

Committee on Energy Choice

ENERGY MARKET DESIGN & POLICY

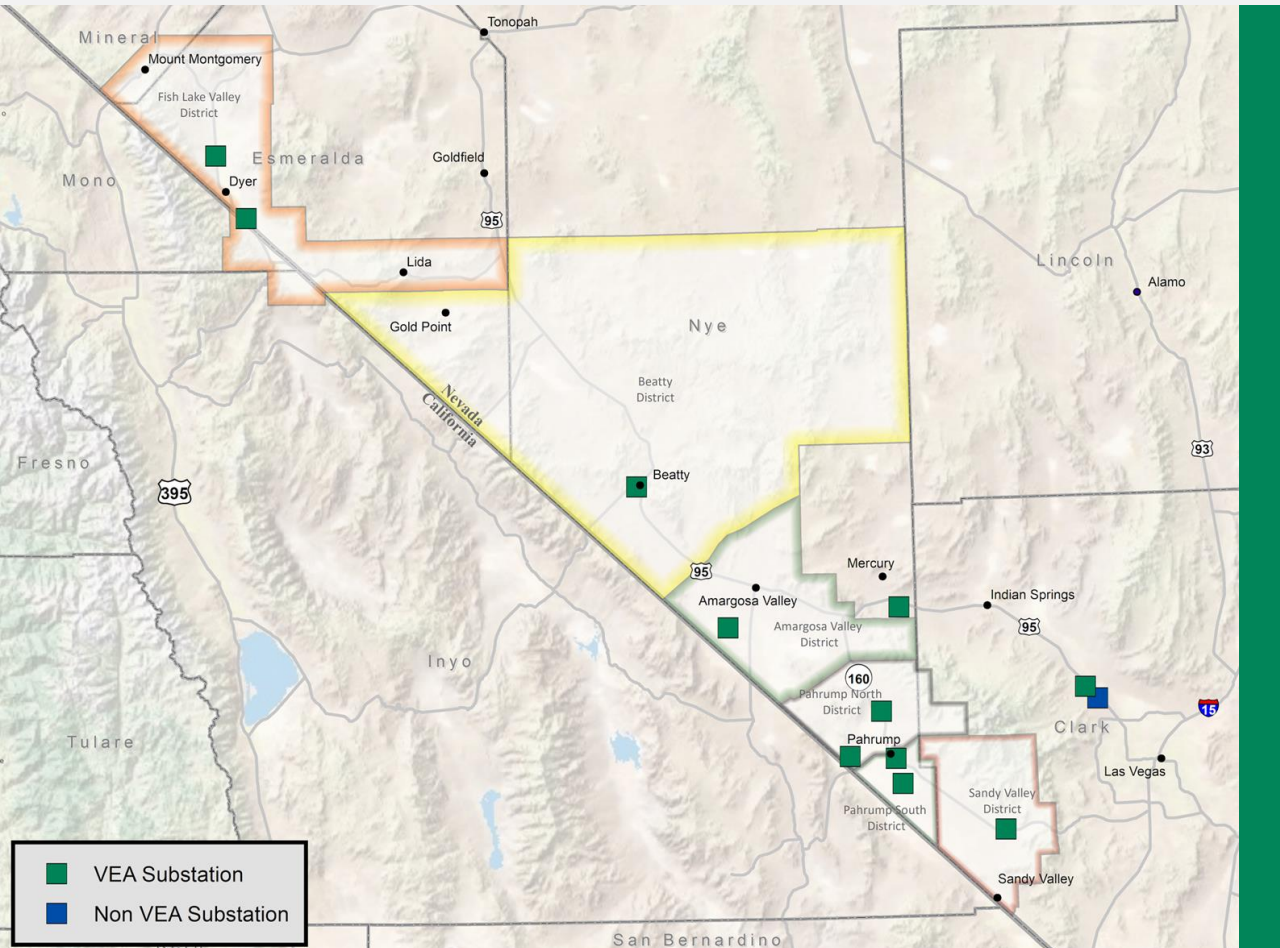
AUGUST 8, 2017



**Valley Electric
Association, Inc.**

A Touchstone Energy Cooperative 

About VALLEY ELECTRIC



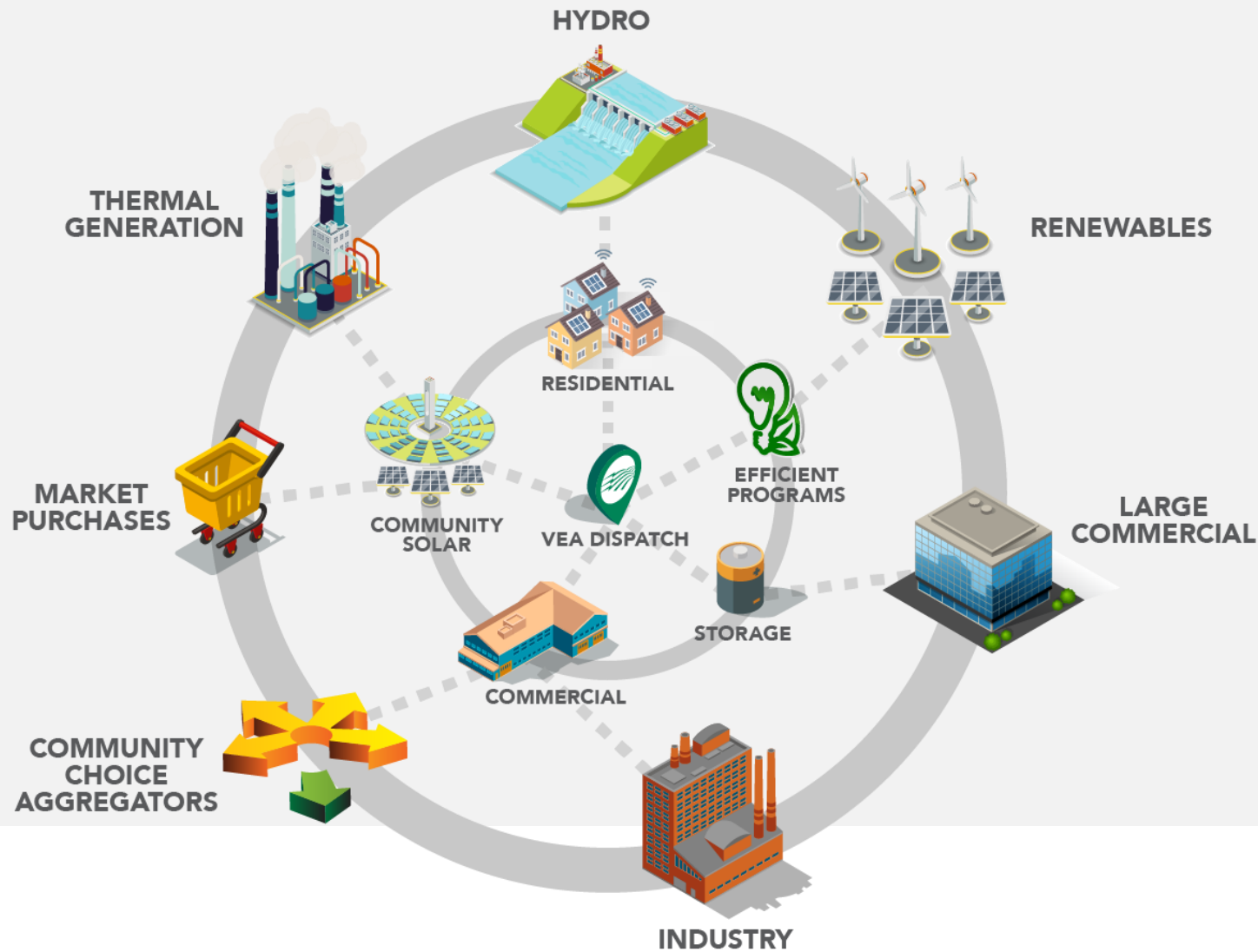
- Our history began in 1965 as an Electric Coop
- 17,500 members across 6,800 sq. miles and a population base of 40,000+
- We serve in Clark, Nye, Esmeralda, and Mineral counties in NV as well as Inyo and Mono counties in CA
- We are the first non-California member of the CAISO and only Nevada utility in an organized wholesale market

Our **VISION**



- To continue to be our consumers'/members' innovative energy partner and stay on the leading edge of energy developments that provide solutions and alternatives in a changing industry.
- Promote structured regionalized markets that foster efficient utilization of generation, transmission, and delivery resources — resulting in lower costs, innovative technologies, and environmental stewardship.
- To employ technology and communications to bridge to a smart grid/smart community, empowering consumers, choices, and markets.

Energy of TOMORROW



- Interactive Smart Grid System

VEA SMART PROJECTS

2009

Largest Solar Water Heater Program in US

2013

Joined CAISO

2016

First Charging Station on Nevada's Electric Highway
Strategic Transmission Partnership

NNSS and Creech AFB

2012

Largest Community Solar Project in the US
High-Speed Communications Infrastructure in Rural Nevada
Strategic Communications Partnership

2015



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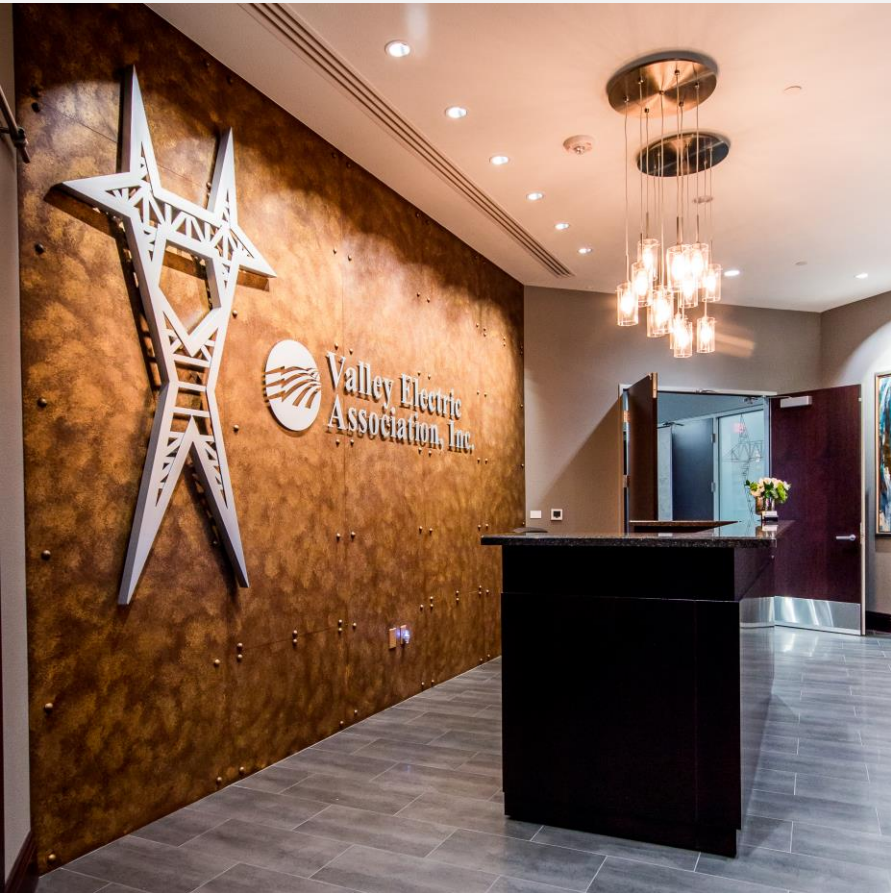
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What **WE DO**



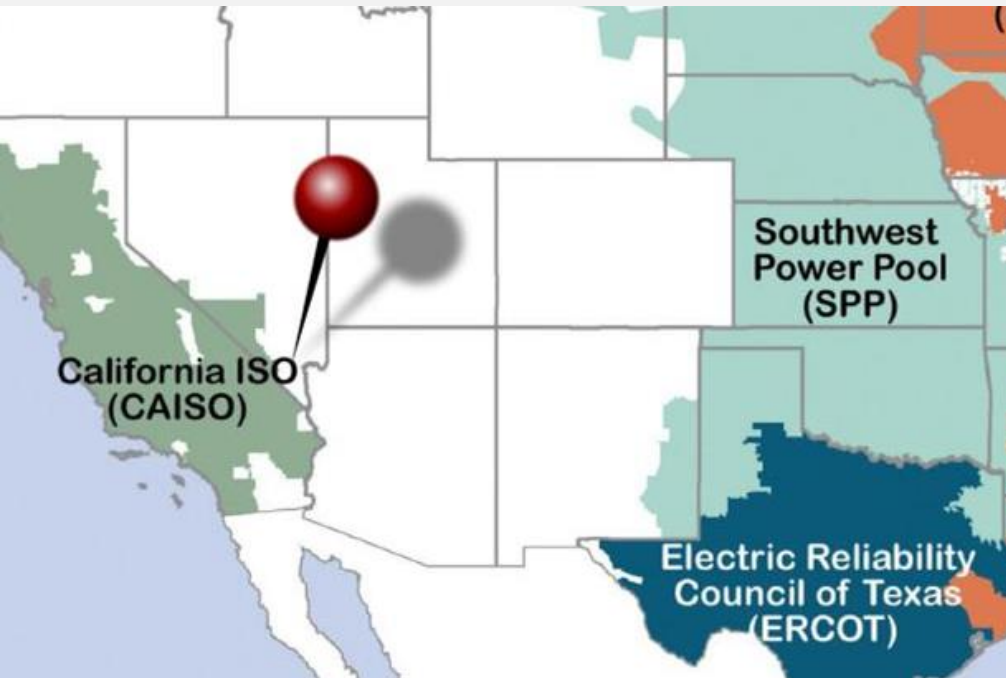
- Provide Wholesale and Retail Electric Service
- Own and Operate Regional Electrical Transmission Systems
- Optical Fiber Services and Infrastructure (Wholesale & Retail)
- Own and Operate Military Electrical Distribution System
- Comprehensive Operating/Dispatch System

How **WE DO IT**



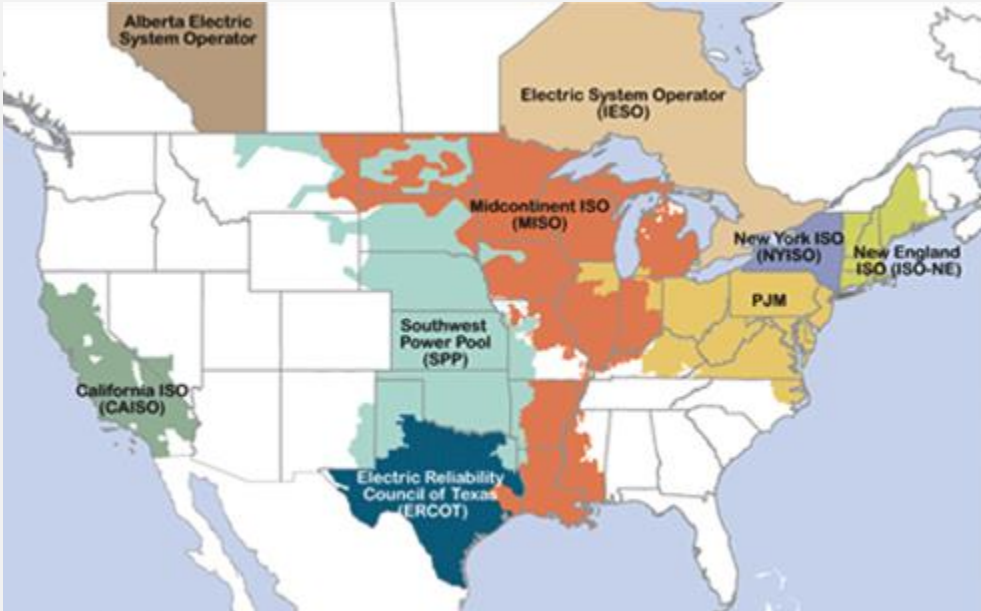
- **Valley Electric Association, Inc. (VEA) - 1965**
- **Valley Electric Transmission Association (VETA) - 2010**
- **Valley Electric Energy Services (VEES) - 2014**
- **Valley Electric Utility Service (VEUS) - 2014**
- **Valley Communications Association (VCA) - 2015**

Need for **REGIONALIZATION**



- We Support Regionalization
- Only Nevada utility that is a full participant in an organized wholesale market
- First member of CAISO outside of CA
- Nevada lacks a robust regulated market (38 Balancing Authorities in the West is inefficient)
 - Fiefdoms and State Lines

Benefits of REGIONALIZATION



- Development of additional renewables (development & market access enhanced)
- Lower Pricing with Wholesale Markets
- Unified Governance Policies
- Independent Oversight

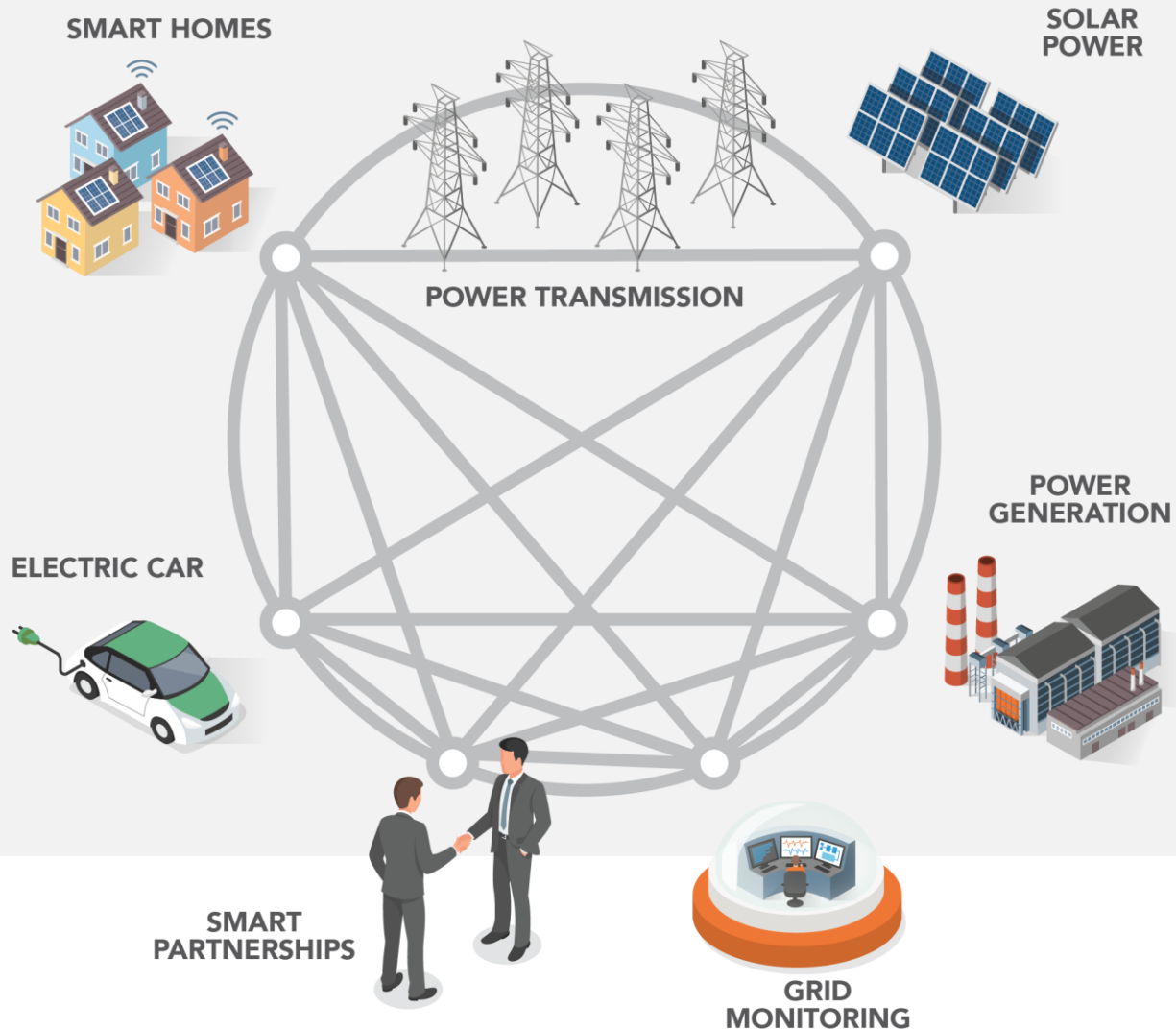
Why We **JOINED THE ISO**



California ISO
Shaping a Renewed Future

- Renewable Energy Development
- Robust Markets
- Fair Governance
- Lower Costs & Increased Revenues
- Daily Life In A Regional ISO/RTO

Retail Market: **SMART EVOLVING**



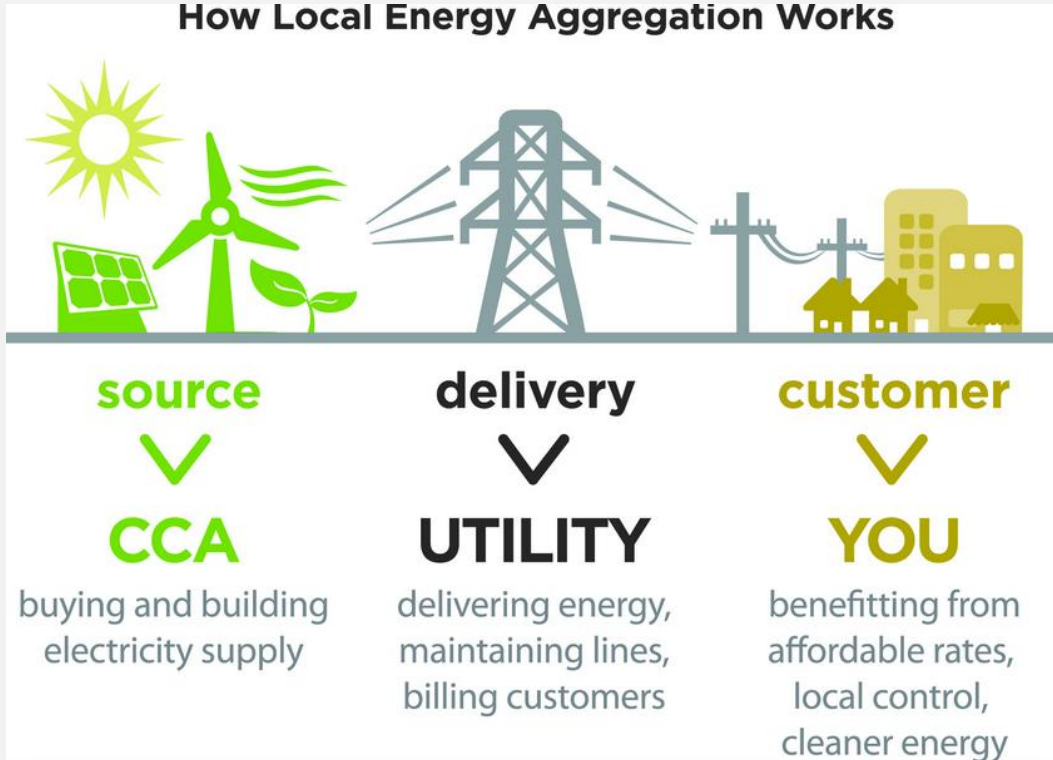
- We are creating a **SMART** Utility
- We are establishing **SMART** communities
- We are building **SMART** partnerships

« Retail Market: **STRUCTURE**

PUCN

- PUCN Regulation of Retail Energy Providers
 - Fair and Transparent
- PUCN Customer Protection and Education
 - Unique Business Model Differences

Retail Market: ENERGY FOR ALL



- Community Choice Aggregation
 - Potential model to Meet Needs of Low Income and Vulnerable Populations
 - Potential Model for Community Interest
- Conservation Funding Through Distribution Utility Aligns Incentives

Provider of **LAST RESORT**



- Multiple Provider Areas has Precedent
- Community Choice Aggregation
- Competitive Bidding
- Through Valley Electric Energy Services, Valley Electric Association fully intends to participate

Follow Up **QUESTIONS**



◀ We are **A NETWORK**



- 1 of 900 Co-Ops in the country
- Community-formed
- Financial Capital Resources
- Risk Management & Insurance Resources
- Power Marketing Resources
- Communications