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GOVERNOR'S OFFICE OF ENERGY

**MINUTES for the
NEW ENERGY INDUSTRY TASK FORCE
TECHNICAL ADVISORY COMMITTEE on DISTRIBUTED GENERATION AND
STORAGE and TECHNICAL ADVISORY COMMITTEE on GRID MODERNIZATION**

June 29, 2016

The TACs for Grid Modernization and for DG and Storage held a public meeting on June 29, 2016 beginning at 9:00 a.m. at the following locations:

LAS VEGAS

Public Utilities Commission
9075 W. Diablo Drive, Hearing Room A
Las Vegas, Nevada 89101

CARSON CITY

Public Utilities Commission
1150 E. William Street, Conference Room B
Carson City, Nevada 89701

1. Call to Order and Roll Call.

Chair Lacy and Vice Chair Tuma called the meeting to order. Roll Call was taken and it was determined a quorum of the Distributed Generation and Storage TAC was present.

Distributed Generation and Storage

TAC Members Present

Jeremy Susac
Bo Balzar
Matt Tuma
Marco Velotta
Dale Stransky
Jack McGinley
Sarah Van Cleve
Jason Geddes
Bobby Hollis

TAC Members Absent

Adam Kramer
Jessica Scott
Tom Ewing

Grid Modernization

TAC Members Present

Starla Lacey
Hank James
Rebecca Wagner
John Candelaria

TAC Members Absent

Chris Tomchuck

2. Public comments and discussion.

Mr. Andy Perla introduced himself. He offered comments in opposition to hook-up fees for rooftop solar customers. He would like to see distributed generation customers get more favorable rates than the PUCN decision.

Ms. Marleen Adrien introduced herself as a net metering customer. She offered her support for establishing a full value of solar for net metering customers in Nevada. She does not believe that there is a cost shift to non-net metered customers.

Mr. Byron Phillips introduced himself as a net metering customer. He voiced opposition to the PUCN's net metering decision and his desire to go back to previous rates. He also expressed concern with jobs impacts of the decision.

Mr. Tom Dudas introduced himself. He voiced support for renewable energy and distributed generation.

Mr. Larry Fozgate introduced himself as a volunteer with the Clean Energy Project. He expressed support for the development of renewable energy sources in Nevada to support California's electricity needs. He also expressed support for green banks.

Ms. Bonny Lind introduced herself as VP for Apparent Energy. She discussed solutions the company offers to support the deployment of distributed generation energy sources.

Mr. John Lutz introduced himself as a supporter of net metering. He expressed concern with the PUCN net metering decision.

3. Modern Utility Communication Systems

Chair Starla Lacy introduced Mr. Gary Smith, Director of Customer Energy Solutions for NV Energy. Mr. Smith gave an overview of NV Energy's smart grid vision including system monitoring, communications, systems upgrades, distribution automation, demand management, advanced metering, and customer support. He discussed NV Energy's foundational infrastructure and current assets. Mr. Smith gave more detail on the integration of systems and communications infrastructure. He provided an overview of customer support through the MyAccount website. This allows customers to have better access and control of energy usage. Mr. Smith discussed with TAC members the specific features which are offered by MyAccount. Mr. Smith gave an overview of the role demand response programs allow NV Energy to control customer's loads to assist in meeting electric peak load without adding generation. He discussed enhanced data analysis as a way for customers to identify new energy savings opportunities. Mr. Smith

identified how distribution automation supports a more efficient grid. Mr. Smith ended the presentation with identifying emerging technologies that are important for utility planning in the future.

Dr. Geddes and Mr. Smith discussed micro-planning of distributed generation to identify areas where it could have the most impact.

Ms. Wagner and Mr. Smith discussed how gaps in infrastructure are identified and addressed. They also discussed demand response.

Mr. Smith discussed with TAC members what options utilize smart planning to further develop distributed generation resources.

4. Transmission Planning Process and Strategy

Chair Starla Lacy introduce Mr. Sachin Verma, from NV Energy to discuss Transmission Planning. Mr. Verma discussed the Western Electric Coordinating Council (WECC) base case process to simulate energy loads for certain years and seasons. These base cases include reliability analysis to ensure steady management of energy needs. WECC has certain contingency criteria to ensure reliability of the system. Mr. Verma provided an overview of the 2016 NERC compliance study plan. He gave updates on the utility's Load and Generation Addition Analysis. Mr. Verma discussed with TAC members that planning often looks at peak load requirement when analyzing the most stressed time in the systems. He discussed the values from distributed generation including local voltage support and peak load shaving.

Mr. Verma and TAC members discussed resource planning for the utility, energy losses, and maximizing efficiency in the system.

7. Review of proposals and concepts for legislative amendments to NRS Chapter 704 in order to support and incentivize net metering projects on and after January 1, 2016; and proposals and concepts for legislation to support and incentivize the use of energy storage technology.

Mr. Tuma moved this item out of order to consider proposals on storage.

Ms. Van Cleve provided an overview of the benefits which storage can provide to the grid and promote integration of renewable energy. She discussed the benefits which storage can provide for peak shaving and infrastructure reinforcement. Ms. Van Cleve gave an overview of her proposal for the utility to identify energy procurement targets. She discussed that these targets should have the option to be deferred and be cost effective. Ms. Van Cleve and TAC members discussed how this could be implemented and the need to evaluate all potential applications of storage.

TAC members discussed voting procedures with the two groups and identified that any votes should consist of only one TAC at a time.

TAC members discussed with Ms. Van Cleve how cost effective would be defined and how it could be implemented. They also discussed the history of some energy storage project proposals for Nevada in the past.

TAC members identified the need to define energy storage in the state. Mr. Balzar, Mr. Stransky, Mr. McGinley, and Ms. Van Cleave discussed some of the technical aspects of energy storage and costs.

5. Net Metering benefits study presentation

Mr. Ryan Hanley introduced himself as VP for SolarCity and Mr. Dylan Sullivan introduced himself from NRDC. Mr. Hanley gave a brief introduction of the study by SolarCity and NRDC to quantify the net benefits of distributed energy resources. He provided an overview of analyses done on determining a value of solar in Nevada to this date. Mr. Hanley identified that their study used these prior studies as a basis for information and updated the information. The report utilized methodologies and tools from PUCN-commissioned assessments. The report identified net benefits from rooftop solar deployments. Mr. Hanley provided more details on energy values, generation capacity, voltage support, and conservation voltage. Mr. Stransky, other TAC members, and Mr. Hanley discussed some of the technical aspects of the study.

6. Distributed generation and transmission

Mr. Ryan Hanley identified that SolarCity has received a lot of questions regarding rate design and the integration of distributed resources. Mr. Hanley discussed the compromise for a NEM successor rate made in New York between solar parties and utilities. He discussed that rooftop solar will have a transition date of 2020 and keeps full-retail NEM until then. In 2020, the state will transition to a locational value tariff. Community solar projects were also prioritized in the New York deal. Mr. Hanley discussed smart energy home rates are produced by sending grid priced signals, using flexible grid services, and incorporating a fixed charge. Mr. Hanley discussed with TAC members solar penetration in Nevada compared to other states. He discussed how a transition to NEM successor rates can revitalize the distributed solar market. Mr. Stransky and Mr. Hanley discussed how large scale solar projects impact distributed solar in Nevada. Mr. Hanley gave an overview of how distributed energy resource aggregation provides grid services. He discussed the need to modernize distribution planning to capture benefits of distributed resources. TAC members discussed some of the technical aspects of this process with Mr. Hanley.

7. Review of proposals and concepts for legislative amendments to NRS Chapter 704 in order to support and incentivize net metering projects on and after January 1, 2016; and proposals and concepts for legislation to support and incentivize the use of energy storage technology.

Chairman Susac provided an overview of his proposal to continue Net Metering at a retail rate and fund any cost shift through transferable tax credits. He made the motion for the proposal and it was seconded by Mr. Tuma. The motion failed to pass. TAC members went through individually to discuss concerns with the proposal and support for the creative look at supporting distributed generation. Chairman Susac discussed the need to provide a glide path to for rooftop solar customers to a full value of solar from retail rate metering.

8. Set time and date of next meeting.

July 19th was identified as the date which would work for another joint meeting with the Grid Modernization TAC.

9. Public Comments and Discussion

Mr. Tom Polikalas introduced himself from Southwest Energy Efficiency Project. He identified his support of decoupling options for the state and community solar arrays.

10. Adjournment.

The meeting was adjourned at 3:36 p.m.