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
Customers benefiting from Renewable Energy

• 1,311 megawatts of universal-scale renewable energy producing in Nevada.

• Customers are benefiting from:
  – 20 Geothermal projects
  – 12 solar projects
  – 5 small hydros & Hoover Dam
  – 4 biomass/methane
  – 1 waste heat recovery
  – 1 wind farm
### 2005 Portfolio Energy Credits by Type (excludes DSM)

- Geothermal Credits: 86.7%
- Solar Credits: 9.0%
- Wind Credits: 4.1%
- Distributed Gen. Credits: 5.1%
- Biogas/Biomass Credits: 1.5%
- Hydro Credits: 0.4%
- Waste Heat Credits: 0.0%

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

- Geothermal Credits: 69.2%
- Solar Credits: 16.4%
- Wind Credits: 5.1%
- Distributed Gen. Credits: 5.1%
- Biogas/Biomass Credits: 1.5%
- Hydro Credits: 0.4%
- Waste Heat Credits: 0.0%

### Comparison of Energy Credits

<table>
<thead>
<tr>
<th>Credit Type</th>
<th>2005</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geothermal Credits</td>
<td>835,568</td>
<td>2,945,332</td>
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<tr>
<td>Solar Credits</td>
<td>715</td>
<td>697,690</td>
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<tr>
<td>Wind Credits</td>
<td>0</td>
<td>315,772</td>
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<tr>
<td>Distributed Gen. Credits</td>
<td>1,227</td>
<td>218,604</td>
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<tr>
<td>Biogas/Biomass Credits</td>
<td>86,949</td>
<td>63,033</td>
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<tr>
<td>Hydro Credits</td>
<td>39,206</td>
<td>16,772</td>
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<tr>
<td>Waste Heat Credits</td>
<td>0</td>
<td>1</td>
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</tbody>
</table>
Distributed Generation

- 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.
1. Smart Electric Power Alliance (SEPA) just named NV Energy as 7th 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.
1. Coal-fueled generation was once a dominant source for energy in Nevada, but now only represents 10 percent of NV Energy’s supply.


3. By 2025, NV Energy will not own any coal-fueled generation.
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**.