economic impacts, any sort of supply chain impacts. This will give the group a basis of understanding of what potentially could be in this for Nevada in terms of economic benefits.

Mr. Gamboa requested to participate in this subcommittee.

They next moved to subcommittee “B” to establish scenario planning assumptions for the business case. Mr. Geddes stated that the subcommittee had their first meeting on February 10, 2012 at 1pm. He said that the group basically discussed what they should be addressing in their report, looking at what was in this charge and other policy recommendations so they could advance it. He asked everybody to submit suggestions to get posted and circulated so that everybody can see them and then the group could discuss them and start working on the business case.

Discussions were made about adding other members and stakeholders as follows:

Jack McGinley will participate in the subcommittee meetings to survey and summarize existing studies. It was also recommended that Ray Bacon from the Manufacturers Association participate in this subcommittee as well. Angel Ayala requested to sit in on this subcommittee as well to replace Carla’s position on this subcommittee.

Ms. Crowley clarified for the task force that the topic of distributed generation and net metering are critical and certainly critical at a time when there might be this kind of lag in anything that we do on the transmission side in terms of any policy changes or even projects for that matter. So while they are important topics and the group will get to those topics, she asked the group to focus on the kind of renewable portfolio standards issues and transmission issues before them – the business case for the industry and the movement forward on transmission planning so that they can get their report to the Governor in a timely manner.

The Chair then moved to subcommittee “C” to develop key metrics, draft RFP, and the management of the business case. Mr. Rogoff chairs this subcommittee and was unable to attend. Ms. Crowley stated that much of what happens in subcommittee “B” will influence “C” since the goals of this subcommittee would be to make sure that if we go out for an RFP to look at the business case that we are asking those folks that would respond for very specific information, and so that when we do get something back we are able to compare the solicitations on an equal footing. We want to understand what assumptions we are making in terms of scale. Once the RFP is drafted, the subcommittee would also manage that process going forward.

The task force had discussions regarding what the RFP would include. As described by Ms. Crowley, we need to develop assumptions and understand how the renewable energy industry can survive and thrive in the state. This would affect any suggested modifications to policy or incentives with a deliberate understanding of how it would/could benefit Nevadans.

The Chair then moved to the transmission planning subcommittees starting with the regional planning and FERC 1000 category and asked Ms. Wagner for an update. Ms. Wagner stated that the group is looking at all of the efforts that are going on at the federal level and regional level. The group had discussions regarding the deadlines for submitting compliance reports to FERC, by October 2012 for regional plans, and the April 2013 filing for how the West Connect region interact with the northern tier and other regions. Ms. Crowley stated that the subcommittee might have an opportunity to bring in the NEAC folks to their discussions.

Ms. Crowley then moved to the final subcommittee – analysis of financial structure for transmission projects. Mr. Willick stated that the focus of the subcommittee will be to look at financing structures for transmission projects. He said that they will talk with entities that have experience financing and investing in transmission, including utilities, independent transmission developers, other transmission investors. They will also look at state involvement in financing of transmission projects. They will identify advantages and disadvantages of the different approaches and make policy recommendations that could include legislation or regulation changes to facilitate financing of transmission for renewables. Ms. Wagner agreed to participate on this subcommittee.

Mr. Geddes offered to volunteer people from the campuses if any of the committees need help. He also requested some direction from Ms. Joseph regarding the Open Meeting Law and communicating with the subcommittee members, and sharing of documents. Ms. Joseph announced that she would provide a short presentation on the open meeting law to the task force at the next meeting. She then proceeded to provide some brief guidance for the subcommittees that will be meeting within the next few weeks.

Mr. Tull entered the room and it was determined that the task force now had a quorum to proceed with the action items. Ms. Crowley reopened agenda item 4 to give Ms. Allman an opportunity to restate her motion. Ms. Allman moved for approval of the minutes as amended. Mr. McGinley seconded the motion. The motion was put to vote and passed unanimously.

Ms. Crowley then called for the motion that was made under agenda item 5. Ms. Allman moved to allow the chairman to appoint task force members to serve on subcommittees and allowed to appoint stakeholders to serve on subcommittees with all members appointed to a subcommittee to have equal voting rights within the subcommittee setting. Mr. Frazer seconded the motion. The motion was put to a vote and passed unanimously.

Mr. Frazer moved that the subcommittees as represented in the Chair's memo along with the designated duties be approved. Ms. Allman seconded the motion. The motion was put to a vote and passed unanimously.

Ms. Crowley then moved to the next agenda item.

6. Update from Public Utilities Commission (PUC) – Rebecca Wagner

Chairwoman Crowley opened this agenda item for a brief high level update of the latest docket. Ms. Wagner stated that her update is high level and that the commission approved three renewable energy contracts that have been pending before the commission since last year. In the course of the docket, they started to recognize that perhaps they need to look at the RPS regulations as well as the integrated resource planning regulations. They will be looking at all issues associated with the portfolio standard regulation, as they stand and what changes might be needed.

Ms. Wagner also stated that they will open an investigation to look at strategy to make sure the utilities stay in compliance while ensuring that the rate payers are not overburdened with excess contracts. The notice has just been issued and the docket number is 11-09018. She also stated that she has issued a request for comments and the workshop is scheduled for March 15. The only regulations they are doing from 2011 regarding renewable energy were associated with the solar, wind and water demonstration programs but nothing RPS related.

Mr. Thomsen asked if everything is on hold until the investigatory and rule making are completed or if the PUC can look at potential renewable contracts during this process?

Ms. Wagner confirmed that it's somewhat on hold for now.

Mr. Baak asked Ms. Wagner if she could comment about other dockets regarding Order 1000 compliance and one on energy imbalance market.

Ms. Wagner stated that the energy imbalance market is on hold awaiting further analysis. Regarding the FERC Order 1000 docket, she will schedule an update from NV Energy on their compliance.

There were no further discussions and Ms. Crowley closed this agenda item.

7. Presentation on current status of the RPS and projects under development. NV Energy – Jack McGinley.

Chairwoman Crowley opened this agenda item and announced that copies of the presentation are available at the meeting and online as well on the NSOE website.

Mr. McGinley started by providing a brief overview of when the renewable energy policy started and the RPS was adopted in Nevada. He stated that we usually see changes to the RPS every legislative session. Last legislative session there was a big push for distribution generation and

many things that didn't get approved. Mr. McGinley provided a brief overview of each slide. He said that the RPS increments up every two years by three percent, and kind of spreads out to get to the 25 percent by the 2025 period. Currently we are at 15 percent. As far as NVE's and how they procure energy, they are committed to large and small projects and use a competitive solicitation to make sure they get the least cost. Since the 1980's, the State has used a market-based approach to insure that we are getting the least cost projects and can reduce the impact to customers.

Mr. McGinley stated that they have three contracts that were recently approved by PUCN and they are two large solar projects and one geothermal project. He then talked about the direct investments as outlined on his slide presentation/handout, including Goodsprings – a heat recovery project with Ormat down on the Kern River natural gas pipeline. China Mountain Wind is a co-development project that has not been approved yet. There has also been other various solar and geothermal initiatives that the company has been undertaking.

As for the status of the RPS, Mr. McGinley said that Nevada is a leader as far as solar and geothermal per capita and said that Nevada should be commended for that. NVE has 46 projects, roughly 1200 megawatts and the breakdown is provided on the slide. We are seeing as a growth sector right now is the Renewable Generations program (solar, wind and hydro programs). There's currently about 31 megawatts. The utility is fully compliant with the RPS. They are forecasted to stay in compliance at least through 2020.

They've done a lot of work the past 5 years and Mr. McGinley reference a map on slide 8 that shows the location of the projects, and slide 9 which has a line that goes through the graph to show the RPS requirement based on their retail sales.

Mr. McGinley stated that the RPS process has gotten better because of the due diligence work that needs to go up front, financing, land, and water. We are seeing less failures but the graph provided assumes that we have full compliance. Some projects will fail and some delayed but we also have a bank of credits/surplus not shown on the graph. This will change pending on the economy and retail sales – the curve is very dynamic. Do we need to issue an RFP today, No. sometime in the future? Yes. It all depends on time frame and what happens at the legislature that will have an impact on it.

He then talked about the renewable generation, distributed generation and the program, benefits, and negatives as well as nonparticipating customers subsidizing fixed cost. The final slide is how they distribute solar generation rebates.

Ms. Crowley asked Mr. McGinley to remind the group about the maximum dollar cap on the renewable generations that's set forth in the legislature and when it ends if it's 2021.

Mr. McGinley stated that the legislature set a cap through 2013 of \$78 million, and it says for each utility, for a utility was the wording in that, and it says \$255 million. The utility interprets that as being \$255 million total for NV Energy. Others argued that it's really Sierra Pacific \$255, Nevada Power \$255, so that the total should be \$510 but that wasn't the case. The \$255 is through 2021.

Mr. Baak pointed out that on slide eleven, where Mr. McGinley provides a number of benefits, such as distribution system of renewable PV, roof-mounted PV, deferral of capital improvement, transformers and conductors and so forth on the grid, and that sort of translates into one of the negatives pointed out that nonparticipating customers subsidizing fixed costs. However, they are

also beneficiaries when that rooftop PV defers or eliminates the need to upgrade a transformer or conductor or thing of that nature. So there are system benefits that are not captured in the slide.

Mr. Geddes added that with the recovery of the rebates, the legislature did take that into account when they were creating the program. And although there has been \$168 million paid out, we do see that bump in rates, it really recovers in one year and the benefits pay off over 20 years in renewable energy credits or PECs for the system. So there will be an ongoing benefit to the state and the utility in that market.

There were no further comments and Ms. Crowley closed the agenda item.

8. Update on federal issues. BLM

Ms. Crowley opened this agenda item to receive an update from Mr. Gubbins with the BLM regarding federal issues.

Mr. Gubbins said he would share four topics: The rapid response, the solar programmatic EIS, the sage grouse issue, and a very brief update on priority projects.

The Rapid Response Transmission Team was predicated on a memo that was signed on October 23, 2009, in which nine federal agencies were signatory on this MOU for the review of the electric transmission on federal lands. This is an agreement between the federal agencies (stakeholders) to be able to work as efficiently as possible. They either have regulatory responsibility or might be land management agencies. He briefly listed some of them: USDA, Forest Service and other land management agencies, DLI, maybe U.S. Fish and Wildlife Service, Park service, DOD, Army Corps of Engineers, DOE, Environmental Protection, FERC, CEQ, and also ACHP, historic preservation agency.

He further stated that there are seven projects the team is taking on nationwide. They are coming together as a team to see if they could work expeditiously to review and do any type of regulatory aspects they are accountable for to expedite any transmission proposals. The only one in Nevada is TransWest Express. It's a High Voltage DC line, 765 miles, 600 kV transmission line that starts in Wyoming and terminates in the Las Vegas valley. He stated that all agencies will all have to work in concert as there are many challenges especially at the termination point and how the alternative routes are being proposed.

One alternative goes through the Sunrise instant study area, which is a wilderness management area and NV Energy already has right-of-way on that. So it's questionable whether that's even a viable alternative at this point. Two other alternatives the team has taken on is one that would go west, but could also potentially impact the wildlife refuge and military installation. Another one goes north of Lake Mead and is also fraught with challenges.

He will keep the Task Force posted on these issues. Mr. Gubbins then opened for questions before moving on to his next topic.

Mr. Tull stated that the Gateway Express project had one right-of-way alternative that dipped into the northeastern part of Nevada and asked Mr. Gubbins if he has any update on that particular project.

Mr. Gubbins stated that's correct. They did initially talk about having one alternative but the Gateway project is a joint project of Idaho Power and Rocky Mountain Power, and it's a 1,150 mile, 500 kV transmission line that starts at the Wyoming substation and terminates at the

Hemingway, Idaho substation. Mr. Gubbins does not think it's a viable alternative and that it may have been dropped but he will double check on it. He believes the sage grouse was one of the reasons as far as potential impacts.

Ms. Crowley stated that the Office of Energy and others have been working with the RRTT team and have found that to be useful. What she has found most interesting is the process that is going to be set forth for other projects. What they are trying to do is identify an expeditious way of dealing with these fairly complex multistate projects, and so we are interested in the process that will be developed for potential future projects that we might like to recommend.

Ms. Drakulich asked Mr. Gubbins about the alternatives. She understands the idea to move expeditiously but to the extent that a private company would be building a similar transmission line, they would have to potentially comply with NEPA and do an environmental impact statement, and comply with various state environmental compliance regulations. She then asked him if the efficiency that his process includes undertake a more rapid advancement of these processes or does the efficiency involve somehow a process that is unto itself. For instance, if you don't have to go through the BLM process, or the state environmental process, is it something altogether different, or just advancing the ball a lot quicker under the existing paradigm?

Mr. Gubbins responded that they can't circumvent any type of laws or policies that are in place so it's really kind of like the open communication coordination. What they are finding is the approach is like taking a team approach to problem solve. And if there are any pitfalls, they are identified very early in the process.

Mr. Gubbins then moved to the PEIS. He stated that this is a national effort on the part of BLM to develop a programmatic environmental impact statement which is based on analyzing where there might be potential to be able to actually be proactive in a tight industry to consider some of these, called the solar energy zones for potential proposals in the future. This PEIS would amend their resource management plans.

There were seven lines, and through the public scoping process; hearing from all of our partners at the local, state, county level, NGOs; everybody has been very positive and forthright in being able to share where there might be pitfalls in the original solar energy zones that we had submitted.

Following the public comments, two zones were removed from Nevada and through that we have revised the boundaries on three out of the remaining five. Patrick thanked John Tull for all the input that he shared, as well as other team members. Is it perfect? Probably not. They looked for raw land, we want to be a good neighbor so we tried to eliminate anything that could be possibly intrusionary to adjacent neighbors. In identifying these areas, they looked at the resources, potential impacts, whether it be to sage grouse species or floral species, areas that had less than a five percent slope, etc. They are all in this programmatic environmental impact statement.

The draft has been out since December 17 of 2010, then the supplemental which resulted from the public comments and refined it down to the five areas. The intent of this PEIS was to actually have a record of decision by October of 2012, of this year. Obviously in a NEPA document or an EIS, there's analysis of more than just flora and fauna analysis, analysis of official type of resource potential impact, socioeconomic, etc. BLM wants to be a good neighbor. They don't want to do something a particular county might not be able to live with. We have heard loud and clear and are very grateful for the thoughtful comments through this.

The rest of the areas that are not defined by the five solar zones, are going to be areas that have been defined as being exclusions. These are areas where there could be impacts, no matter whether it was a solar energy company or other development in an area, especially with all the work that's being done on like sage grouse, as an example, and protecting desert tortoise, for example.

Now, the areas beyond the exclusion are called variance areas, and they would be available for a proponent, for he or she to come in with a proposal. The five areas are not perfect, but the variance areas would need more rigorous types of analysis, data collection, et cetera, up front. If they have the data that demonstrates that the area is not too bad, it would be taken into consideration, and the application could be approved to continue on, or maybe the application would be denied at that stage.

BLM does not want to see developers waste a lot of money on something that might not and it's pretty obvious will not work for them because of something like resource impacts for example. So we want to be business friendly at the same time and be able to manage under the multi-use management of their resource.

Stacey, I think at that I will open it up for questions at this point.

MR. BAAK: Just additional comments on the supplemental PEIS. The draft also includes language for designating new solar energy zones. So what is in the draft and throughout the southwest have been identified 17 of these zones. We heard loud and clear from the BLM D.C. folks that that was not the final map of zones in the west and that there will be a process for identifying, designating new zones. And that further there were exclusion areas, and in those exclusion areas there would be no development. So there were criteria that are, were developed in this process to exclude development.

Outside of the zones and the exclusion areas is the variance areas where there could be projects proposed that would have to go through the "normal process". Within the zones there's an expedited process. That assumes also that there would be some transmission across federal lands in order to be able to get that energy to the load centers. I just wanted to point that out and make sure that I'm correct in that. Is that correct?

MR. GUBBINS: Absolutely correct, Jim. Right on point. And the one thing that I glossed over, and I think Jim articulated just now, is there would be of a benefit to a proponent to actually look within these zones, because a lot of the inventory work, data work, et cetera, that was developed during the PEIS and would be required under the NEPA process would have been accomplished already. It wouldn't eliminate NEPA necessarily, but it certainly would expedite it and be more cost effective.

The next topic is the greater sage grouse topic. And this will be another little thumbnail update. But anyway, the US Fish and Wildlife Service in 2005 issued a twelve month not warranted finding. This means there was a consideration that it looked like, because of loss of habitat that the sage grouse might need to be considered for listing under threatened and endangered species act. The biggest impacts in our state are wild fires and invasive species. Then development would be one of the top four because it would be obviously potential habitat fragmentation. Everybody is working together on trying to insure that the birds and the species remain viable and does not get listed as threatened and endangered. To that end, we have got until 2014 to be able to demonstrate that we are doing everything we can.

There's been a series of meetings, there are numerous teams. It's more than just our state, its California, Colorado, Idaho, Montana, North Dakota, Oregon, South Dakota, Utah, and Wyoming. What the Fish and Wildlife Service have told us is that they want to see that we are very serious about being able to make the right decisions in consideration of the sage grouse. They want to see our resource management plans, which are our land use plans definitely reflect that our hearts are in the right place and we are taking the most professional and using every tool in the tool box of professional means of being able to protect the habitat. If the bird gets listed, it's not because we haven't like tried to do the best we all can do on this.

CHAIRWOMAN CROWLEY: Thanks, Pat. I know there are a lot of folks working on this. There was a huge stakeholder turnout that other day at the legislative building. And Raul had a process map. Raul is with Patrick's office. Is that something that's on the website?

MR. GUBBINS: Yes, see www.blm.nv.gov or www.blm.gov , because it's on our national website, too.

CHAIRWOMAN CROWLEY: It's a good road map for the efforts you are guys are going to undertake to get to 2014.

MR. GUBBINS: I'll provide a brief update of some of the higher priority projects or the ones that have gained a lot of attention that are moving right along. We already talked about TransWest, so from a transmission standpoint, that's certainly really big on our radar screen. Hidden Valley transmission line is in Nevada, but it's to serve a Bright Source solar project that's in California. It's a 500 megawatt project, I think. And we are looking at being able to get a draft EIS out by this May, and we will have a record of decision by October of this year.

We are working efficiently. All of our California counterparts are involved in this one, because of the connected action, i.e., the solar farm with the transmission. Additionally, there's the Boulder City on a site-wide EA where we have got a right-of-way in Boulder City in an area that they want to basically market as a renewable energy zone. There has been Sempra with three or four proposals. I think they are under the name of Copper Mountain, three proposals, and each one of the three is 150 megawatts. The approval for these, and I think at least the first two, took four months to do the EA. Once again, the level of efficiency, I guess maybe you kind of get more efficient as you go along, not cutting corners.

The site-wide EA would be basically developed to be able to give us the opportunity to do a categorical exclusion in the future for any other proposals that might come to Boulder City. So it would be a level of efficiency for them to be able to lease land. So that's a partnership that we have with city level, municipal level government. I'd like to report more on New York Canyon on the geothermal project, but from what I understand, it is moving out from a NEPA standpoint for the development stage now. They are out of the exploratory stage, and it looks like both the company and BLM is working quite well with Native Americans. The Native American consultation is ongoing. And I believe that they have been invited to, and I think it's just a couple of the Paiute tribes, but to view other geothermal sites, et cetera. So that's a real good stroke of business there and being all inclusive, knowing that a lot of area over there has traditional values to the Native American communities.

And working with Native American communities, we have basically assisted the Bureau of Indian Affairs in the K-Road Moapa solar project, which is a 350 megawatt project. We had three miles of right-of-way or something. It's the first time out of the chute for the BIA and in this case the Moapa people actually working on a PV solar proposal, and they have to do

all the NEPA stuff. So we were more than happy to assist them, and I think that it's coming along. They are looking at having a final out, a final record of decision -- well, no, I'll just say a final EIS out by October of this year. We are hoping a record of decision would be forthcoming on that one.

CHAIRWOMAN CROWLEY: I think that's great, Pat. And what, I think in all of your four categories, plus these couple of projects here, because of the coordination that has, in my opinion, just improved and improved, hopefully these permitting timelines can get minimized and some levels of consistency can get realized, which I think was one of the comments of past administrations and practice. So I appreciate the relationship that we have had with your office, and I think that that's going a long way to making sure that we do all understand the various impacts and get that out in front of some long processes.

MS. DRAKULICH: If the project is located exclusively on the tribal lands, does NEPA apply, or is there some sovereign aspect of the reservation that exempts it? And in the case of the geothermal project, is there a transmission line that actually leaves the reservation and ends up on BLM land that results in the need for the analysis?

MR. GUBBINS: You know, as far as going through the process itself and the analysis, I guess the short answer would be yes. In our case, in both of our cases, the nexus of thought was obviously with transmission, so you have that conductivity. So even, you know, the real question, I guess, Kathleen, on that one would be if it was just totally contained, but any time you need to obviously transmit electrons, you are crossing other jurisdictions, and that's where that really kicks in.

MS. DRAKULICH: If the project was on the reservation, but there was a connected activity; in other words, the extension of the transmission line across BLM land, the connectivity requires you to evaluate all the environmental impacts associated with the transmission line and the renewable project that the transmission line will allow. But if it's exclusively on tribal property, does NEPA apply? For example, there's an existing transmission line, and there's capacity on that, so you don't have to build transmission, maybe just upgrades, but those are also on the reservation, so it's exclusively on the reservation, is it exempt from NEPA, or does NEPA still apply?

MR. GUBBINS: You know, I'm really not totally sure to give you an answer, but I'll certainly look into that. You are probably correct, but I don't know how you look at like just everything being totally self-contained without any other types of impact, you know, if you're, but maybe.

CHAIRWOMAN CROWLEY: Thanks, are there any other questions? We really appreciate, Patrick, your update. It was helpful, and again I think it just reflects the ability for both the federal agency collected group and state agencies working together.

MR. GUBBINS: I really think all of us are a lot stronger. I think it's a credit to just get everybody in the room, but you have, and the quality of people on your team.

Ms. Crowley closed the agenda item and moved to item 9.

9. Discussion and possible action on elements and structure of the business case.

Chairwoman Crowley opened this agenda item and stated that this had already been covered under agenda item 5 and the subcommittee. She asked if there were any other comments. Hearing no comments, she closed the agenda item.

10. Review, discussion and possible action on schedule and goals through August 2012.

Chairwoman Crowley opened this agenda item. She stated that these will be discussed at the subcommittee level. She stressed again that the goal is to work towards the August deadline and really be able to provide the Governor with recommendations both in terms of the business case and in terms of transmission planning and she believes the subcommittee work will really help the group get there. She also said that she hopes to have two or three of the subcommittees report at the next task force meeting. She then asked if there were other comments. There were no other comments and the agenda item was closed.

11. New business, future agenda items and announcements.

Ms. Crowley opened this agenda item and stated that Cassandra Joseph will give the group a brief summary on the open meeting law. She also stated that Jack McGinley offered to give an update on the FERC 1000 proceedings. There were no other comments made and the agenda item was closed.

12. Set time and date of next meeting.

Ms. Crowley opened this agenda item. She reminded everyone that the next meeting is March 21, 2012, at 1:00 p.m. Pacific Time and that the meeting will be based out of the Grant Sawyer Building in Las Vegas and video conference to Carson City. She also stated the meetings will continue on the third Wednesday of the month until November unless something comes up she will try to give as much notice as possible. The agenda item was closed.

13. Public comments and discussion.

Ms. Crowley opened this agenda item for public comments.

In Carson City, Mr. Jim Groth with West Global Energy provided comments about his business and provided price point clarification regarding solar rebate projects and nonsubsidy based projects. He stated that he would like to see for the renewable generations program that we get down into thinking about a dollar or dollar fifty per watt to a lot of private and residential commercial customers.

In Las Vegas, Mr. Mike Hazard stated that he'd like clarification on the subcommittee and that if there is a subcommittee for consumer participation, he would like to participate.

In Las Vegas, Ms. Wendy Ellis commented on renewable energy projects that may be available for purchase and stated that if California doesn't want to buy, or not really interested, would the solution be to get those RFPs increased through legislation and regulation and then force renewable energy purchase on NV Energy and in turn increase costs to rate payers in our state. She questioned the whole reason for doing this and stated that if industries want new solar plants, we should let them do it but don't make her pay for it. She is concerned about the fairness to rate payers. Ms. Ellis also requested to be on a consumer subcommittee if one is created.

In Las Vegas, Joyce Hazard commented that the person who spoke in Carson City was representing the solar industry, not consumers. She does not agree with any rebates at all. She also stated that she agrees with Ms. Ellis. She does not agree with forcing it and having the state and taxpayers fund it.

Ms. Crowley thanked everyone and hearing no other comments, she closed the agenda item.

14. Adjournment

Ms. Crowley opened this agenda item to adjourn the meeting. Mr. Tull motioned to adjourn the meeting. Mr. McGinley seconded the motion. All approved. The meeting was adjourned at 3:17 p.m.