



GOVERNOR'S OFFICE OF ENERGY

**MINUTES for the
NEW ENERGY INDUSTRY TASK FORCE
TECHNICAL ADVISORY COMMITTEE on DISTRIBUTED GENERATION**

June 28, 2016

The TAC on DG and Storage held a public meeting on Jun 28, 2016 beginning at 9:30 a.m. at the following locations:

LAS VEGAS
Public Utilities Commission
9075 W. Diablo Drive, Conference Room B
Las Vegas, Nevada 89101

CARSON CITY
Public Utilities Commission
1150 E. William Street, Conference Room B
Carson City, Nevada 89701

1. Call to Order and Roll Call.

Vice Chairman Tuma called the meeting to order. Roll Call was taken and it was determined a quorum of the Distributed Generation and Storage TAC was present.

TAC Members Present

Jeremy Susac
Bo Balzar
Matt Tuma
Marco Velotta
Dale Stransky
Jack McGinley
Sarah Van Cleve
Jason Geddes

TAC Members Absent

Adam Kramer
Jessica Scott
Bobby Hollis
Tom Ewing

2. Public comments and discussion.

Mr. David von Seggern introduced himself as Chair of the Toyabi Chapter of the Sierra Club. He spoke in favor of net metering, distributed generation, and the need to support more clean energy in Nevada.

Mr. Bradly Vadleamos introduced himself as a student and native Nevadan. He spoke in favor of policies in support of increased energy storage.

Mr. Nick Warren introduced himself as a math student. He spoke in favor of utilizing clean energy in the state and managing the energy planning process in a more inclusive way.

Mr. Larry Fozgate introduced himself as a volunteer with the Nevada Clean Energy Project. He spoke in favor of Green Banks and the need to encourage renewable energy investments.

Ms. Bonny Lenart introduced herself as a net metering customer. She spoke in favor of grandfathering and the need to encourage distributed solar investments in the future.

Mr. Tom Dudas introduced himself as a net metering customer. He spoke of concerns about energy storage targets for small scale installations but believes that it is suited better for larger generation operations.

3. Approval of Minutes from previous meeting

There was a motion and second to approve the draft minutes for the April 28th meeting. The motion passed unanimously.

4. Report from the Chairman on the May 26, 2016 meeting of the New Energy Industry Task Force.

Mr. Tuma provided an overview of the May 26th NEITF meeting. He explained that the grandfathering proposal from the TAC was accepted by the Task Force with the only change from 25 years to 20 years. The Task Force asked that the TAC continue its work on policy recommendations for energy storage, NEM 2, and other areas. Chairman Susac added that there was discussion at the Task Force to consider a new Renewable Energy Portfolio Standard. There was discussion on Bill Draft Request deadlines and the ability to influence legislation for the 2017 Session. There was additional discussion on the change of timeframe for grandfathering from 25 years to 20 years. Mr. Tuma gave an overview of the recommendations approved by the Task Force which originated in other TACs.

5. Storage Integration and Management

Mr. Anthony Harrison, Senior Manager for Regulatory Affairs at Stem introduced himself. Stem combines big data, predictive software, and advanced energy storage to help business manage energy costs while enhancing grid operations. They work with commercial and industrial customers along with utilities, ISO's, and other retailers. Stem aggregates distributed storage systems to optimize its value as an on demand resource.

Mr. McGinley asked for a description of how Stem participated in the Cal ISO. Mr. Harrison described how their first integration into the grid was through a customer resource but now they are bidding in with long term contracts. Ms. Van Cleve and Mr. McGinley discussed the lack of new generation in California. Mr. McGinley and Mr. Harrison discussed how integration helps manage renewable sources of power. Mr. Tuma and Mr. Harrison discussed the size of installations and how they are distributed. Mr. Stransky and Mr. Harrison discussed how utility contracts often require location requirements for some deployments. Mr. McGinley asked for some more specifics

regarding energy storage costs going down. Mr. Harrison discussed that they have seen costs go down by 30 percent and expect a 40 percent decline by 2018. Mr. Harrison also discussed the lack of standardized permitting for energy storage impacting soft costs of installation.

There was discussion on the PUCN's process to evaluate problems with interconnection of energy storage. TAC members requested an update of the process for a future meeting.

6. Review of proposals and concepts for legislative amendments to NRS Chapter 704 in order to support and incentivize net metering projects on and after January 1, 2016; and proposals and concepts for legislation to support and incentivize the use of energy storage technology.

Chairman Susac gave an overview and background information of his motion to utilize transferable tax credits to pay for any cost shift from the implementation of future Net Metering at retail rates.

There was discussion on the source of funding for a transferable tax credits coming from the general fund and not from just utility rate payers. Mr. Stransky identified concerns with mixing the tax burden for the utility and energy rates. Mr. McGinley discussed concerns with continuing net metering at retail rates and believes that the state should look at how distributed generation should be managed in the future. Discussion followed on how the utility recovers lost revenues and if this proposal would conflict with that process. There was discussion with the difficulty in securing general fund dollars for a tax credit. Discussion followed on the challenges of returning to a net metered system versus compensation based on the value of solar. Mr. Balzar, Mr. Stransky, Dr. Geddes, and Mr. Tuma discussed time of use incentives for deployment of distributed generation. Mr. Balzar explained the complexity for customers to understand some of the incentives for demand charges and time of use rate structure. Discussion followed on how to solicit proposals for future meetings and how the group put together motions by the conclusion of the Task Force in September.

Ms. Van Cleve deferred to June 29th to discuss her storage proposal along with the Grid Modernization TAC.

Mr. Tuma identified the uncommitted funding remaining in the Renewable Generations program as a proposal need for the TAC.

7. Public comments and discussion.

Ms. Judy Triggles identified herself as a net metering customer. She offered comments on how the value of solar is determined and the need to combat climate change.

Ms. Bonny Lenart introduced herself as a net metering customer. She said that there was a need for the TAC to understand how net metering bills operate.

8. Adjournment.

The meeting was adjourned at 12:25 p.m. until 9:00 a.m. the following morning.