

BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

Application of Sierra Pacific Power Company d/b/a NV)	
Energy for approval of its 2012 Annual Demand Side)	Docket No. 12-06052
Management Update Report as it relates to the Action Plan)	
of its 2011-2030 Integrated Resource Plan.)	
_____)	
)	
Application of Nevada Power Company d/b/a NV Energy)	Docket No. 12-06053
for approval of its 2013-2032 Triennial Integrated)	
Resource Plan and 2013-2015 Energy Supply Plan.)	
_____)	
)	
Application of Sierra Pacific Power Company d/b/a NV)	
Energy for approval of the second amendment to the)	
Action Plan of the 2011-2030 Integrated Resource Plan as)	Docket No. 12-08009
it relates to a new base load forecast, generating plant)	
investments and retirements, and transmission projects.)	
_____)	
)	

At a general session of the Public Utilities
Commission of Nevada, held at its offices
on December 20, 2012.

PRESENT: Chairman Alaina Burtenshaw
Commissioner Rebecca D. Wagner
Commissioner David Noble
Assistant Commission Secretary Breanne Potter

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ORDER: PHASE II & PHASE III

The Public Utilities Commission of Nevada (“Commission”) makes the following findings of fact and conclusions of law:

I. INTRODUCTION

Sierra Pacific Power Company d/b/a NV Energy (“Sierra”) filed its Application, designated as Docket No. 12-06052, with the Commission for approval of its 2012 Annual Demand Side Management (“DSM”) Update Report as it relates to the Action Plan period of its

2011-2030 Integrated Resource Plan (“IRP”).

Nevada Power Company d/b/a NV Energy (“Nevada Power”) filed its Application, designated as Docket No. 12-06053, with the Commission for approval of its 2013-2032 Triennial IRP and 2013-2015 Energy Supply Plan (“ESP”).

Sierra filed an Application, designated as Docket No. 12-08009, with the Commission for approval of the Second Amendment to its 2011-2030 IRP. Within the Application, Sierra requests a Commission determination that it is reasonable to proceed with constructing the One Nevada Transmission Line project (“ON Line”) with a revised budget and according to a revised schedule.

II. SUMMARY

The Commission’s Order reflects acceptance and/or approval of some of the DSM program proposed for NV Energy’s portfolio of, many of which are to be funded at the Preferred Plan level. This Order accepts some parts of NV Energy’s Integrated Resource Plan and deems some parts inadequate. This Order also authorizes NV Energy to continue with the construction of the ON Line with strict considerations regarding the allocation of costs associated with the wind-induced vibration issue.

III. PROCEDURAL HISTORY

- On June 29, 2012, Sierra filed with the Commission an Application, designated as Docket No. 12-06052, seeking approval of its 2012 Annual DSM Update Report as it relates to the Action Plan of its 2011-2030 IRP.
- On June 29, 2012, Nevada Power filed an Application, designated as Docket No. 12-06053, seeking approval of its 2013-2032 IRP and 2013-2015 ESP.
- The Application filed by Sierra in Docket No. 12-06052 was filed pursuant to the Nevada Revised Statutes (“NRS”) and the Nevada Administrative Code (“NAC”), Chapters 703 and 704, including but not limited to NAC 704.934. Pursuant to NAC 703.527 through 703.5282, Sierra requests that certain material in its Application receive confidential treatment.
- The Application of Nevada Power in Docket No. 12-06053 was filed pursuant to the NRS and NAC Chapters 703 and 704, including but not limited to NRS 704.741 and NAC 704.9005 through 704.9525. Pursuant to NAC 703.527 through 703.5282, Nevada Power requests that certain material in its Application receive confidential treatment.
- On July 5, 2012, the Attorney General’s Bureau of Consumer Protection (“BCP”) filed a Notice of Intent to Intervene in Docket No. 12-06053 pursuant to NRS 228.360.
- On July 6, 2012, the BCP filed a Notice of Intent to Intervene in Docket No. 12-06052 pursuant to NRS 228.360.
- On July 10, 2012, the Commission issued a Notice of Application to Approve 2012 Annual

Electric DSM Update Report and Notice of Prehearing Conference in Docket No. 12-06052.

- On July 11, 2012, the Commission issued a Notice of Electric Utility's Integrated Resource Plan and Notice of Prehearing Conference in Docket No. 12-06053.
- The Regulatory Operations Staff ("Staff") of the Commission participates in Docket Nos. 12-06052 and 12-06053 as a matter of right pursuant to NRS 703.301.
- On July 26, 2012, Great Basin Transmission South, LLC ("Great Basin") filed a Petition for Leave to Intervene ("PLTI") in Docket No. 12-06053. On August 15, 2012, the Presiding Officer issued an Order granting Great Basin's PLTI in Docket No. 12-06053, limited to ON Line project issues.
- On July 30, 2012, Nevadans for Clean Affordable Reliable Energy ("NCARE") filed PLTIs in Docket Nos. 12-06052 and 12-06053. On August 13, 2012, the Presiding Officer issued Orders granting NCARE's PLTI in Docket Nos. 12-06052 and 12-06053.
- On July 30, 2012, Sierra Club filed a PLTI in Docket No. 12-06053. On August 13, 2012, the Presiding Officer issued an Order granting Sierra Club's PLTI in Docket No. 12-06053.
- On July 30, 2012, Southwest Generation Operating Company, LLC ("Southwest Generation") filed a PLTI in Docket No. 12-06053. On August 13, 2012, the Presiding Officer issued an Order granting Southwest Generation's PLTI, limited to ESP issues.
- On July 30, 2012, ENERNOC, Inc. ("EnerNOC") filed a PLTI in Docket No. 12-06053. On August 16, 2012, the Presiding Officer issued an Order granting EnerNOC's PLTI, limited to DSM issues.
- On July 31, 2012, Southern Nevada Water Authority ("SNWA") filed a PLTI in Docket No. 12-06053. On August 13, 2012, the Presiding Officer issued an Order granting SNWA's PLTI in Docket No. 12-06053.
- On July 31, 2012, Ormat Nevada, Inc. and ORNI 42 LLC (collectively "Ormat") filed a PLTI in Docket No. 12-06053. On August 16, 2012, the Presiding Officer issued an Order granting Ormat's PLTI in Docket No. 12-06053, not including intervention in DSM or load forecast portions of the proceeding.
- On August 1, 2012, Enbridge Inc. ("Enbridge") filed a PLTI in Docket No. 12-06053. On August 15, 2012, the Presiding Officer issued an Order granting Enbridge's PLTI in Docket No. 12-06053, limited to load forecast and supply plan issues.
- On August 1, 2012, Boyd Gaming Corporation, Caesars Entertainment Operating Company, Inc., MGM Resorts International, Station Casinos, LLC. and Wynn Las Vegas, LLC and Venetian Casino Resort, LLC, collectively referred to as the Southern Nevada Hotel Group ("SNHG") filed a PLTI in Docket No. 12-06053. On August 15, 2012, the Presiding Officer issued an Order granting SNHG's PLTI in Docket No. 12-06053.

- On August 1, 2012, Cargill Power Markets, LLC (“Cargill”) filed a PLTI in Docket No. 12-06053. Nevada Power filed a Response objecting to Cargill’s intervention on August 8, 2012. Cargill filed a reply to Nevada Power’s response on August 14, 2012. On August 27, 2012, the Presiding Officer issued an Order granting Cargill’s PLTI in Docket No. 12-06053, limited to ON Line issues.
- On August 2, 2012, the Commission held a prehearing conference in Docket No. 12-06052 at which BCP, NCARE, Sierra and Staff participated. The prehearing conference was continued to August 6, 2012, for the purpose of consolidating Docket No. 12-06052 with Docket No. 12-06053.
- On August 3, 2012, Moapa Band of Paiute Indians (“Moapa”) filed a PLTI in Docket No. 12-06053. On August 13, 2012, the Presiding Officer issued an Order granting Moapa’s PLTI in Docket No. 12-06053.
- On August 6, 2012, Nevada Power filed an Erratum amending its Application in Docket No. 12-06053.
- On August 6, 2012, the Commission held a continued prehearing conference in Docket No. 12-06052 and prehearing conference in Docket No. 12-06053. Cargill, Enbridge, EnerNOC, Great Basin, Moapa, Nevada Power, Ormat, Sierra, Sierra Club, SNHG, SNWA, Southwest Generation, and Staff participated in the prehearing conference in Docket No. 12-06053. BCP and NCARE participated in the prehearing conferences for Docket Nos. 12-06052 and 12-06053.
- On August 13, 2012, the Presiding Officer issued Procedural Order No. 1, consolidating Docket Nos. 12-06052 and 2-06053 for hearing purposes and establishing a procedural schedule. The consolidated Dockets were scheduled to be addressed in three distinct phases. Phase I consists of Nevada Power’s ESP in Docket No. 12-06053. Phase III consists of issues related to the ON Line project in Docket No. 12-06053. Phase II consists of the remaining issues in Docket Nos. 12-06053 and all issues in Docket No. 12-06052.
- On August 15, 2012, the Commission issued a Notice of Hearing.
- On August 28, 2012, Sierra Club filed a Motion to Withdraw as Intervener and Participate as Commenter. On September 13, 2012, the Presiding Officer issued an Order granting Sierra Club’s Motion.
- On September 6, 2012, Sierra filed Errata # 1 through #4 amending its Application in Docket No. 12-06052.
- On September 7, 2012, Nevada Power filed a Wind Induced Vibration of TGV Structures Report and TGV Structure Final Report.
- On September 10, 2012, Nevada Power filed supplemental direct testimony in Phase III of Docket No. 12-06053.

- On September 13, 2012 Nevada Power filed Errata #2 through #5 amending its Application in Docket No. 12-06053.
- On September 19, 2012, EP Minerals, LLC; Heavenly Valley, Limited Partnership; Wimar Tahoe Corporation; Lake Tahoe Horizon Casino Resort; John Ascuaga's Nugget; Nevada Cement Company; Premier Chemicals, LLC; The Ridge Tahoe Property Owners Association; and Renown Health, collectively referred to as the Northern Nevada Industrial Electric Users ("NNIEU") filed a PLTI in Docket No. 12-06053. On October 2, 2012, the Presiding Officer issued an Order granting NNIEU's PLTI.
- On September 20, 2012, the Presiding Officer held a hearing addressing Phase I of Docket 12-06053, Nevada Power's ESP portion of its Application. At the conclusion of the hearing, the Presiding Officer granted a motion to accept Exhibits 1 through 23 into the record. The Commission issued an Order regarding Phase I issues in Docket No. 12-06053 on November 5, 2012.
- On September 26, 2012, at a regularly scheduled agenda, the Commission voted to bifurcate the ON Line issues in Sierra's Application from the remaining issues in Docket No. 12-08009 to be heard with Nevada Power's ON Line related requests in Docket No. 12-06053.
- On October 1, 2012, the Commission issued an Order bifurcating the ON Line project issues in Sierra's Application in Docket No. 12-08009 and consolidated them with Nevada Power's requests related to the ON Line project in Docket No. 12-06053.
- On October 1, 2012, BCP, Moapa, NCARE, and Staff filed direct testimony in Phase II of Docket No. 12-06052 and 12-06053.
- On October 2, 2012, , the Presiding Officer issued Procedural Order No. 2 establishing a procedural schedule for Phase III of consolidated Docket Nos. 12-06053 and 12-08009.
- On October 3, 2012, BCP filed corrected direct testimony in Phase II of Docket Nos. 12-06052 and 12-06053.
- On October 16, 2012, Cargill filed a Motion to Compel NV Energy to Respond to Data Requests in Docket No. 12-06053. Nevada Power filed its Opposition to the Motion on October 23, 2012. On October 25, 2012, Cargill filed its Reply to Nevada Power Opposition. On November 9, 2012, the Presiding Officer issued an Order denying Cargill's Motion.
- On October 15, 2012, Nevada Power and Sierra (collectively, "NV Energy") filed rebuttal testimony in Phase II of Docket Nos. 12-06052 and 12-06053.
- On October 19, 2012, BCP, Cargill, Great Basin, and Staff filed direct testimony in Phase III of Docket Nos. 12-06053 and 12-08009.
- On October 22, 2012, Staff filed Errata to direct testimony in Docket Nos. 12-06052 and 12-06053.

- On October 22-25, 2012, BCP, Enbridge, EnerNOC, NCARE, NV Energy, Ormat, SNHG, SNWA, and Staff participated in the continued hearing held by the Presiding Officer in Phase II of Docket Nos. 12-06052 and 12-06053. BCP, NV Energy, and Staff (collectively, the “Stipulating Parties”) filed a Partial Party Stipulation Regarding Phase II DSM and Load Forecast issues (“Partial Stipulation”). The Presiding Officer did not accept the Stipulation. At the conclusion of the hearing, the Presiding Officer granted a motion to accept Exhibits 24 through 129 into the record.
- On October 29, 2012, Cargill filed a Motion for Leave to Submit a Pre-Hearing Brief. Nevada Power filed its Opposition to the Motion on November 5, 2012. On November 7, 2012, Cargill filed its Reply to Nevada Power’s Opposition. During the hearing on November 15, 2012, the Presiding Officer denied Cargill’s Motion.
- On October 31, 2012, Staff filed supplemental direct testimony in Phase III of Docket Nos. 12-06052, 12-06053 and 12-08009.
- On November 2, 2012, NV Energy filed rebuttal testimony in Phase III of Docket Nos. 12-06053 and 12-08009.
- On November 5, 2012, the Presiding Officer issued Procedural Order No. 3 requesting that Nevada Power file supplemental information. Nevada Power filed the requested information on November 8, 2012.
- On November 9, 2012, NNIEU filed a letter with the Commission withdrawing from the proceeding.
- On November 13-16, 2012, BCP, Cargill, Enbridge, EnerNOC, Great Basin, NCARE, NV Energy, Ormat, SNHG, SNWA, and Staff participated in the continued hearing held by the Presiding Officer in Phase II of Docket Nos. 12-06052 and 12-06053 and Phase III of Docket Nos. 12-06053 and 12-08009. At the conclusion of the hearing, the Presiding Officer granted a motion to accept Exhibits 130 through 167 into the record.
- On November 16, 2012, BCP filed a Motion of the BCP for the Commission to Consider Stipulation in Docket Nos. 12-06052 and 12-06053 (“Motion”). On November 19, 2012, BCP filed an amendment to the Motion to include Attachment 1, which it inadvertently did not attach to the Motion filed on November 16, 2012, and an amended Certificate of Service.
- On November 27, 2012, SNHG and NCARE filed Oppositions to Motion of the BCP for the Commission to Consider Stipulation. Staff filed a Response to Motion to Consider on November 27, 2012.
- On December 4, 2012, BCP filed a Reply to the Responses of Staff, NCARE and SNHG to the BCP’s Motion.
- On December 5, 2012, the Presiding Officer issued Procedural Order No. 4 requesting that BCP file the Partial Stipulation as late-marked Exhibit 168. BCP filed late-filed Exhibit 168 on

December 10, 2012. NV Energy and NCARE filed comments on the late-filed Exhibit 168 on December 12, 2012.

IV. MOTION FOR THE COMMISSION TO CONSIDER STIPULATION

Parties' Positions

BCP

1. BCP requests that the Commission consider the Partial Stipulation in Docket No. 12-06052 and 12-06053 at the agenda meeting at which Docket Nos. 12-06052 and 12-06053 are deliberated. (BCP Motion filed November 16, 2012, at 1, 4.)

NCARE

2. NCARE requests that BCP's Motion be denied and the Commission disregard the Partial Stipulation in making its decisions in Docket Nos. 12-06052 and 12-06053. NCARE asserts that BCP's contentions are not supported by the cited regulations or statute, or by the terms of the Partial Stipulation. The Partial Stipulation was never agreed to by all parties to the proceedings, and if the Commission decided to accept the Partial Stipulation, in reaching its decision it would still have to consider any evidence presented by non-stipulating parties on the issues addressed by the Partial Stipulation. Additionally, NCARE asserts that BCP's Motion is not timely raised. (NCARE Opposition filed November 27, 2012, at 1, 2, 5.)

SNHG

3. SNHG requests the Commission deny BCP's Motion and asserts that the Partial Stipulation is procedurally defective and was properly rejected by the Presiding Officer. Only BCP, NV Energy and Staff are parties to the Partial Stipulation. Interveners such as SNHG, who have an interest in the subject matter of the Partial Stipulation, were not consulted and did not execute the Partial Stipulation. (SNHG Opposition filed November 27, 2012 at 2, 4.)

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Staff

4. Staff states that BCP's Motion is moot at this time. Staff sees no indication that the treatment of the Partial Stipulation in this case will differ from that of any other stipulation filed with and considered by the Commission. (Staff Response filed November 27, 2012 at 1-2.)

BCP Reply

5. BCP continues to request that the Commission consider the Partial Stipulation. (BCP Reply filed December 4, 2012, at 1, 4.)

Commission Discussion and Findings

6. The Commission finds that BCP's Motion is moot. The Partial Stipulation has been received into evidence¹ and will be considered and accorded the appropriate weight by the Commission in making its final decision in this proceeding.

V. STIPULATION

7. BCP, NV Energy, and Staff filed the Partial Stipulation for consideration as a negotiated settlement of all issues raised by in Docket No. 12-06052, and the issues of load forecast and DSM in Phase II of Docket No. 12-06053. The Partial Stipulation states that it is fair, just and reasonable, and that it is in the public interest. The Partial Stipulation states that it is a partial party resolution of the issues and, therefore, NV Energy will be present to defend its direct case as modified by the Partial Stipulation. The Partial Stipulation further provides that Staff and BCP will not present their witnesses on the stipulated issues and waive cross-examination of NV Energy's witnesses on the stipulated issues.

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¹ Pursuant to NAC 703.725, after the hearing and before the issuance of the final order, the Presiding Officer issued Procedural Order No. 4 requesting that BCP file the Partial Stipulation as late-filed Exhibit 168. The Partial Stipulation was not marked as an Exhibit during the hearing on October 22, 2012, when it was being discussed on the record. (Tr. at 196.) On December 12, 2012, NCARE and NV Energy filed comments on the late-filed exhibit. The Partial Stipulation is received into the record as late-filed Exhibit 168.

