

**Recommendation:** The Public Utilities Commission of Nevada (“PUCN”) should exercise its authority pursuant to NRS 704.741(2)(b) and open a rulemaking docket to revise the renewable energy zones designated in NAC 704.880. The PUCN should consider new information and data that has become available since it designated the renewable energy zones in late 2009. Sources for new information and data include, but are not limited to, the following:

- The Strategic Plan for Conservation of Greater Sage-Grouse in Nevada
- The Western Renewable Energy Zone process (Western Governors’ Association)
- Solar Energy Development Programmatic Environmental Impact Statement process (US Department of Energy and US Department of Interior)
- Desert Renewable Energy Conservation Plan (State of California)
- California Renewable Energy Transmission Initiative (State of California)
- Local, State and Federal agencies (US Department of Defense, US Department of the Interior, Nevada Department of Wildlife, etc)

The Commission should also consider similar efforts that have occurred in other states as guidance for its process.

**Background:** Assembly Bill 387 (“AB 387”) was enacted in 2009 and directed the PUCN to “designate renewable energy zones and revise the designated renewable energy zones as the Commission [PUCN] deems necessary.” (NRS 704741(2)(b).) The term “renewable energy zone” is defined as “specific geographic zones where renewable energy resources are sufficient to develop generation capacity and where transmission constrains the delivery of electricity from those zones to customers.” (NRS 704.741(5)(b).)

Pursuant to the directive to designate renewable energy zones, the Commission opened a rulemaking docket designated as Docket No. 09-07011 and on December 21, 2009, the PUCN adopted regulations designating renewable energy zones. The regulations are codified in NAC 704.880.

The designated renewable energy zones were adopted from the work conducted by the Nevada Renewable Energy Transmission Access Advisory Committee (“RETAAC”).<sup>1</sup> The purpose of RETAAC was to “propose recommendations for improved access to the grid system by which renewable energy industries can set up and have market access in Nevada and neighboring states.”

**Conclusion:** Since the time the PUCN designated renewable energy zones in late 2009, there have been new studies and/or reports that have been issued that may affect the existing renewable energy zones designations. As such, it is recommended that the PUCN revise, if warranted, the renewable energy zones designated in NAC 704.880.

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<sup>1</sup> RETAAC was convened by Governor Gibbons pursuant to an Executive Order and consisted of two phases. The findings of RETAAC are contained in the Phase 1 Report (December 31, 2007) and Phase II Report (July 1, 2009).