



Valley Electric Association, Inc.

A Touchstone Energy® Cooperative 

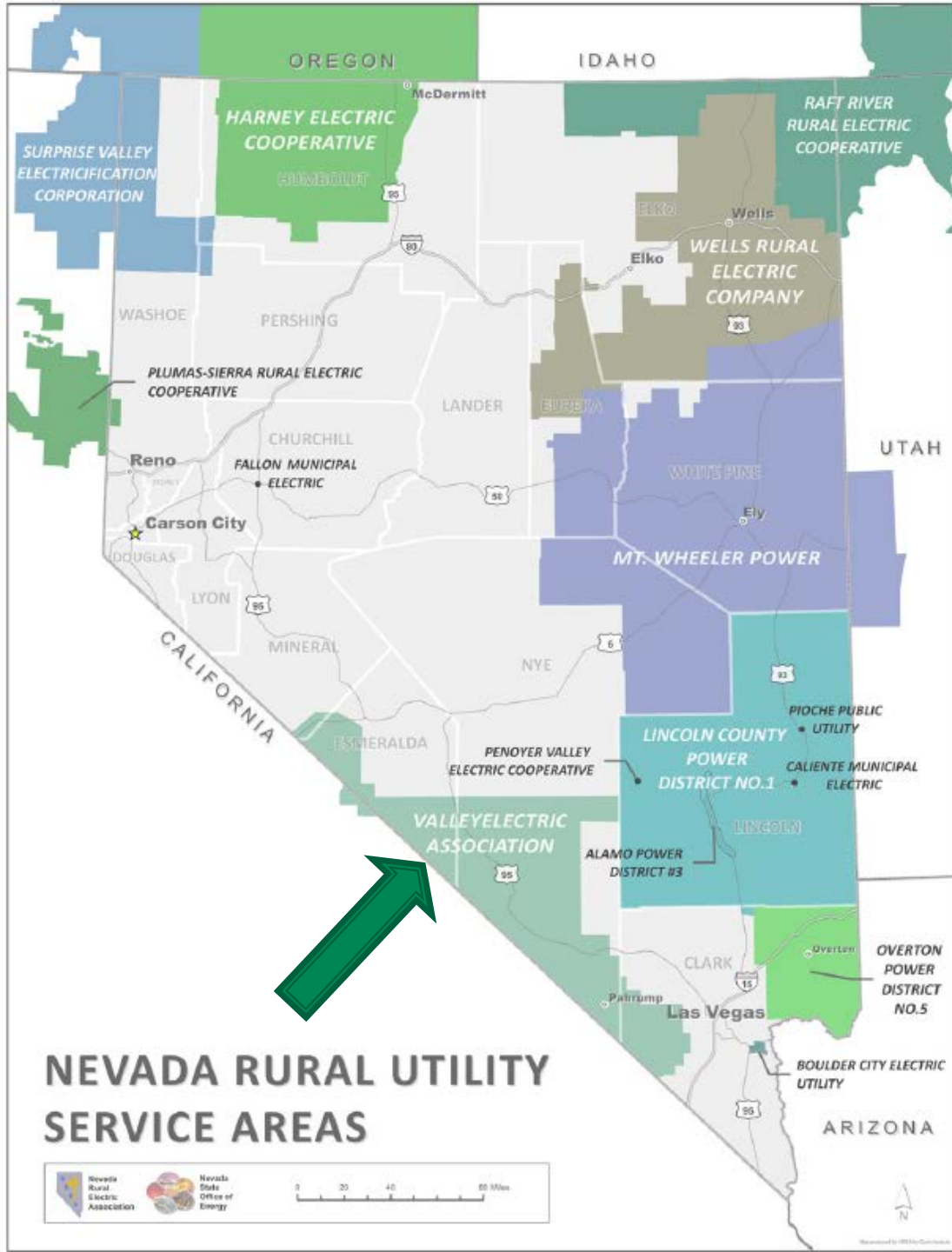
New Energy Industry Task Force Presentation

Valley Electric Association, Inc. (VEA) Overview

- Member-owned Cooperative utility for over fifty (50) years
- Six (6) elected Board of Directors
- We're non-profit and are owned by the consumers we serve.
- We're guided by seven cooperative principles that reflect the best interest of our consumers
- Service territory covers southern Nevada and a portion of California across five (5) counties.



VEA serves the communities of Pahrump, Sandy Valley, Amargosa Valley, Beatty and Fish Lake Valley

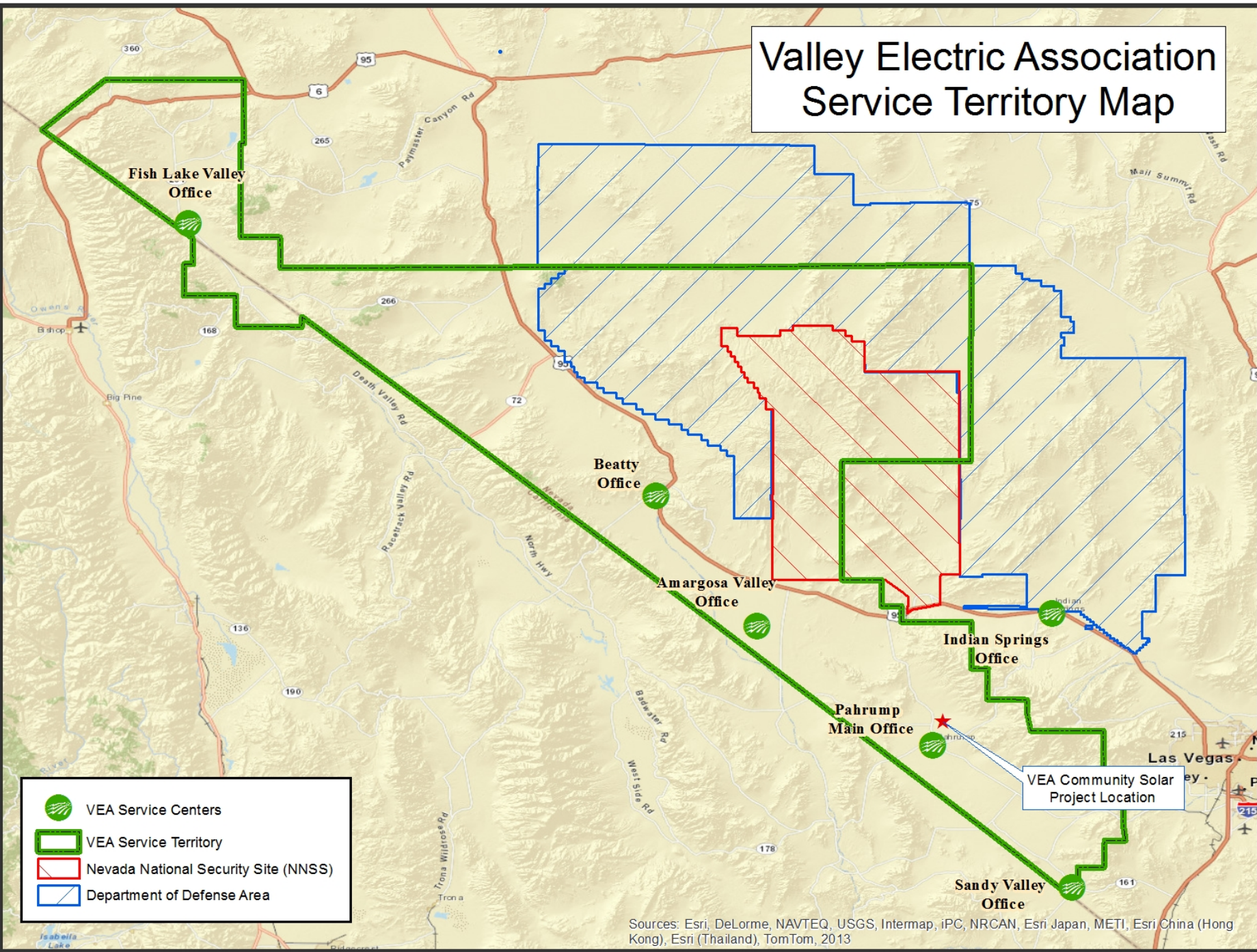


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Valley Electric Association Service Territory Map



- VEA Service Centers
- VEA Service Territory
- Nevada National Security Site (NNSS)
- Department of Defense Area

Sources: Esri, DeLorme, NAVTEQ, USGS, Intermap, iPC, NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand), TomTom, 2013

VEA's Move into the CAISO

- Generation Interconnection Queue
 - ❖ VEA had over 2,800 MW of generation interconnection requests in its queue at one time.
 - ❖ Generators had a difficult time in getting their power to the market.
 - ❖ Solution was for VEA to establish a direct connection to the California Independent System Operator (CAISO) system.
- VEA moved into the CAISO Balancing Area on January 3, 2013.



Move into the CAISO - Continued

- CAISO Mission:
 - ❖ Operate the grid reliably and efficiently
 - ❖ Provide fair and open transmission access
 - ❖ Promote environmental stewardship
 - ❖ Facilitate effective markets and promote infrastructure development
- CAISO has jurisdictional control of the operation of VEA's transmission facilities.
- VEA retained ownership of its transmission facilities.



Move into the CAISO - Continued

- VEA receives income for the use of its transmission system by others.
- VEA pays a transmission access charge and other applicable charges under the CAISO transmission tariff.
- VEA is required to meet and maintain operating reserve requirements and resource adequacy requirements of the CAISO.



Move into the CAISO - Continued

- VEA is under the jurisdiction of the CAISO for the transmission planning process and generator interconnection process.
- Generators interconnected to VEA facilities can sell directly into the California market as managed by the CAISO.
- VEA's transmission maintenance program is reviewed by the CAISO.



GENERATION



MARKET



SUBSTATION

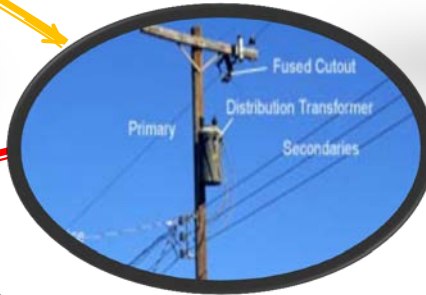


TRANSMISSION

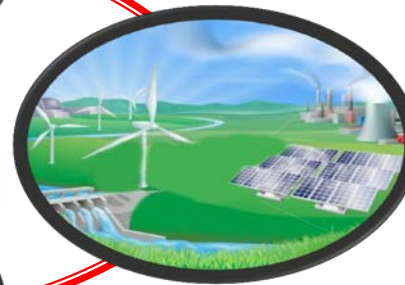


**INTEGRATED,
DECENTRALIZED
ELECTRIC POWER
SYSTEM**

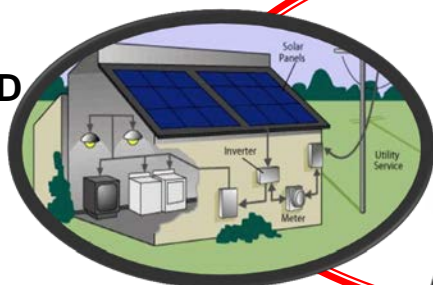
DISTRIBUTION



**DISTRIBUTED
GENERATION**



**INTEGRATED
MEMBER**



DISPATCH

VEA DISPATCH



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Other VEA Projects

- VEA is installing broadband to its members.
 - ❖ WiMAX is planned to be installed this year.
 - ❖ Fiber to the meter build is in progress.
 - ❖ VEA is on its fourth (4th) generation of smart meters.
- Community Solar Project
 - ❖ Partnership with Bombard Electric (an indirect subsidiary of MDU Resources Group Inc.)
 - ❖ Located on an eighty (80) acre parcel in Nye County in northern Pahrump, NV
 - ❖ Fifteen (15) MW^{AC} project with \approx 55,000 photovoltaic (PV) modules expected to produce \approx 34,000 MWhrs annually
 - ❖ Currently in construction and expected to be operational in the third quarter of 2016



Other VEA Projects - Continued

- Ten West Link Project (f/k/a Delaney-Colorado River Project)
 - ❖ This project is a 500 kV line between Arizona and California (approximately 114 miles).
 - ❖ VEA has partnered with two other entities.
 - They will construct the line, which is scheduled to be in service in 2020.
 - VEA will operate, maintain, and manage the line.
- Electrical Vehicle Charging Station (EVCS)
 - ❖ VEA has installed an EVCS in cooperation with the Governor's Office of Energy as part of the Nevada Electric Highway.
 - ❖ Located at the Eddie's World gas station in Beatty, NV
 - ❖ Telsa also has electric vehicle car charging stations at this location.



Questions?

