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In accordance with NRS Chapter 719,
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agent or
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SPPC



FILED WITH THE PUBLIC UTILITIES COMMISSION OF NEVADA - 11/1/2017

November 1, 2017

Ms. Trisha Osborne, Assistant Commission Secretary
Public Utilities Commission of Nevada
Capitol Plaza
1150 East William Street
Carson City, Nevada 89701-3109

RE: Application of Sierra Pacific Power Company d/b/a NV Energy for approval of a Renewable Energy Agreement with Apple, Inc.

Dear Ms. Osborne:

Enclosed for filing with the Commission please find the Application of Sierra Pacific Power Company d/b/a NV Energy for approval of a Renewable Energy Agreement with Apple, Inc.

The filing includes the following parts:

- Application
 - Application Attachment 1: Apple Renewable Energy Agreement with Amendment to Exhibit A.
 - Application Attachment 2: World Resources Institute - Above and Beyond: Green tariff design for traditional utilities
- Draft Notice
- Testimony
 - Prepared Direct Testimony of Pat Egan
 - Prepared Direct Testimony of Marc Reyes
- Certificate of Service

Should you have any questions regarding this filing, please contact me at (775) 834-5692 or mgreene@nvenergy.com.

Respectfully submitted,

/s/ Michael Greene
Michael Greene
Senior Attorney

APPLICATION

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BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

Application of Sierra Pacific Power Company d/b/a)
NV Energy for Approval of a Renewable Energy) Docket No. 17-11____
Agreement with Apple, Inc.)
/

**APPLICATION FOR APPROVAL OF SIERRA PACIFIC POWER
COMPANY D/B/A NV ENERGY FOR APPROVAL OF A RENEWABLE
ENERGY AGREEMENT WITH APPLE, INC.**

Sierra Pacific Power Company, d/b/a NV Energy (“Sierra” or “Company”), hereby makes this Application pursuant to Nevada Administrative Code (“NAC”) NAC § 703.535 (governing applications) and Sierra Pacific Power Company’s Schedule No. NGR, “Schedule NV GreenEnergy Rider” (“NV GreenEnergy Rider”). The subject matter of this Application is a new renewable energy agreement between Sierra and Apple, Inc., (“Apple”) (the “Apple REA”) whereby Sierra will help Apple achieve its commitment to operate its facilities located in northern Nevada utilizing all renewable energy resources. Essentially, the Apple REA will provide a mechanism to allow Apple to realize portfolio energy credits (“PCs”) and other renewable energy attributes from a new renewable generation resource being constructed in Nevada, which will deliver energy to Sierra, while at the same time not burdening other customers of Sierra with the incremental costs of that generation.¹ The Apple REA is an important component in supporting further economic development in Nevada by Apple.

This Application for approval of the Apple REA is related to the Turquoise Nevada power purchase agreement (“Turquoise Nevada PPA”) filed in Sierra’s second amendment to its 2017-2036 integrated resource plan (“IRP”) simultaneously filed with the Commission.

¹ The Apple REA is virtually identical to the previously approved transactions between Sierra and Apple in Docket Nos. 15-11025 and 17-02008 on February 2, 2016 and June 6, 2017, respectively.

1 Given the overlapping nature and relationship between these two cases, Sierra respectfully
2 requests that the Commission consolidate these related cases.

3 **I.**

4 **THE APPLICANT SIERRA PACIFIC POWER COMPANY**

5 Sierra is a Nevada corporation and wholly-owned subsidiary of NV Energy, Inc.
6 Sierra is engaged in providing electric service to the public in portions of fourteen northern
7 Nevada counties, including the communities of Carson City, Minden, Gardnerville, Reno,
8 Sparks, and Elko, pursuant to a certificate of public convenience and necessity issued by
9 this Commission. Sierra is a “public utility” as that term is defined and used pursuant to
10 Chapter 704 of the Nevada Revised Statutes. Sierra owns and operates a certificated local
11 distribution company engaged in the retail sale of natural gas to customers in the Reno-Sparks
12 metropolitan area.

13 Sierra’s primary business office is located at 6100 Neil Road in Reno, Nevada.
14 All correspondence related to this Application should be transmitted to Sierra’s counsel *and* to
15 Sierra’s Manager of Regulatory Services, as set forth below:

16 Michael Greene
17 Senior Attorney
18 6100 Neil Road
19 Reno, NV 89511
20 775-834-5692
21 mgreene@nvenergy.com

LoreLei Reid
Manager, Regulatory Services
6100 Neil Road
Reno, NV 89511
775-834-5823
regulatory@nvenergy.com

22 **II.**

23 **OVERVIEW**

24 Pursuant to the NV GreenEnergy Rider, the Apple REA must be approved by the
25 Commission based on a showing of benefits to, Apple, Sierra and Sierra’s other customers.
As described in more detail in the prepared testimonies of Mr. Pat Egan and Mr. Marc Reyes,

1 the Apple REA satisfies these elements of the NV GreenEnergy Rider. At the forefront, the
2 Apple REA provides a vehicle to allow Apple to achieve its renewable energy commitments
3 to fully operate its projected incremental load associated with its facilities located in northern
4 Nevada with renewable energy resources (i.e., a new 50 MW renewable generating station to
5 be built in northern Nevada for Apple). Moreover, the Apple REA will help facilitate the
6 growth of Apple's business in a cost- effective and sustainable manner in Nevada instead
7 of a competing state, and by allowing it to purchase the PCs associated with these new
8 facilities, it can further reduce its carbon footprint.

9 Likewise, Sierra's customers benefit from the Apple REA in numerous ways. First,
10 the Company's customers and all residents of the State benefit from the economic
11 development associated with the location of Apple in Nevada and the construction of another
12 new renewable energy facility in Nevada; specifically, the 50 MW Turquoise Nevada solar
13 generating facility. Second, Sierra's customers benefit because additional low-cost, emission
14 free energy is delivered to the Company's system. In addition to satisfying our customer's
15 desire to be 100 percent green, Sierra benefits because the power purchase agreement
16 diversifies the Company's generation portfolio and provides long-term sources of energy and
17 capacity at a predictable and low price. Sierra's customers will also receive power quality
18 benefits from the reactive power capability inherent in the inverters for the Turquoise Nevada
19 PPA and this will provide an ancillary service otherwise provided by a fossil fuel plant or
20 additional capital investment for capacitor banks. Finally, the Apple REA is the vehicle that
21 promotes the State's policy objectives encouraging economic development and developing
22 renewable energy.

23 Approval of the Apple REA will provide benefits to Apple, Sierra's customers, and
24 Sierra as described above. In addition, approval also provides benefits to the State of Nevada
25

1 as a whole. Specifically, the addition of a new 50 MW renewable generating facility has both
2 short-term and long-run economic benefits to the local economy. The Apple REA allows
3 Sierra, Apple and Sierra's other customers to realize the attractive renewable energy pricing
4 that is afforded by the developers completing the new renewable facility in 2020.

5 **III.**

6 **THE FILING**

7 Consistent with NAC § 703.535, the filing is made up of this application, the
8 appropriate draft notice, the Apple REA and prepared direct testimony.

9 **Apple REA.** The Apple REA provides a means for Apple to purchase portfolio energy
10 credits for its new incremental load, and supports the development of an incremental, grid-
11 tied solar project. The Apple REA allows for portfolio energy credits to be purchased from a
12 new 50 MW photovoltaic generating facility. Under the Apple REA, Sierra will provide
13 an annual statement to Apple identifying the PCs that Sierra retires on Apple's behalf
14 pursuant to Nevada's Renewable Portfolio Standard. However, the centerpiece of the Apple
15 REA is the development of the Turquoise Nevada solar generating facility and the utilization
16 of PCs produced by the facility for Apple's benefit.

17 **Draft notice.** Accompanying this filing is a Draft Notice satisfying the requirements
18 of NAC § 703.162.

19 **Testimony.** Mr. Pat Egan, Senior Vice President of Renewable Energy & Smart
20 Infrastructure, describes the details of the Apple REA. Mr. Marc Reyes, Director of Resource
21 Planning & Analysis, provides testimony that explains the Apple REA's overall value and the
22 benefit it provides to Apple, Sierra, Sierra's other customers and Nevada's economy.

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IV.

REQUEST TO CONSOLIDATE

Sierra asks that this application be consolidated with the Second Amendment to Sierra’s 2017-2036 Integrated Resource Plan filed with the Commission on November 1, 2017. Consolidation of these dockets would promote administrative efficiency given that each of the filings brings forth essential elements which together will allow for the development of a new, incremental renewable resource in the state in order to serve the incremental load of a large customer. The filings are inextricably linked by identity in subject matter, methods of analysis and witnesses.

V.

PRAYER FOR RELIEF

WHEREFORE, Sierra requests that the Commission:

- (1) Consolidate this Application with the Second Amendment to Sierra’s 2017-2036 Integrated Resource Plan;
- (2) Approve the Apple REA; and
- (3) Grant such additional other relief as the Commission may deem appropriate and necessary.

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Dated this 1st day of November, 2017.

Respectfully submitted,

SIERRA PACIFIC POWER COMPANY
D/B/A NV ENERGY

/s/Michael Greene

Michael Greene
Senior Attorney
Sierra Pacific Power Company
6100 Neil Road
Reno, NV 89511
775-834-5692
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/s/Timothy Clausen

Timothy Clausen
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ATTACHMENT 1

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**NV GREENENERGY RIDER
RENEWABLE ENERGY
AGREEMENT
BETWEEN**

**SIERRA PACIFIC POWER COMPANY d/b/a NV ENERGY,
as NV Energy,**

AND

**APPLE INC.,
as Customer**

dated October 30, 2017

This **RENEWABLE ENERGY AGREEMENT** (the “Agreement”) dated as of October 30, 2017 (the “Execution Date”), is made by and between SIERRA PACIFIC POWER COMPANY, a Nevada corporation doing business as NV Energy (“NV Energy”) and APPLE INC., a California corporation (“Customer”). NV Energy and Customer are also each referred to herein as a “Party” and collectively as the “Parties.”

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RECITALS

WHEREAS, NV Energy is an electric service provider, as defined in NRS Chapter 704;

WHEREAS, Customer is currently taking retail electric service from NV Energy under the applicable tariff rate for its various commercial facilities;

WHEREAS, Customer desires to operate its commercial facilities in an environmentally friendly manner, including with respect to electricity usage;

WHEREAS, the Parties desire to enable Customer to achieve its environmental objectives without any burden to other customers of NV Energy;

WHEREAS, Customer has requested to utilize NV Energy’s electric service tariff Schedule No. NGR – Schedule NV GreenEnergy Rider (the “NV GreenEnergy Rider Tariff”), which allows NV Energy to enter into renewable energy agreements with GS-2 and larger customers;

WHEREAS, Customer has, and will maintain, one or more retail accounts that are GS-2 or higher with NV Energy;

WHEREAS, consistent with the terms of the NV GreenEnergy Rider Tariff, on October 30, 2017, NV Energy and Turquoise Nevada LLC, entered into that certain Long-Term Renewable Power Purchase Agreement (the “Turquoise Nevada Power Purchase Agreement”) whereby NV Energy purchases the energy, capacity, Portfolio Energy Credits and other renewable energy attributes from the Turquoise Nevada photovoltaic solar electric generating facility under development in Washoe County, Nevada, (the “Turquoise Nevada Generating Facility”); and

WHEREAS, it is the intent of the Parties that this Agreement serve as the agreement between the Parties under the NV GreenEnergy Rider Tariff to facilitate Customer contracting for the Portfolio Energy Credits and other Renewable Energy Benefits associated with the Turquoise Nevada Generating Facility for the term of the Turquoise Nevada Power Purchase Agreement.

NOW THEREFORE, in consideration of the mutual promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, do hereby agree as follows:

AGREEMENT

1. **DEFINITIONS.** As used in this Agreement, defined terms shall have the meaning set forth in this Agreement or as set forth in this Section 1.

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1.1 **“Action”** means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at law or in equity.

1.2 **“Affiliate”** means, with respect to NV Energy, Berkshire Hathaway Energy Company and its direct and indirect wholly-owned subsidiaries and, with respect to Customer, any other Person who, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such Person.

1.3 **“Agreement”** means this Renewable Energy Agreement together with the Exhibits and Turquoise Nevada Power Purchase Agreement attached hereto.

1.4 **“Business Day”** means any day, other than a Saturday, Sunday or legal holiday, on which commercial banks in Washoe County, Nevada, are generally open for the transaction of business.

1.5 **“Clean Power Plan”** means the final rule published by the United States Environmental Protection Agency in the Federal Register on October 23, 2015, at 80 Fed. Reg. 64662 et. seq., as the rule may be supplemented or revised after the Execution Date.

1.6 **“Commercial Operation Date”** has the meaning as defined in the Turquoise Nevada Power Purchase Agreement.

1.7 **“Confidential Information”** means any business, commercial or technology-related information of the disclosing Party (“Discloser”), including without limitation, information about the Discloser’s products or processes, any technical, financial, economic or commercial information and/or data, customer lists (potential or actual), other customer-related information, supplier-related information, market intelligence and marketing and other strategies whether or not the same relate to this Agreement. Confidential Information includes technical data, graphs, formulae, drawings, specifications, forms, manuals, software, data, trade secrets, documents, or business plans no matter the form (including verbal, handwritten, typewritten, printed, recorded, graphic or computer-generated) and:

1.7.1 includes information Discloser identified to the receiving Party (“Recipient”) in writing as being confidential upon or prior to disclosure or, in the case of information disclosed by oral communication or visual observation, within ten (10) Business Days after disclosure;

1.7.2 includes any Confidential Information, material or matter, trade secrets, product pricing or business strategies relating or pertaining to the business of the other Party that such Party learns of pursuant to this Agreement; but

1.7.3 excludes any information that: (a) at the time of disclosure is, or later becomes, publicly available other than due to the breach by Recipient of its obligations under Section 10.16, (b) was known to Recipient prior to its disclosure by Discloser, (c) is received by Recipient from a third party that, so far as the Recipient is aware, may disclose such information without breach of any duty of confidentiality, or (d) Recipient can demonstrate that it has been independently developed by Recipient without any use of Discloser’s Confidential Information.

1.8 **“Contract Year”** means each year during the Term beginning on January 1 and ending on December 31 of the calendar year following the Commercial Operation Date.

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1.9 “**Effective Date**” has the meaning set forth in Section 3.1.

1.10 “**Event of Default**” has the meaning set forth in Section 8.1.

1.11 “**Execution Date**” has the meaning set forth in the introductory paragraph hereto.

1.12 “**Governmental Entity**” means any federal, state, or local government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of law), or any arbitrator, court or tribunal of competent jurisdiction.

1.13 “**kWh**” means kilowatt-hour.

1.14 “**NRS**” means the Nevada Revised Statutes, as amended.

1.15 “**NV GreenEnergy Rider Tariff**” has the meaning set forth in the recitals hereto.

1.16 “**PC**” or “**Portfolio Energy Credit**” means a unit of credit which equals one kilowatt-hour of electricity generated, acquired or saved (or deemed so), all as calculated by the PUCN Regulatory Operations Staff and certified by the PC Administrator pursuant to the Renewable Energy Law (or by a successor Governmental Entity pursuant to a successor law if the Renewable Energy Law is replaced, superseded or preempted by another law or regulatory regime tasked with enforcement of renewable energy quotas by utility providers in Nevada), and certified by WREGIS.

1.17 “**PC Administrator**” means the Person appointed by the PUCN to administer the system of Portfolio Energy Credits established pursuant to the Renewable Energy Law or a successor law if the Renewable Energy Law is replaced, superseded or preempted by another law or regulatory regime tasked with enforcement of renewable energy quotas by users or utility providers in Nevada.

1.18 “**Permitted Transferee**” means an Affiliate of either Party to this Agreement.

1.19 “**Person**” means an individual, corporation, partnership, limited liability company, trust, business trust, association, joint stock company, joint venture, sole proprietorship, unincorporated organization, Governmental Entity, or other entity.

1.20 “**PUCN**” means the Public Utilities Commission of Nevada and any successor entity thereto.

1.21 “**Renewable Energy Benefits**” has the meaning as defined in the Turquoise Nevada Power Purchase Agreement.

1.22 “**Renewable Energy Law**” means an act of the Nevada Legislature relating to energy, or law that affects Customer’s renewable energy consumption or that requires certain electric service providers to comply with the portfolio standard for renewable energy, and providing for other matters relating thereto, codified as NRS 704.7801 through 704.7828, inclusive, and the rules and regulations of WREGIS, and the regulations, guidance and other requirements promulgated thereunder, in each case as such laws, regulations, guidance and requirements may be amended, preempted or superseded.

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1.23 “Renewable Resource Rate” means the fixed rate, in dollars per kWh, set forth in Exhibit A attached hereto.

1.24 “RPS” means the State of Nevada’s Renewable Portfolio Standard.

1.25 “Supply Amount” has the meaning as defined in the Turquoise Nevada Power Purchase Agreement.

1.26 “Tax” or “Taxes” means the applicable federal, state, local or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property (including assessments, fees or other charges based on the use or ownership of real property), personal property, transactional, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated tax, or other tax of any kind whatsoever, or any liability for unclaimed property or escheatment under common law principles, including any interest, penalty or addition thereto, whether disputed or not, including any item for which liability arises as a transferee or successor-in-interest.

1.27 “Turquoise Nevada Generating Facility” has the meaning set forth in the recitals hereto.

1.28 “Turquoise Nevada Power Purchase Agreement” has the meaning set forth in the recitals hereto and is attached hereto as Exhibit B.

1.29 “Term” has the meaning set forth in Section 2.1.

1.30 “Threshold Amount” has the meaning set forth in Section 3.1(c).

1.31 “WREGIS” means the Western Renewable Energy Generation Information System, or a successor organization or system.

2. **TERM AND TERMINATION.**

2.1 Term. The term of this Agreement commences on the Execution Date, and will expire on the date that the Turquoise Nevada Power Purchase Agreement expires or terminates pursuant to its terms (the “Term”), unless extended by mutual written agreement of the Parties. If the Term is not extended by mutual written agreement, this Agreement will terminate on the earlier of: (a) the expiration of the term of the Turquoise Nevada Power Purchase Agreement, or (b) twenty-seven and a half (27.5) years from the Execution Date. NV Energy may extend the term of the Turquoise Nevada Power Purchase Agreement without the consent of Customer, though such extension will not extend the Term without the consent of Customer.

3. **ENERGY SUPPLY.**

3.1 Sale of Portfolio Energy Credits.

- (a) Commencing within ninety (90) days of the later of (a) the date this Agreement and the Turquoise Nevada Power Purchase Agreement are approved by the PUCN, and (b) the Commercial Operation Date of the Turquoise Nevada Generating Facility

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(the “Effective Date”), NV Energy shall upload to Customer’s designated WREGIS account all Portfolio Energy Credits realized from the energy output of the Turquoise Nevada Generating Facility and to which NV Energy is entitled under the Turquoise Nevada Power Purchase Agreement. Customer shall pay the Renewable Resource Rate for each kWh of energy generated by, and associated with, the Turquoise Nevada Generating Facility and uploaded by NV Energy to WREGIS on Customer’s behalf, as provided herein. Except as provided for in Section 3.1(c) below, NV Energy is not required to supply, provide or sell replacement Portfolio Energy Credits to Customer if Portfolio Energy Credits are not available from the Turquoise Nevada Generating Facility for any reason.

- (b) No later than ninety (90) days following the Effective Date, NV Energy shall upload to Customer’s designated WREGIS account the PCs realized from the energy output of the Turquoise Nevada Generating Facility prior to the Effective Date and to which NV Energy is entitled under the Turquoise Nevada Power Purchase Agreement.
- (c) If, in any Contract Year, after the first Contract Year, the Customer does not receive a quantity of Portfolio Energy Credits in an amount equal to at least eighty percent (80%) of the Supply Amount, (“Threshold Amount”), NV Energy will negotiate in good faith to sell to Customer Portfolio Energy Credits, at the Renewable Resource Rate, up to an amount of Portfolio Energy Credits to the Threshold Amount. If, in any two consecutive Contract Years, after the first Contract Year, the Customer does not receive the Threshold Amount of Portfolio Energy Credits, NV Energy shall sell to Customer Portfolio Energy Credits, at the Renewable Resource Rate, up to an amount of Portfolio Energy Credits to the Threshold Amount for such two (2) consecutive Contract Years. NV Energy’s obligations to sell Portfolio Energy Credits as described in this Section 3.1(c) are subject in all cases to: (i) the availability of Portfolio Energy Credits to NV Energy for this purpose, (ii) obtaining any required governmental approvals, and (iii) NV Energy’s compliance with applicable RPS obligations, or any future legal obligations.

3.2 Customer Acknowledgements. Customer acknowledges and agrees that:

3.2.1 For the Term of this Agreement, Customer shall purchase from NV Energy, under the NV GreenEnergy Rider Tariff and pursuant to the terms of this Agreement, all available PCs and Renewable Energy Benefits delivered to NV Energy associated with the Turquoise Nevada Generating Facility as determined by the production information uploaded by NV Energy to Customer’s designated WREGIS account;

3.2.2 Based upon Customer’s current load growth forecasts, Customer anticipates its load growth within NV Energy’s service territory by the end of calendar year 2020 will equal or exceed the anticipated energy output as set forth in the Turquoise Nevada Power Purchase Agreement. Customer anticipates that from the beginning of 2018 until the end of 2020 its load within NV Energy’s service territory will grow approximately one hundred twenty percent (120%). Additionally, Customer, anticipates that its load within NV Energy’s service territory will continue to increase at significant rates for the first half of the next decade (2021 through 2025). For purposes of clarity, Customer is basing its

anticipated load growth forecast on Customer’s currently available load projections. If Customer’s actual load growth deviates from the anticipated load growth set forth in this Section, such deviation shall not be deemed an Event of Default, provided, however, regardless of whether Customer fails to achieve its projected load growth as set forth in this Agreement, Customer represents that it will pay for all PCs and Renewable Energy Benefits that are attributable to the production of the Turquoise Nevada Generating Facility;

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3.2.3 NV Energy retains all energy and capacity from the Turquoise Nevada Generating Facility;

3.2.4 For the Term, Customer shall receive and maintain bundled electric service from NV Energy under the tariff applicable to the Customer pursuant to the terms of such tariff;

3.2.5 Notwithstanding anything to the contrary in this Agreement, Customer is not receiving electric service from the Turquoise Nevada Generating Facility under the Turquoise Nevada Power Purchase Agreement, under this Agreement or otherwise; and

3.2.6 This Agreement is entered into pursuant to the NV GreenEnergy Rider Tariff and all terms and conditions of the NV GreenEnergy Rider Tariff are incorporated into this Agreement by this reference to the extent such terms and conditions are consistent with this Agreement. It is the intent of the Parties that this Agreement is consistent with the terms and conditions of the NV GreenEnergy Rider Tariff.

4. PORTFOLIO ENERGY CREDITS AND RENEWABLE ENERGY BENEFITS.

4.1 **Price.** For the entirety of the Term, for the PCs and other Renewable Energy Benefits purchased by Customer hereunder, Customer shall pay the Renewable Resource Rate, as set forth in Exhibit A, for each kWh of energy output generated by the Turquoise Nevada Generating Facility as determined by the production information uploaded by NV Energy to Customer’s designated WREGIS account. For clarity, the obligations of NV Energy and Customer to sell and purchase, respectively, such PCs under this Agreement shall apply irrespective of (i) Customer’s actual electric energy requirements or (ii) the RPS obligations of NV Energy.

4.2 **Certification of Portfolio Energy Credits.** NV Energy will take such commercially reasonable actions as may be necessary and appropriate to cause WREGIS and the PC Administrator to certify or otherwise validate in a timely manner all PCs sold by NV Energy to Customer under this Agreement. The Parties acknowledge and agree that the certification of PCs is WREGIS dependent, and that the timing of certification is solely at WREGIS’ discretion. NV Energy shall not be held liable for certification delays or denials beyond its control.

4.3 **Monthly Invoices.** Beginning the month after the first month in which NV Energy uploads production data from the Turquoise Nevada Generating Facility to Customer’s designated WREGIS account, an invoice will be sent to Customer monthly, showing the kWh generated by the Turquoise Nevada Generating Facility during the previous calendar month, the Renewable Resource Rate and any other applicable Taxes or fees imposed by a Governmental Entity or WREGIS (or similar registrant) or the PC Administrator relating to the PCs or service under the NV GreenEnergy Rider Tariff. Each such monthly invoice will set forth the total amount payable by Customer for the PCs. The monthly invoice shall be provided to Customer by the method or methods authorized by the tariff schedule or schedules

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pursuant to which Customer receives bundled electric service. NV Energy’s first invoice following the Effective Date shall include the costs associated with the PCs generated by the Turquoise Nevada Generating Facility prior to the Effective Date, if any.

4.4 Payment Terms. The otherwise applicable payment terms as issued on each monthly NV Energy invoice, as provided by tariff schedule or schedules pursuant to which Customer receives bundled electric service or by other written agreement of the Parties, will apply to all amounts due under this Agreement.

4.5 Transfer of Portfolio Energy Credits. Notwithstanding the foregoing, the Parties may elect such other transfer procedures for PCs as the Parties may mutually agree, acting reasonably, provided that NV Energy shall not be required to incur any additional costs or expense for such PCs or the transfer thereof.

4.6 NV Energy Right to Purchase Renewable Energy Benefits. NV Energy shall have the right to purchase from Customer at the Renewable Resource Rate any non-PC Renewable Energy Benefit from Customer related to the characteristics or output of the Turquoise Nevada Generating Facility, to the extent such purchase is deemed necessary by NV Energy to satisfy compliance with the State of Nevada’s or the federal government’s implementation of the Clean Power Plan, or a substantially similar federal or state law that imposes carbon emission standards or caps. No such purchase by NV Energy under this Section 4.6 may adversely impact Customer’s continued rights and obligations to purchase PCs under this Agreement.

5. ASSIGNMENT.

5.1 Assignment. Neither Party shall assign this Agreement, or any of its rights or obligations under this Agreement, without the prior written consent of the other Party (which consent shall not be unreasonably withheld, delayed or conditioned), or NV Energy is legally required to make such an assignment to a third party, and any attempted assignment of this Agreement without such consent shall be null and void; provided, however, that upon prior written notice to the other Party either Party may assign this Agreement to a Permitted Transferee without such consent, provided that the assigning Party is not released from its obligations under this Agreement as a result of such assignment and remains directly liable for such obligations. For purposes of this Agreement, any public or private offering of Apple’s capital stock or the sale of Apple’s capital stock through any public exchange shall not be deemed an assignment or sublease and thus may occur without the prior consent of NV Energy.

5.2 Change in Law Assignment. In the event that applicable Nevada or Federal law is revised to allow Customer to directly or through a provider other than NV Energy, purchase the PCs, Renewable Energy Benefits, capacity, energy, and any available ancillary services from the Turquoise Nevada Generating Facility through a separate power purchase agreement, Customer may terminate this Agreement upon twelve (12) months’ prior written notice to NV Energy provided: (i) that Turquoise Nevada, LLC (or its successor), accepts with Customer, an Affiliate or a qualified provider of Customer’s choosing as a replacement of NV Energy as a counterparty under a separate power purchase agreement for all PC’s, Renewable Energy Benefits, capacity, and other ancillary services associated with the Turquoise Nevada Generating Facility and NV Energy is fully relieved of all obligations under the Turquoise Nevada Power Purchase Agreement for all PC’s, Renewable Energy Benefits, capacity, and other ancillary services associated with such Turquoise Nevada Generating Facility; and (ii) Customer

