

**MINUTES**  
**New Energy Industry Task Force (NEITF)**  
**November 19, 2012**  
**1:00 p.m.**

The New Energy Industry Task Force held a public meeting on November 19, 2012, 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; and via teleconference.

1. **Call to order and Roll Call.** Stacey Crowley, Chairman, opened the meeting at 1:10 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>
Stacey Crowley	none	Matt Frazier
Ellen Allman (via teleconference)		Tom Morley
John Tull		
Jack McGinley (via teleconference)		
Lawrence Willick (via teleconference)		
Paul Thomsen		
Tom Husted (via teleconference)		
Ian Rogoff (via teleconference)		
Jim Woodruff (via teleconference)		

<b>Advisory Members in Carson City</b>	<b>Advisory Members in Las Vegas (via videoconference)</b>	<b>Advisory Members Absent</b>
Alex Gamboa	none	Marilyn Kirkpatrick
Connie Westadt		Kathleen Drakulich
Rebecca Wagner		
Jim Baak		
Rebecca Wagner		
Jason Geddes		
Dan Jacobsen		
Senator James Settlemeyer		
Vic Lozano (for Amy Lueders)		
Joni Eastley (via teleconference)		
John Candelaria (via teleconference)		

Also present were Cory Hunt, Lindsay Knox, Chris MacKenzie, Karen Davis, Sue Stephens, Dagny Stapleton, Cathy Erskine, Brenda Gilbert, and Wendy Ellis.

## **2. Public Comment and Discussion**

Chair Crowley opened this agenda item. Wendy Ellis commented on the RFP that led to the Synapse Report. Hearing no further public comments or discussion, this agenda item was closed.

## **3. Review and Approval of the Minutes from October 17th, 2012 Task Force Meeting.**

John Tull moved that the minutes be approved as submitted. The motion was seconded by Paul Thomsen. The motion was put to a vote and passed unanimously. The agenda item was closed.

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

Chair Crowley thanked all of the members of the task force for their commitment to the task force and for providing thoughtful comments. She then asked the Co-Chairs of the Business Case Subcommittee to report on activities that had transpired over the past month.

Co-Chair Jason Geddes reported that significant comments and recommended changes to the Synapse Report were submitted by the committee members. Ultimately, the subcommittee recommended that the full task force be given the report as well as all of the comments submitted so that they could review the Report in the context of both the oral comments submitted at the October 9, 2012 subcommittee meeting (recorded by a verbatim transcription) and the written comments that were added to the record. He also noted that the full report, including all comments was posted on the website.

Co-Chair Ian Rogoff reported that, from his perspective, although there were unsubstantiated and unsupported conclusions in the report, there was a significant amount of good information in the report, and that his was why it made more sense to pass the report along as a complete document that included the comments. Mr. Rogoff said that Synapse was able to “drill down” on the scenarios and rank them, which was an example of a well-supported finding from the report. He recommended that the members of the task force take a look at the report for this reason.

Chair Crowley indicated that a working group was working on better defining short and long term scenarios. Examples of short term options could include a substation upgrade or a short transmission line to improve transfer capability. Examples of long-term options could be a transmission line that could connect to regional markets. Chair Crowley noted that there was some helpful information in the report. She noted the need to develop cooperation and relationships between states, especially concerning neighbors to the west, and the need to look at internal strategies and policies. Task Force members who had submitted comments discussed some of their key concerns with the report. Key concerns about the report included: 1) ratepayer and citizen impacts were not identified; 2) conditions that would impact marketability of Nevada’s renewable resources outside Nevada and potential benefits to Nevada were not clear; 3) cost of resources; market

potential; barriers that must be overcome and relevant political trends in California were not addressed; and 4) some scenarios in the report were not realistic.

Jack McGinley said that he thought there was useful information in the report and that Synapse did a good job considering their limited budget. Co-Chair Rogoff agreed with this statement. He also commented that although the report provided some good information, they did not provide the definitive answer that the task force was looking for.

Chair Crowley added that cooperation between the states was essential at both the Governor's level and below. She stated that she thought the report made it clear that there were benefits from each of the scenarios in terms of significant increased capacity to deliver renewable energy, increased jobs, increased gross state product, and similar positive impacts. The report was clear that, regardless of how the project is structured financially such as an independent transmission developer or an unregulated utility, there could be significant financial benefits without raising rates, all of which indicates that options should be pursued based on the abundant renewable resources in Nevada. She noted that the inclusion of Valley Electric's into the ISO was opening up a variety of opportunities.

Co-Chair Geddes reported on the restructuring of the Business Case Subcommittee to create two working groups, a policy group and a technical group. The original list of Policy Issues was revised and updated based on discussions of the policy group. He noted that Jack McGinley would make a presentation at the next meeting of the policy group regarding NV Energy's Large and Small Standby Riders. He reported that the next meeting to discuss policy issues was scheduled for December 3 and that there would be a report on the results of the committee's discussions at the next task force meeting.

John Tull reiterated his statement at a previous meeting that there was a need to properly plan the future locations for renewable resource developments based on location and capability of transmission resources.

Chair Crowley asked the Co-Chairs of the Transmission Subcommittee to report on their progress. Co-Chair Rebecca Wagner reported that there were no new developments; however, she expected to have a presentation on how RTOs and ISOs operate at a future subcommittee meeting. It was decided that the full task force could benefit from such a presentation. Chair Crowley asked Co-Chair Willick to assist the task force to better understand the financing options and ratepayer impacts at a future date.

Jim Baak recommended a presentation by a member of the Western Electricity Coordinating Council (WECC), including retirement of some of the coal plants, which could make more transmission capacity available as well as the WECC regional planning process. Ms. Crowley recommended that the scenarios submitted to WECC by NEAC be reviewed.

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

In the process of reporting on progress of the Transmission Subcommittee, Co-Chair Rebecca Wagner reported that there were no new developments; however, she expected to have a presentation on how RTOs and ISOs operate at a future subcommittee meeting. It was decided that the full task force could benefit from such a presentation. Chair Crowley also asked Co-Chair Willick provide a report at a future date to assist the task force to better understand the financing options and ratepayer impacts.

Jim Baak recommended a presentation by a member of the Western Electricity Coordinating Council (WECC), including information about the expected retirement of some of, which could make more transmission capacity available as well as the WECC regional planning process. Ms. Crowley recommended that the scenarios submitted to WECC by NEAC be reviewed, and that this review may be appropriate for the subcommittee level.

Dan Jacobsen asked for clarification at some point of the implications of the “cap and trade” issue on Nevada if conventional energy sources are sold to California, and the projected added cost of involvement in the energy imbalance market. There was some speculation about whether out of state renewable resources would be preferred by California over construction of new generation that would use natural gas.

Co-Chair Crowley asked Dan Jacobsen to provide information from the California Energy Commission’s “E3” report.

Possible impacts from increased usage of natural gas vehicles were discussed.

Jim Baak asked whether additional discussions with California entities will be pursued. Chair Crowley responded that strategic political discussions were on-going.

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

The next meeting was scheduled for Wednesday, December 19, 2012, starting at 1:00 p.m.

## **7. Public Comments and Discussion**

Chair Crowley opened this agenda item and asked for public comments. Wendy Ellis commented on previous legislation and impacts if similar legislation is introduced in the current session. The agenda item was closed.

## **8. Adjournment**

The meeting was adjourned at 2:30 p.m.