Email from Dan Jacobsen:

Here is a link to the E3 study

[http://www.ethree.com/documents/Orans\_LSI\_EnergyinCA\_v1.Nov12\_2012.pdf](https://mail.state.nv.us/owa/redir.aspx?C=dfbfbf8211b44fdbba4b9ca35d7c2422&URL=http%3a%2f%2fwww.ethree.com%2fdocuments%2fOrans_LSI_EnergyinCA_v1.Nov12_2012.pdf)

Energy and Environmental Economics (E3) is a consulting firm that does work for energy companies such as PG&E as well as policy makers such as the CPUC.

Dr. Ren Orans is one of the leaders of the firm and he gave me permission to share this presentation with the Nevada task force.

I think the presentation is particularly relevant to one of the main issues facing our task force.  Namely, the likelihood that California will purchase significant amounts of out-of-state renewable energy.

Here are some of the main points:

* Increased renewables will result in an 8% rate increase by 2020 [page 4]
* The rate impact of renewables are not yet really being felt by California ratepayers   [page 5]
* The recent RPS increase was justified by a promise of more jobs and economic development  [page 6]
* The net long term impact of increased renewables on jobs is going to be "minor"  [page 14]
* As it becomes clear that rates will increase and few long term jobs will be added, policymakers will press for **in-state** renewable development in order to generate as many California benefits as possible [page 15]

These points suggest that it will be unlikely that California will purchase significant amounts of renewable energy from Nevada or other states.

Yesterday I sent you a report from the Little Hoover Commission.  The report encouraged Califorina policymakers to hold off on making additional changes to California energy policy until the rate impact of RPS and other recent policy changes can be fully assessed.  This report suggests that there will be resistance to further increases in California's RPS.

 Hopefully the task force will consider this recent information before making changes to Nevada's energy policy.

Dan