



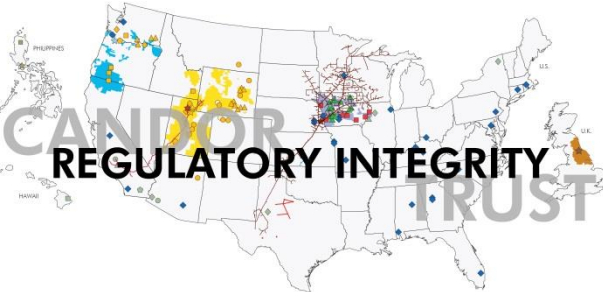
**EMPLOYEE COMMITMENT**



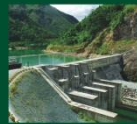
**CUSTOMER SERVICE**



**OPERATIONAL EXCELLENCE**



**REGULATORY INTEGRITY**



**ENVIRONMENTAL RESPECT**



**BERKSHIRE  
FINANCIAL STRENGTH  
OWNERSHIP**



# Renewable Portfolio Standard

*NV Energy's 2015 Compliance*

# General Background on Nevada RPS

- Nevada legislature first enacted a Renewable Portfolio Standard (RPS) in 1997, but has made several revisions.
- Requires NV Energy to acquire a specific number of portfolio energy credits, based on retail sales.
- RPS originally set at 6 percent in 2005; now at 20 percent.
- Because solar energy was once so expensive, it had a 5% solar carve-out (now 6%) to advantage solar energy.
- The RPS grows to 25 percent in 2025.



# General Background on Nevada RPS

- Changes made in Nevada's 2015 Legislative Session moved closer to an “energy standard,” rather than a “portfolio energy credit” standard.
- For example:
  - Credits from efficiency measures dropped from 25% to 20% currently; 10% in 2020 and eliminated in 2025.
  - Enhanced credits (2.4 multiplier) eliminated after 2015.
  - Credits from “station usage” eliminated after 2015, except for certain energy used for geothermal thermal systems.



# NVE's 2015 Renewable Portfolio Standard Results

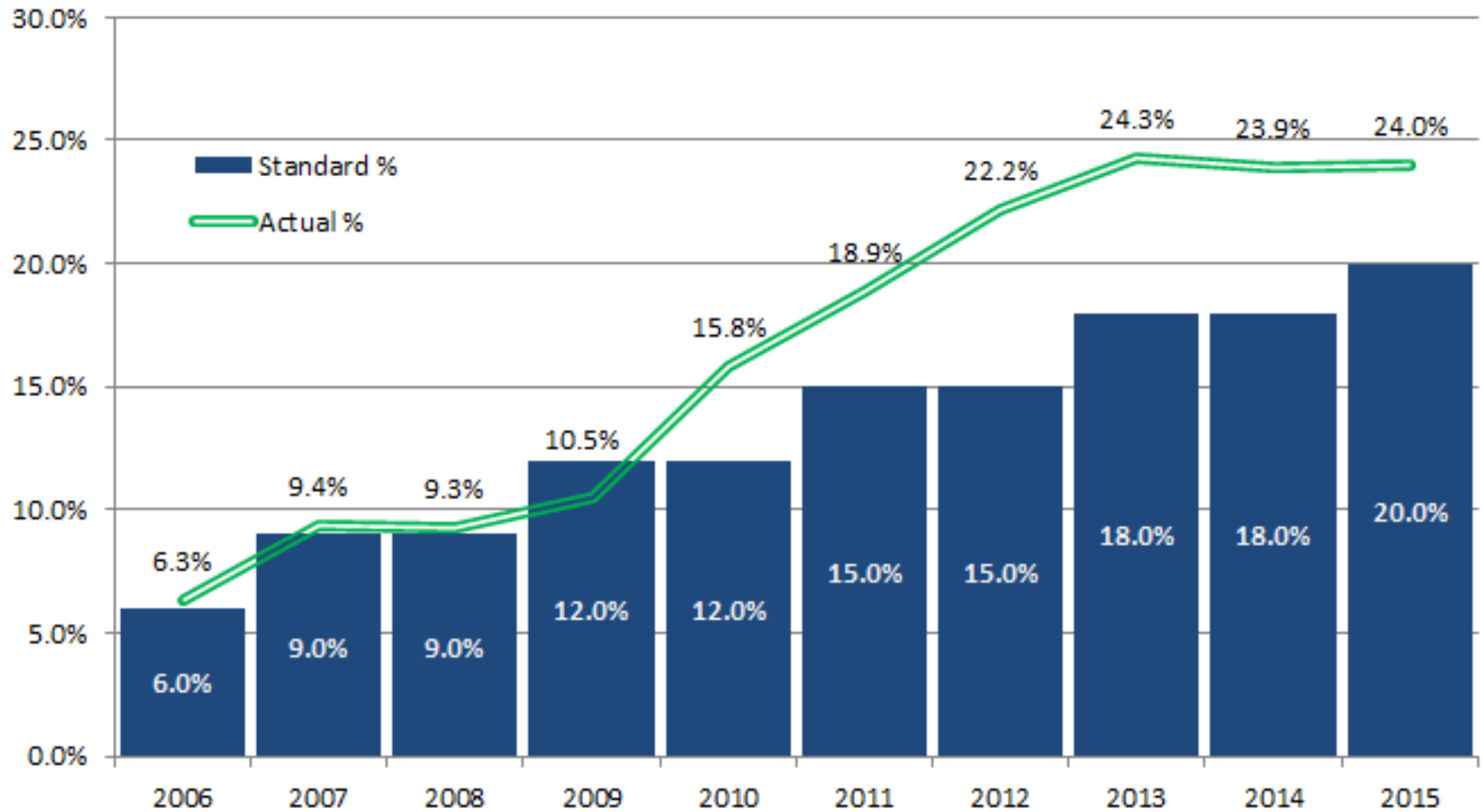
## 2015 Requirement was 20%

- NV Energy South – **21.2%**
- NV Energy North – **31.3%**

**Note:** *These values include credits for energy efficiency, renewable energy “station usage,” solar energy multiplier, and carry-forward credits from previous years.*

# NV Energy has Exceeded RPS since 2010

## RPS %





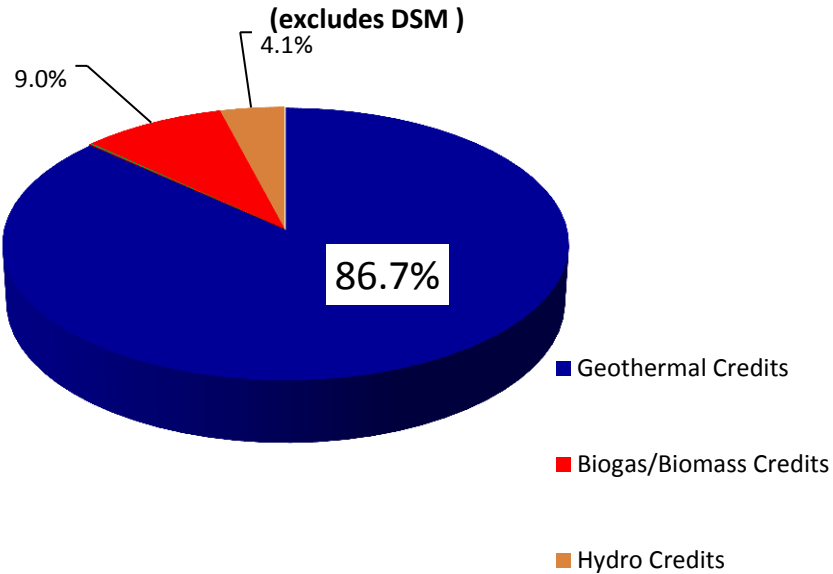
# Customers benefitting from Renewable Energy

- 1,311 megawatts of universal-scale renewable energy producing in Nevada.
- Customers are benefitting from:
  - 20 Geothermal projects
  - 12 solar projects
  - 5 small hydros & Hoover Dam
  - 4 biomass/methane
  - 1 waste heat recovery
  - 1 wind farm

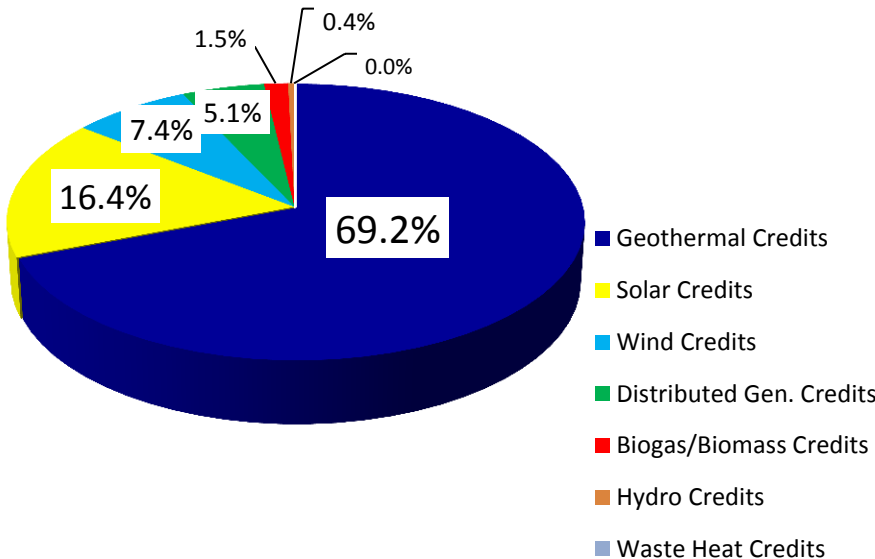


# Renewable Portfolio Increasingly Diverse

**2005 Portfolio Energy Credits by Type**  
(excludes DSM)



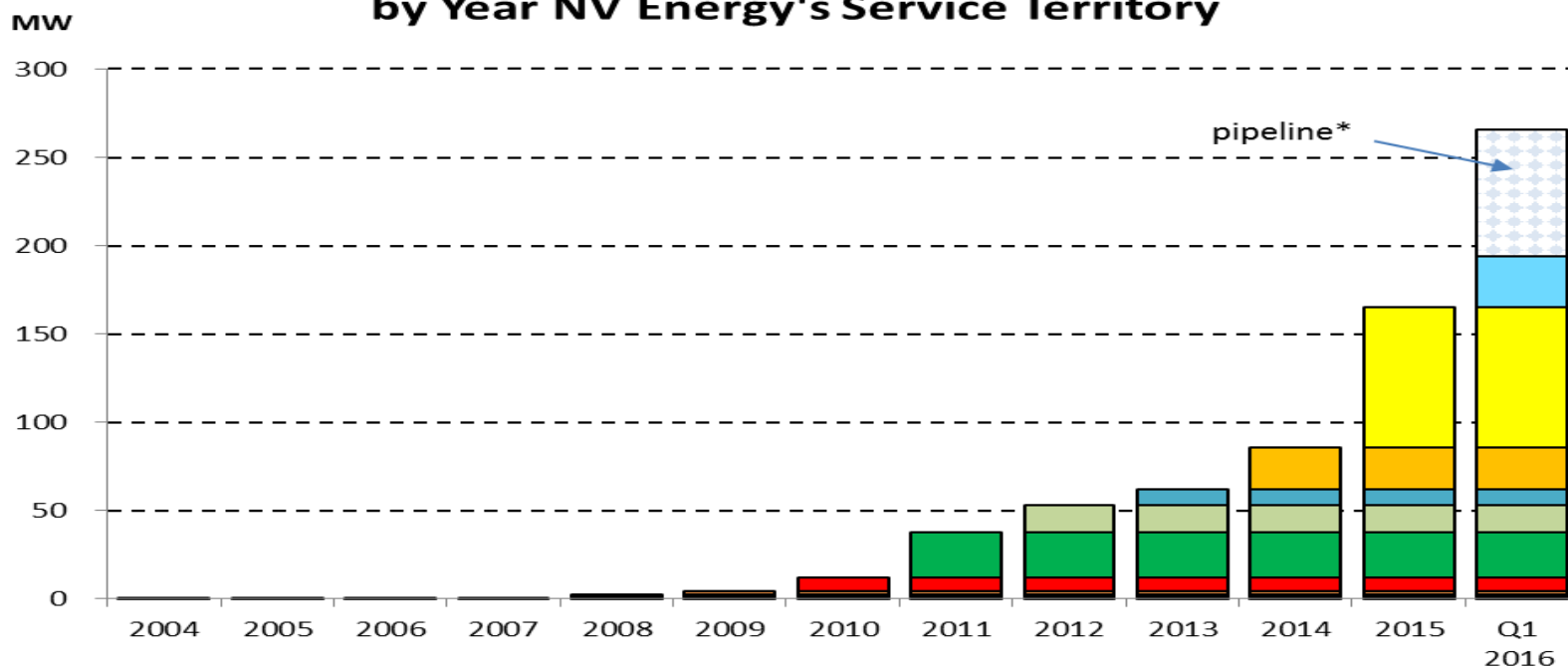
**2015 Portfolio Energy Credits by Type**  
(excludes DSM & Banked)



	2005	2015
Geothermal Credits	835,568	2,945,332
Solar Credits	715	697,690
Wind Credits	0	315,772
Distributed Gen. Credits	1,227	218,604
Biogas/Biomass Credits	86,949	63,033
Hydro Credits	39,206	16,772
Waste Heat Credits	0	1

# Distributed Generation

**Total Installed Distributed Generation  
by Year NV Energy's Service Territory**



- NV Energy on track to achieve legislative goal of 250 megawatts of distributed generation opportunities for customers.
- For the 12-month period ended December 31, 2015, NV Energy customers were paid more than \$16 million in solar-installation incentives.
- NVE's RenewableGenerations program currently contributes ~\$35 for each installed rooftop panel.



# *Things you may not know ...*

- 1. Smart Electric Power Alliance (SEPA)** just named NV Energy as **7<sup>th</sup> top energy company** in the nation for its solar energy installations in 2015.
- 2. 329 megawatts of additional new solar** are under construction today.
- 3. NV Energy** is currently evaluating bids for **135 megawatts of new renewable energy** resources.



# *Things you may not know ...*

1. Coal-fueled generation was once a dominant source for energy in Nevada, but now **only represents 10 percent** of NV Energy's supply.
2. By **2019**, NV Energy will not own any coal-fueled generation in Southern Nevada.
3. By **2025**, NV Energy will not own any coal-fueled generation.





# *Things you may not know ...*

1. Ten years ago universal-scale solar cost more than **15 cents** per kilowatt-hour.
2. The two new universal solar projects under construction (Switch Station & Boulder Solar) will roughly produce energy between **4 and 5 cents/kwh**.
3. NV Energy currently purchases excess energy from **private home solar systems for 9.2 cents/kwh**.
4. On April 1, 2016, southern Nevada customers experienced the **fourth rate decrease** since July 1, 2015.
5. NV Energy customer rates today are **lower than they were five years ago**.

