J. Candelaria Comments on Scenario Planning Policy Implications:

1.B:  NVE provides power to over 90% of the retail customers in the state.  Adding remaining load will help some but won’t move the needle much.

3.a,b:  Focus should be on establishing a realistic Rider rate based on historical reserve requirements of standby service customers.  I worked on these tariffs in 2004 while on Staff of the PUCN.

4.a,b: Also, consider a way of aggregating customer (small) purchases of RE.  And, allow net metering but put the RE facilities at a utility scale site.  Federal tax benefits affected?

6.: Not sure what is contemplated here?  Note that in California, IOUs are contemplating, curtailment provisions (xx hours/year) in RE PPAs that don’t affect PPA amounts but give IOUs more flexibility to address intermittency problems while at the same time also lowering the cost of flexible capacity requirements.

New:  Consider modifying NRS 704.746 so that transmission capacity alternatives to facilitate resource sharing between control areas to reduce the cost of operations and accommodate higher penetration levels of renewable energy are considered in the resource planning process.  In other words, consider cost effective transmission projects that link balancing areas and reduce operation and flexible capacity costs.  Will need to modernize the statute listed below.

NRS 704.746 Public hearing on adequacy of plan; determination by Commission.

1. After a utility has filed its plan pursuant to [NRS 704.741](http://www.leg.state.nv.us/NRS/NRS-704.html#NRS704Sec741), the Commission shall convene a public hearing on the adequacy of the plan.

2. The Commission shall determine the parties to the public hearing on the adequacy of the plan. A person or governmental entity may petition the Commission for leave to intervene as a party. The Commission must grant a petition to intervene as a party in the hearing if the person or entity has relevant material evidence to provide concerning the adequacy of the plan. The Commission may limit participation of an intervener in the hearing to avoid duplication and may prohibit continued participation in the hearing by an intervener if the Commission determines that continued participation will unduly broaden the issues, will not provide additional relevant material evidence or is not necessary to further the public interest.

3. In addition to any party to the hearing, any interested person may make comments to the Commission regarding the contents and adequacy of the plan.

4. After the hearing, the Commission shall determine whether:

(a) The forecast requirements of the utility are based on substantially accurate data and an adequate method of forecasting.

(b) The plan identifies and takes into account any present and projected reductions in the demand for energy that may result from measures to improve energy efficiency in the industrial, commercial, residential and energy producing sectors of the area being served.

(c) The plan adequately demonstrates the economic, environmental and other benefits to this State and to the customers of the utility, associated with the following possible measures and sources of supply:

(1) Improvements in energy efficiency;

(2) Pooling of power;

(3) Purchases of power from neighboring states or countries;

(4) Facilities that operate on solar or geothermal energy or wind;

(5) Facilities that operate on the principle of cogeneration or hydrogeneration;

(6) Other generation facilities; and

(7) Other transmission facilities.

5. The Commission may give preference to the measures and sources of supply set forth in paragraph (c) of subsection 4 that:

(a) Provide the greatest economic and environmental benefits to the State;

(b) Are consistent with the provisions of this section; and

(c) Provide levels of service that are adequate and reliable.

6. The Commission shall:

(a) Adopt regulations which determine the level of preference to be given to those measures and sources of supply; and

(b) Consider the value to the public of using water efficiently when it is determining those preferences.

7. The Commission shall:

(a) Consider the level of financial commitment from developers of renewable energy projects in each renewable energy zone, as designated pursuant to subsection 2 of [NRS 704.741](http://www.leg.state.nv.us/NRS/NRS-704.html#NRS704Sec741); and

(b) Adopt regulations establishing a process for considering such commitments including, without limitation, contracts for the sale of energy, leases of land and mineral rights, cash deposits and letters of credit.

(Added to NRS by 1983, 887; A 1989, 1607; 1991, 524; [2007, 1773](http://www.leg.state.nv.us/Statutes/74th/Stats200715.html#Stats200715page1773); [2009, 993](http://www.leg.state.nv.us/Statutes/75th2009/Stats200910.html#Stats200910page993), [1323](http://www.leg.state.nv.us/Statutes/75th2009/Stats200913.html#Stats200913page1323))