

PROPOSED TAC – CLEAN ENERGY SOURCES QUESTIONS – DENNIS LAYBOURN

1. As a state policy do we prioritize procurement of clean energy (non-fossil) first? *I believe grid reliability and cost should have highest priority, As demonstrated in the NV Energy presentation, ne solar is now cost competitive with fossil fuel generation*
2. How do you propose we integrate more clean energy into our energy sources?
3. Are there existing statutes that need revision/amendment/deletion in order to implement the broad policy of prioritizing clean energy first? If so, what statutes do you propose be revised/amended/deleted and what is the general direction for your proposal to do so?
4. Are there specific legislative instructions that need to be provided to the PUC?
 - Decoupling?
 - Loading Order?
 - Consideration of externalities and how to quantify? *Need further explanation of externalities.*
5. What broad policies are necessary to increase Nevada's opportunities for exportation? What policies do we need to coordinate with the Grid Mod TAC?
6. Should we revise/expand the RPS? If so, what is your proposal for revision/expansion?
 - What are the impediments to revising/expanding the RPS?
 - Should we phase out banked credits? *It seems to me that credit banking is a mechanism that allows for more liquidity in the trading of renewable energy credits. If a decision is made to phase out banked credits it should be done over a reasonable period of time so existing banked credits are not devalued.*
7. What specific policy actions should occur, if any, related to EE? *The PACE program would appear to increase the availability of private financing for EE improvement, It should be considered.*
8. Are there existing impediments to further clean energy development that can be controlled by the state? *I don't see any impediments that can be controlled by the state, Impediments would mainly be from the Federal side and related to development on Federal lands, sage grouse issues, etc.*
9. Will any/all of the proposals set forth above ensure that:

Although NV is in a good position for CPP compliance, it will be difficult to say that NV would be CPP compliant by the time the stay is lifted. NV can't be compliant until an implementation plan is developed and approved by EPA. In addition to a stay of the CPP itself, the stay also affects other CPP- related issues such as the proposed Federal Plan and Model Trading rule – that presumably will provide somewhat of an EPA-perceived template for state plan development and how emissions allowances would be allocated and traded. The stay will likely be lifted by late 2017 or 2018 and a state plan could not be approved until after the stay is lifted.

Any trading plans would be part of the state plan and subject to EPA approval after the stay. If interstate trading is planned – trading states would have to align with a uniform mechanism for trading.

- Nevada will be CPP compliant at the time the stay is lifted?
- Nevada will be in a position to adopt CEIP early-action compliance?
- Nevada will be trade ready at the time the CPP stay is lifted?