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**GOVERNOR'S
OFFICE OF ENERGY**
energy.nv.gov

**MINUTES
of the workshop of the
GOVERNOR'S OFFICE OF ENERGY**

LCB File Number TBD

October 21, 2021

Via Phone:

Dial-in Number: 775.321.6111

Phone Conference ID: 825.450.655#

Online Meeting Link: [Click here to join the meeting](#)

In attendance:

David Bobzien, Governor's Office of Energy, Laura Wickham, Governor's Office of Energy, Lezlie Helget, Governor's Office of Energy, Bryce Alstead, Holland & Hart, Kyle Davis, Interwest Energy Alliance, Nate Blouin, Interwest Energy Alliance, Paige Barnes, Crowley and Ferrato Public Affairs, Casey Baker, Luning/Turquoise Solar, Stephanie Berggren, NV Energy, Dan Nubel, AG's Office, Kevin Patchett, NV Energy

- 1. Call to order:** The meeting was called to order at 9:02 AM by Director David Bobzien.
- 2. Introductions of Those in Attendance:** Those in attendance introduced themselves.
- 3. Director's comment:** Director Bobzien explained the amended proposed Regulation and the order of the workshop. Pursuant to NAC 701A, the Regulation relates to Energy storage, Facility for storage, and Wage defined. Maintenance of certain records, annual reports submitted to the Governor's Office of Energy and county commissioners, and fees.
- 4. Public comment and discussion:** Director Bobzien asked for public comment, there was none.

5. Discussion of Proposed Regulation:

Section 1. Energy storage technology defined.

Kevin Patchett: I don't see a definition that energy storage technology means something other than the definition in section 1, that energy storage technology is the storage of energy from any source. For example, excess distribution or excess transmission, storage of that electricity. Is that a fair statement, or is that what is expected in that first definition?

David Bobzien: This gets to the heart of the language. The language is what it is and is very broad. We are hopeful, from the industry perspective, people can run scenarios and think of specific technology and specific applications that this may apply to.

Laura Wickham: We are trying to adhere to what the language in the NRS is because we can't take liberties and add or take away from definitions in NAC. We recognize this is going to create some interesting scenarios with applications moving forward, but we are here to make it work. We will have to take these on a case-by-case basis and work with the applicant.

Section 2. Facility defined.

Laura Wickham: This section is amending a portion of the definition of a facility, and now we are adding section number 5, which now adds facility for the storage of energy from renewable generation or hybrid renewable generation and energy storage facility. Once again, we are adhering to what NRS states now, and what this essentially does is once again it complicates things because it's not clear, but now we are able to take applications and grant partial property tax and sales and use tax abatements on standalone storage facilities of renewable energy. That means that the 10MW requirement will not apply to a standalone storage facility.

Kevin Patchett: By definition, whatever goes into that battery would have to have been from a renewable source specifically or proximate, for example, if it was generated from a solar facility but had to travel over a transmission line or a distribution line before it was stored but before it went to a customer, would that potentially be abatable?

David Bobzien: I would say yes.

Laura Wickham: We are stating that it has to come from a renewable energy source. However, how do we control that, and how do we manage that?

David Bobzien: Our hope, citing this was the language we were given, and we are trying to have a certainty to these regulations, but we absolutely welcome comments that folks may want to get on the record as we move forward with this.

Laura Wickham: If after today's discussion you have thoughts or ideas, you certainly can submit those to me in writing, and I'm happy to take those as well. Please keep it in mind and send us anything that you think might be helpful.

Section 3. Wages defined.

Laura Wickham: The way I am interpreting these two statements is now we can include the amount of contribution to a third party on an hourly basis for vacation or pension. However, you are not to take the equivalent of that benefit and take it into that calculation. You are just including the cost to you to keep those pension plans and vacation benefits in place.

Bryce Alstead: I agree, and I think it is going to blow people's minds the first time we try to figure it out, so I don't know if we can try and clarify it or not. I understand it, but I think some of my clients are going to have a hard time getting this information to you guys.

Laura Wickham: If you have issues or questions with your clients and you need me to put it in writing somehow, I'd be happy to do that for anyone. I don't think it's going to be an issue, but it does change, again, the calculations moving forward. Please remember that this doesn't work retroactively, so any projects that have already been granted abatements prior to this session, June 2021, don't have to worry about these new definitions but moving forward, any new projects will have to adhere to the new definitions.

Kyle Davis: This brings up a question. The legislation from the 2019 session, implemented these provision on a date in the future then, of course, we changed the definition of wages during this last session, but we didn't change that implementation date, so I assume that that's still the case and I shouldn't say the implementation date, but the date on which all projects must adhere to these requirements but I assume that that stays the same and so even though this requirement is now changing to some degree we still have the same date that that goes into effect.

Laura Wickham: Yes, that is correct.

Section 4. Duties of Applicant, Maintenance of certain records.

No comments on this section.

Section 5: Submission of annual payroll report to GOE and county commissioners.

Kevin Patchett: Does this provision to supply the report to the county apply to a centrally assessed property in which the taxes are paid to the State and not directly to the county. Something similar to the OnLine project.

Laura Wickham: I would suggest you send the report to the State office then you've met your requirement. This could change because it's not in writing, and there is nothing that gives us direction on that. If a county commissioner wanted to say that is the law and they need the report, you'd have to send it to every county that your project touches.

Section 6: Administration of Renewable Energy Account.

No comments on this section.

Section 7: Fees

No comments on this section.

6. Public comment and discussion: Director Bobzien asked for public comment, there was none.

7. Adjournment: 9:27 AM