

WORK SESSION DOCUMENT
GOVERNOR'S COMMITTEE ON ENERGY CHOICE
Technical Working Group on Innovation, Technology and Renewable Energy
Summary of Policy Recommendations to be Presented for Consideration by the Full Committee on
Energy Choice

The Technical Working Group on Innovation, Technology, and Renewable Energy has been charged with examining the following specific topics related to the Energy Choice Initiative:

Energy Efficiency Programs
Demand-side Management Programs
Renewable Portfolio Standards
Electric Vehicles
Aggregation Programs, including Community Solar Programs
Incentive Programs for other Technologies of Interest
Net Metering
Blockchain Technology

Pursuant to Executive Order 2017-03 and Executive Order 2017-10, and in accordance with the directive given at the November 7, 2017 meeting of the Governor's Committee on Energy Choice, during which Chairman Mark Hutchison instructed Committee Technical Working Groups to prepare summaries and policy recommendations for consideration by the full Committee, the Technical Working Group on Innovation, Technology and Renewable Energy hereby reports the following summary and recommendations.

1. Potential Impacts of a Restructured Energy Market on Currently-Existing Renewable Energy Programs

STATEMENT OF THE ISSUE: Under existing state law and regulations, certain clean energy programs, incentive programs, and energy efficiency and conservation initiatives are mandated and being pursued by stakeholders across Nevada. Should the Energy Choice Initiative ("E.C.I.") pass a second time at the General Election in November of 2018, there will likely be some effect on these existing programs under a restructured market. The following findings relate to the potential effects of a restructured market on current programs in Nevada relating to renewable energy.

SUMMARY OF PRESENTATIONS: The Technical Working Group on Innovation, Technology, and Renewable Energy has met five times since formation. The following presentations relating to existing renewable energy programs have been offered to the working group:

- I. Pat Egan, Senior Vice President of Renewable Energy and Smart Infrastructure, NV Energy – Mr. Egan presented before the working group on Oct. 10, 2017, and reviewed current NV Energy programs related to energy efficiency, demand-side management, energy storage, and recently approved legislative measures from the 2017 Legislative Session.

RECOMMENDATIONS: Based upon the information provided to the working group, the following recommendations are proposed for consideration by the Committee:

- A. The Governor's Committee on Energy Choice should endorse existing programs concerning renewable energy requirements and subsidized services for low-income customers and urge the

Governor and the Legislature to ensure that the development of a restructured market does not harm these existing programs

- B. The Governor's Committee on Energy Choice should encourage the Governor and the Legislature to adopt, should the E.C.I. ballot question pass, competitive retail market policies that do not impede progress and innovation in current and future technologies
- C. The working group recommends that the Committee on Energy Choice encourage the Governor and the Legislature to consider the creation and funding of incubators or pilot projects for innovative technologies that may provide meaningful choice for Nevadans
- D. The working group recommends that the Committee on Energy Choice encourage policies promoting regulatory flexibility for incentives to renewable energy programs, particularly pilot programs to integrate "smart" energy technologies supporting distributed generation, storage, and other clean energy advances

2. Restructured Energy Markets and Renewable Portfolio Standards (RPS)

STATEMENT OF THE ISSUE: Executive Order 2017-10 directed the Committee on Energy Choice to examine "whether or how to implement the ideas in Assembly Bill 206," which would have raised Nevada's Renewable Portfolio Standards. EO 2017-10 stated that the bills were vetoed because, "among other things, there was significant uncertainty as to how the policies in the bills would be affected by the proposed amendment to the Nevada Constitution contained in the upcoming 2018 ballot question." Further, EO2017-10 stated that "the members of the CEC are uniquely qualified to examine whether or how to implement the ideas in AB 206 and SB 392 should Nevada's voters pass the Energy Choice Initiative for the second time. "Finally, EO 2017-10 stated that it is "necessary and prudent that the CEC study, review and discuss Nevada's renewable portfolio standards... and make recommendations." Nevada's RPS currently calls for 25% of energy to be derived from renewable sources by 2025.

SUMMARY OF PRESENTATIONS: The following presentations relating to RPS and restructured energy markets have been offered to the working group:

- I. Maria Robinson, Associate Director of Energy Policy and Analysis, Advanced Energy Economy – Ms. Robinson presented before the working group on Aug. 9, 2017 and reviewed market structures and whether RPS encourages continued development of Nevada's renewable resources
- II. Amanda Levin, Climate and Energy Advocate, Natural Resources Defense Council – Ms. Levin presented before the working group on Aug. 9, 2017 and discussed the relationship between RPS and Nevada's role as a regional leader in the development of cost-effective energy generation

RECOMMENDATIONS: Based upon the information provided to the working group, the following recommendations are proposed for consideration by the Committee:

- A. The working group recommends that the Committee on Energy Choice encourage the Governor, Legislature, and regulatory agencies and organizations to implement the E.C.I. in alignment with Nevada's existing renewable energy, energy efficiency and technology goals
- B. The working group recommends that the Committee on Energy Choice urge the Governor and the Legislature to develop and promote innovative policies and programs that advance the use of renewable energy and that position Nevada as a leading exporter of energy

3. Implications of a Restructured Energy Market regarding Community Solar Programs and Net Metering

STATEMENT OF THE ISSUE: Executive Order 2017-10, amending Executive Order 2017-03, directed the Committee on Energy Choice to examine “whether or how to implement the ideas in Senate Bill 392, which would have allowed community solar gardens to begin operating in Nevada.” Specifically, EO 2017-03 was amended to add the following topics for the CEC to address to include “allowing community solar gardens to begin operating in Nevada.” Additionally, in 2017, AB 405 established new parameters for rooftop solar technologies. There will likely be impacts resulting from a restructured energy market on opportunities for developing community solar programs as well as impacts for rooftop solar development.

SUMMARY OF PRESENTATIONS: The following presentations relating to rooftop solar and community solar gardens have been offered to the working group:

- I. Jason Burwen, Policy and Advocacy Director, Energy Storage Association – Mr. Burwen presented before the working group on Dec. 5, 2017, and reviewed specific issues to consider in integrating storage technology under a restructured energy market
- II. Marta Tomick, Program Director, Vote Solar – Ms. Tomick presented before the working group on Dec. 5, 2017 and provided an overview of community solar programs in restructured markets and reviewed issues to consider in integrating community solar programs under a restructured energy market

RECOMMENDATIONS:

- A. The working group recommends that the Committee on Energy Choice encourage the Legislature to revisit the topic of community solar gardens during the 2019 Legislative Session after the E.C.I. ballot question has been decided by voters
- B. The working group recommends that the Committee on Energy Choice encourage the Legislature to review Nevada’s existing net metering program after the E.C.I. ballot question has been decided

4. Implications of a Restructured Energy Market for Nevada’s Ability to be a Net Energy Exporter

STATEMENT OF THE ISSUE: Executive Order 2017-03 directed the Committee on Energy Choice to assess Nevada’s goal of becoming a net exporter of energy. A restructured energy market in Nevada may pose significant implications for this strategic goal.

SUMMARY OF PRESENTATIONS: The following presentation relating to net energy exporting has been offered to the working group:

- I. Phil Pettingill, Director for Regional Integration, California Independent System Operator – Mr. Pettingill presented generally on issues pertaining to electrical grid infrastructure and

distributed energy resources. During this presentation, issues pertaining to net energy exporting were also generally discussed.

RECOMMENDATIONS:

- A. The technical working group recommends that the Committee on Energy Choice encourage the Governor and the Legislature to evaluate, should the E.C.I. ballot question pass, all proposed policies and programs with a consideration of positioning Nevada as a net exporter of energy

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