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# Original Filing

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Submitted: 6/6/2018 3:56:03 PM

Fee Submitted: \$200.00

Echeck Transaction ID :5283257114966208403611

Reference: 44e507cc-5a99-4f07-8dc8-70760a6f43e2

Reference:

Filed For: Fulcrum Sierra BioFuels LLC

In accordance with NRS Chapter 719,  
this filing has been electronically signed and filed  
by: /s LucasFoletta

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By electronically filing the document(s),  
the filer attests to the authenticity of the electronic signature(s) contained therein.

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This filing has been electronically filed and deemed to be signed by an authorized  
agent or  
representative of the signer(s) and  
Fulcrum Sierra BioFuels LLC

**McDONALD**  **CARANO**

**Lucas M. Foletta**  
[lfoletta@mcdonalddcarano.com](mailto:lfoletta@mcdonalddcarano.com)

**Reply to: Reno**

June 6, 2018

Breanne Potter  
Assistant Commission Secretary  
Public Utilities Commission of Nevada  
1150 East William Street  
Carson City, Nevada 89701

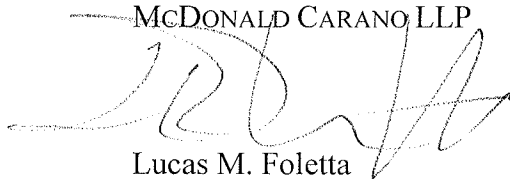
***Re: NRS 704B Application of Fulcrum Sierra BioFuels, LLC;***

Dear Ms. Potter:

Please accept for filing the attached NRS 704B Application (“Application”) of Fulcrum Sierra BioFuels, LLC (“Fulcrum”). This Application is being filed in accordance with the provisions of NRS and NAC 704B. The filing fee for this Application is being paid concurrently with this filing. Should you have any questions or concerns regarding this submission, please do not hesitate to contact me directly at 775-326-4305.

Sincerely,

MCDONALD CARANO LLP



Lucas M. Foletta

LMF/ajb  
*Enclosures (as stated herein)*  
cc: Sam Crano  
Michael Saunders  
Michael Greene

[mcdonalddcarano.com](http://mcdonalddcarano.com)

100 West Liberty Street • Tenth Floor • Reno, Nevada 89501 • P: 775.788.2000  
2300 West Sahara Avenue • Suite 1200 • Las Vegas, Nevada 89102 • P: 702.873.4100

**PUBLIC UTILITIES COMMISSION OF NEVADA**  
**DRAFT NOTICE**  
**(APPLICATIONS, TARIFF FILINGS, COMPLAINTS, AND PETITIONS)**

Pursuant to Nevada Administrative Code ("NAC") 703.162, the Commission requires that a draft notice be included with all applications, tariff filings, complaints and petitions. Please complete and include ONE COPY of this form with your filing. (Completion of this form may require the use of more than one page.)

**A title that generally describes the relief requested (NAC 703.160(4)(a)):**

Application of Fulcrum Sierra BioFuels, LLC, to purchase energy, capacity, and/or ancillary services from a provider of new electric resources pursuant to Chapter 704B of the Nevada Revised Statutes and Chapter 704B of the Nevada Administrative Code.

**The name of the applicant, complainant, petitioner or the name of the agent for the applicant, complainant or petitioner (NAC 703.160(4)(b)):**

The applicant is Fulcrum Sierra BioFuels, LLC.

**A brief description of the purpose of the filing or proceeding, including, without limitation, a clear and concise introductory statement that summarizes the relief requested or the type of proceeding scheduled AND the effect of the relief or proceeding upon consumers (NAC 703.160(4)(c)):**

Fulcrum Sierra BioFuels, LLC ("Fulcrum") seeks an Order from the Public Utilities Commission of Nevada allowing Fulcrum to purchase energy, capacity and/or ancillary services from a provider of new electric resources pursuant to NRS and NAC Chapters 704B starting September 1, 2019, or such other date as approved or ordered by the Public Utilities Commission of Nevada pursuant to NAC 704B.380(1)(b). Fulcrum intends to pay its share of the taxes, fees, and account balances related to its departure, if necessary, as required by the governing statutes and regulations. Therefore, Fulcrum believes that there will be no effect on consumers.

**A statement indicating whether a consumer session is required to be held pursuant to Nevada Revised Statute ("NRS") 704.069(1)<sup>1</sup>:**

A consumer session is not required.

**If the draft notice pertains to a tariff filing, please include the tariff number AND the section number(s) or schedule number(s) being revised.**

The draft notice does not pertain to a tariff filing.

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<sup>1</sup> The Commission shall conduct a consumer session to solicit comments from the public in any matter pending before the Commission pursuant to NRS 704.061 to 704.110 inclusive, in which: (a) A public utility has filed a general rate application, an application to recover the increased cost of purchased fuel, purchased power, or natural gas purchased for resale or an application to clear its deferred accounts; and (b) The changes proposed in the application will result in an increase in annual gross operating revenue, as certified by the applicant, in an amount that will exceed \$50,000 or 10 percent of the applicant's annual gross operating revenue, whichever is less.

BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

In the Matter of Fulcrum Sierra BioFuels, LLC,  
to purchase energy, capacity, and/or ancillary  
services from a provider of new electric  
resources

Docket No. 18-

**APPLICATION OF FULCRUM SIERRA BIOFUELS LLC TO PURCHASE ENERGY,  
CAPACITY, AND/OR ANCILLARY SERVICES FROM A PROVIDER OF  
NEW ELECTRIC RESOURCES AND REQUEST FOR A PROTECTIVE ORDER**

Pursuant to the provisions of Chapter 704B of the Nevada Revised Statutes (“NRS”)—specifically, NRS 704B.340 and Chapter 704B of the Nevada Administrative Code (“NAC”)—Fulcrum Sierra BioFuels, LLC (“Fulcrum”) hereby submits the above-titled application and request for a protective order (“Application”) to the Public Utilities Commission of Nevada (“Commission”). In support of its Application, Fulcrum states as follows:

**I. BACKGROUND INFORMATION**

1. Fulcrum recently began construction of a biorefinery to be located at 3600 Peru Drive, McCarran, Storey County, Nevada 89434 (the “Biorefinery”) in the Sierra Pacific Power Company’s d/b/a NV Energy (“SPPC” or “Company”) service territory. Fulcrum has yet to take electric service at the Biorefinery.

2. All communications regarding this Application should be directed to the following:

Lucas Foletta McDonald Carano, LLP 100 West Liberty Street, 10 <sup>th</sup> Floor Reno, NV 89501 (775) 788-2000 <a href="mailto:lfoletta@mcdonalddcarano.com">lfoletta@mcdonalddcarano.com</a>	Jeanne Benedetti Vice President Fulcrum BioFuels, LLC 4900 Hopyard Rd, Suite 220 Pleasanton, CA 94588 (925) 224-8248 <a href="mailto:jbenedetti@fulcrum-bioenergy.com">jbenedetti@fulcrum-bioenergy.com</a>
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**II. LETTER OF INTENT (NAC 704B.320-330)**

3. Pursuant to NAC 704B.320, on April 25, 2018, Fulcrum served the Commission’s Regulatory Operations Staff (“Staff”), the Attorney General’s Bureau of Consumer Protection (“BCP”) and SPPC with its letter of intent notifying these parties of Fulcrum’s intent to purchase

1 energy, capacity and ancillary services from a provider of new electric resources pursuant to NRS  
2 Chapter 704B for the Biorefinery. Fulcrum’s letter of intent is attached to this Application as  
3 Exhibit 1.<sup>1</sup> Attachment D to Exhibit 1 is designated as confidential because it contains customer  
4 specific engineering information and is therefore commercially sensitive and must be kept  
5 confidential pursuant to NAC 704B.340(2) and NAC 703.5274. As more fully discussed in  
6 Section IV of this Application, Fulcrum is requesting that the Commission grant its request for a  
7 protective order for this information as well as the entirety of Exhibit 2.

8 4. Pursuant to NAC 704B.330, representatives of Fulcrum, Staff, BCP and SPPC met  
9 on May 22, 2018 to discuss the information included in the Fulcrum’s letter of intent and to  
10 identify any issues of concern with respect to the proposed transaction.

11 **III. APPLICATION (NAC 704B.340)**

12 5. NRS 704B.080 defines an “eligible customer” as a “nongovernmental commercial  
13 or industrial end-use customer that has an average annual load of one (1) megawatt or more in the  
14 service territory of an electric utility.” NRS 704B.080(1). NAC 704B.300(2) requires each  
15 eligible customer’s service location to have consumed 8,760,000 kilowatt hours (“kWhr”) or more  
16 of energy in the service territory of the utility during the most recent 12-month period. NAC  
17 704B.300(1) provides that, for new end-use customers, “the Commission will consider the end-  
18 use customer to have an average annual load of 1 megawatt or more in the service territory of the  
19 electric utility only if the Commission determines the end-use customer will consume, during the  
20 12 months immediately following the date of commencement, 8,760,000 kilowatt-hours or more  
21 of energy in the service territory of the electric utility.” *Id.* at 704B.300(1). Fulcrum satisfies  
22 these requirements for the Biorefinery.

23 6. With respect to the Biorefinery, Fulcrum will be a non-governmental commercial  
24 end-use customer in the service territory of SPPC and will consume during the 12 months

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28 <sup>1</sup> The substance of Fulcrum’s letter of intent is incorporated herein by reference for all relevant purposes, including, but not limited to, demonstrating compliance with the requirements of NAC 704B.340. Attachment C to the letter of intent has been omitted as it contains confidential information relating to Fulcrum’s Feedstock Processing Facility (“FPF”), which is not a part of this Application at this time. Fulcrum continues to evaluate its options relating to the FPF and NRS 704B.

1 immediately following the date of commencement 8,760,000 kilowatt hours or more of energy at  
2 its contiguous property locations or its service locations that are treated as a single service location  
3 for billing purposes.

4 7. Because the Biorefinery is not yet constructed, no information regarding points of  
5 delivery has been submitted with the Application. Fulcrum will provide that information as it is  
6 developed. Fulcrum has provided, however, the Biorefinery’s motor list (the “Motor List”)  
7 attached as Exhibit 2 to this Application. Exhibit 2 is designated as confidential because it  
8 contains customer specific engineering information and is therefore commercially sensitive and  
9 entitled to be kept confidential pursuant to NAC 704B.340(2) and NAC 703.5274, as more  
10 specifically described in Section IV below.

11 8. As required by NAC 704B.340(1)(a)(2), Fulcrum is also an eligible customer  
12 pursuant to Section 1.14 (ii) of the “Nevada Power Company and Sierra Pacific Power Company  
13 Open Access Transmission Tariff,” (the “OATT”). The OATT provides that any “eligible retail  
14 customer taking unbundled Transmission Service pursuant to a Retail Access Program or pursuant  
15 to a voluntary offer of such service by the Transmission Provider, is an Eligible Customer and  
16 shall take service pursuant to Part IV of the Tariff.” Accordingly, once Fulcrum begins taking  
17 service pursuant to NRS 704B—i.e., Nevada’s retail access program—it will also be an “eligible  
18 customer” under Section 1.14(ii) of the OATT. Fulcrum has the ability to enter into all service  
19 agreements necessary for the delivery of energy from the point of receipt to Fulcrum’s points of  
20 delivery.

21 9. With respect to the Biorefinery’s consumption of electric energy, the Motor List  
22 indicates that Fulcrum will have at that facility 8,760,000 kilowatt hours or more of energy  
23 annually following the date of commencement.

24 10. Fulcrum is in negotiations with several potential providers; therefore, it has not yet  
25 selected its provider (“Provider”). However, as described below, the Provider will meet the  
26 requirements of NRS 704B and NAC 704B. Fulcrum will provide the name and business address of  
27 the Provider as soon as it is available.

28 11. The Provider will likely be active in the Western Electricity Coordinating Council

1 (“WECC”) wholesale power market and involved in electricity and natural gas trading and  
2 marketing activities throughout the region. In addition, the Provider will likely provide physical  
3 load-supply service to utilities and end-use customers in the region and offer a structured products  
4 portfolio that includes generation entitlement, transmission capacity and other power products.  
5 The provision of electric service will be reflected in a definitive agreement to be entered into  
6 between Fulcrum and the Provider (the “Agreement”) which will (i) obligate the Provider to  
7 provide energy, capacity and ancillary services to Fulcrum and (ii) require the Provider to comply  
8 with the applicable requirements of the renewable portfolio standard pursuant to NAC 704B.500.  
9 The Agreement will be provided to the Commission pursuant to the requirements of NAC  
10 704B.370(5).  
11

12 12. The following is a list of the terms Fulcrum anticipates will be included in the  
13 Agreement:  
14

- 15 a. The date by which delivery of energy, capacity and ancillary services will  
16 commence, estimated to be on or about September 1, 2019 for the Biorefinery;
- 17 b. The initial term of the Agreement;
- 18 c. The amount of electricity to be purchased is anticipated to be the full amount  
19 required by Fulcrum at the points of delivery to be identified at a later date;
- 20 d. The Provider’s intent to act as Fulcrum’s scheduling coordinator pursuant to NAC  
21 704B.320(2)(d);
- 22 e. The point of receipt is anticipated to be Midpoint 345 kV Substation (“Midpoint”);
- 23 f. The points of delivery are anticipated to be the various Fulcrum facilities that  
24 qualify under NRS 704B.080;
- 25 g. The maximum number of megawatts estimated to be delivered under the proposed  
26 transaction is approximately 25 MW;
- 27 h. The Provider’s willingness to meet all obligations related to Nevada’s renewable  
28 portfolio standard in accordance with NAC 704B.500;

- 1 i. The energy expected to be purchased is expected to be firm, including capacity and
- 2 ancillary services; and
- 3 j. Termination and notice provisions.

4 Fulcrum does not anticipate significant increases or decreases in load over the contract term.

5 13. Fulcrum anticipates that all ancillary services will be purchased from SPPC  
6 pursuant to the terms of the OATT.

7 14. NRS 704B.110 defines “new electric resource” as the “energy, capacity or  
8 ancillary services and any increased or additional energy, capacity or ancillary services” that are  
9 (a) made available from a generation asset that is not owned by an electric utility or is not subject  
10 to contractual commitments to an electric utility that makes the energy, capacity or ancillary  
11 services from the generation asset unavailable for purchase by an eligible customer; and (b) able  
12 to be delivered to an eligible customer. Fulcrum intends to acquire firm energy from the Provider  
13 that will meet the requirements of NRS 704B.110. Upon exiting Fulcrum has no intention of  
14 taking service directly from generation assets that are owned by or contractually committed to NV  
15 Energy. In addition, all firm energy will be capable of being delivered to Fulcrum’s points of  
16 delivery.

17 15. Fulcrum anticipates that its underlying contract for firm power and energy in the  
18 full amount of its load at the points of delivery to be identified at a later date will take the form of  
19 Schedule C Confirmation(s) to the Western Systems Power Pool Master Agreement. Fulcrum  
20 cannot yet confirm a specific date for commencement of service pursuant to the Agreement, but  
21 anticipates that service will commence on or about September 1, 2019 for the Biorefinery.

22 16. The electricity delivered by the Provider to the point of receipt at Midpoint will be  
23 delivered pursuant to the terms of the OATT. Pursuant to NAC 704B.340(1)(a)(2), Fulcrum  
24 agrees to pay, to the extent applicable, all costs for system impact studies, facilities studies and  
25 construction of facilities that may be required under the OATT to obtain the necessary  
26 transmission service. No system impact or facilities studies have been required or completed to  
27 date. If such impact studies or facilities studies are completed, pursuant to NAC 704.340(1)(c),  
28 Fulcrum will provide them to the Commission.



1           17.     The Provider will determine day-ahead and hourly scheduled volumes, using input  
2 from Fulcrum. Fulcrum will be a SPPC Network Integration Transmission Service (“NITS”)  
3 customer and will utilize the Provider as its agent to manage the NITS services to facilitate  
4 delivery of power from the point of receipt to the point of delivery.

5           18.     Fulcrum will submit to SPPC its NITS application to facilitate the purchase of 25  
6 MW of energy, capacity and ancillary services as well as transmission services pursuant to the  
7 terms of the OATT. Upon execution, Fulcrum will file the executed NITS Agreement with the  
8 Commission pursuant to NAC 704B.370(1)(b).

9           19.     Fulcrum will execute a Network Operating Agreement (“NOA”) with SPPC in the  
10 standard form contained with Attachment G of the OATT. Upon execution of the NOA, Fulcrum  
11 will file it with the Commission pursuant to NAC 704B.370(1)(b).

12           20.     Upon departure, Fulcrum plans to receive its energy pursuant to SPPC’s  
13 distribution system. Pursuant to the requirements of NAC 704B.370(1)(a), Fulcrum will file with  
14 the Commission and serve on all parties a completed and fully executed distribution service  
15 agreement which will be negotiated pursuant to the terms of SPPC’s Distribution-Only Service  
16 Rider.

17           21.     NAC 704B.340(1)(b) requires that energy delivered to the eligible customer be  
18 metered through one or more time-of-use meters for each point of delivery. Prior to departure,  
19 each of Fulcrum’s points of delivery will be equipped with the required time-of-use meters.

20           22.     Pursuant to NRS 704.78213 and NAC 704B.500, Provider will comply with all  
21 applicable requirements of Nevada’s renewable portfolio standard. Provider will acknowledge  
22 the requirement to supply renewable energy pursuant to Nevada law and have access to a  
23 substantial amount of renewable energy and can arrange for and deliver the required amount of  
24 renewable energy.

25           23.     Upon approval of this application, Fulcrum will pay applicable taxes, fees or  
26 assessments that are required by NRS 704B.360, as well its load ratio share of the unrecovered  
27 adjusted balance in the deferred accounts of NV Energy as that amount may be determined by  
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the Commission, and will pay an appropriate impact fee, if any, also in an amount determined by the Commission.

**IV. REQUEST FOR A PROTECTIVE ORDER (NAC 704B.340(2) AND NAC 703.5274)**

24. NAC 704B.340(2) provides that the eligible customer may request from the Commission a protective order to protect the confidentiality of any information that the eligible customer believes to be commercially sensitive. If the Commission determines that the information is commercially sensitive, the Commission can grant the protective order. Pursuant to NAC 704B.340(3), if the information is protected by a protective order, Staff, BCP and the electric utility may have access to such information upon the execution of a confidentiality agreement and subject to the terms of the protective order and the confidentiality agreement.

25. Fulcrum is requesting that the Commission issue a protective order for Attachment D to Exhibit 1, and all of Exhibit 2 to this Application. Attachment D to Exhibit 1 contains customer specific engineering information. Exhibit 2 contains similar customer specific engineering information. The information set forth in Attachment D to Exhibit 1 and Exhibit 2 is highly confidential and commercially sensitive and entitled to be protected pursuant to NAC 704B.340(2). Accordingly, Fulcrum is requesting that the Commission grant its request for a protective order for these exhibits.

26. NAC 704B.340(2) requires that the eligible customer demonstrate that the information is commercially sensitive. Fulcrum believes that its engineering information is commercially sensitive because it reveals information about its business operations and design plans. In addition, release of the engineering information may present a safety and security issue for Fulcrum that has the potential to compromise its operations.

27. Fulcrum has transmitted protective agreements to Staff, BCP and NV Energy commensurate with the filing of this Application.

28. NAC 703.5274 provides that a party may request that the Commission not disclose and keep confidential certain information if the requesting party describes with particularity the information for which confidentiality is sought, specifies the grounds for the claim of confidentiality and specifies the period during which the information should remain confidential.

1 Fulcrum has described the information in Attachment D to Exhibit 1 and Exhibit 2 with  
2 particularity and has set forth the grounds for the claim of confidentiality. Fulcrum requests that  
3 the Commission keep this information confidential for the maximum period prescribed by law.

4 29. Accordingly, Fulcrum has met the requirement of NAC 704B.340(2) and NAC  
5 703.5274 and that a protective order should be issued for Attachment D to Exhibit 1 and Exhibit  
6 2.

7 **V. REQUEST FOR WAIVER FROM THE REQUIREMENTS OF**  
8 **NAC 704B.320(2)(b) & (c).**

9 30. NAC 704B.320(2)(b) require that the eligible customer include in its letter of intent  
10 the “name of the provider” and the “address and contact information for the provider,” and NAC  
11 704B.320(2)(c) requires that the letter of intent identify “[e]ach point of delivery at which the  
12 eligible customer intends to purchase energy from the provider and, for each such point of  
13 delivery: (1) The physical location of the point of delivery; and (2) The current account number  
14 for the point of delivery, the name on each such account and the current billing address and final  
15 billing address for each such account.” NAC 704B.320(2)(b) & (c). NAC 704B.340(1) provides  
16 that the eligible customer shall include with its application “all the information that the eligible  
17 customer included with the letter of intent” and “[a]ny information required to update or complete  
18 the information the eligible customer included with the letter of intent.” *Id.* at 704B.340(1) and  
19 (1)(e).

20 31. As described above, Fulcrum is currently in negotiations with several potential  
21 providers and the commencement dates for service are considerably in the future. Furthermore,  
22 construction of the Biorefinery is not complete and it is not taking permanent electric service at  
23 specific points of delivery. Therefore, Fulcrum has not identified specific points of delivery for  
24 the Biorefinery in this application. That said, as the Commission previously determined, the  
25 requirements of NRS 704B do not preclude applications from eligible customers before they  
26 actually take electric service or, for that matter, complete construction of load taking facilities.  
27 *See* NRS 704B.300(1) (providing that a “new end use customer” may establish eligibility for 704B  
28 if it can show that it “will consume, during the 12 months immediately following the date of

1 commencement, 8,760,000 kilowatt-hours or more of energy in the service territory of the electric  
2 utility.”); Docket No. 17-04019 Order at 6-7 (noting that a new end use customer may satisfy the  
3 requirements of NRS 704B without actually taking service in fact from the utility if it provides  
4 “reliable documentation” indicating “it will consume 8,760,000 kilowatt-hours of energy in the  
5 12 months after it leaves bundled service” and concluding that, under certain circumstances, “[n]o  
6 practical or discernable public interest would be impaired” by filing an application pursuant to  
7 NRS 704B before completing construction on a particular project).

8 32. Because NRS 704B contemplates the possibility of applications being made before  
9 the completion of construction of certain projects like the Biorefinery, and because NRS 704B  
10 contemplates applications to be filed far in advance of commencement of service, there is good  
11 cause to deviate from the requirements of NAC 704B.320(2)(b) & (c) and 704B.340(1) and (1)(e)  
12 insofar as they require the identify and contact information for the Provider and the inclusion of  
13 specific points of delivery with this Application. Given the advance nature of this Application,  
14 this information is not yet available. Fulcrum will provide that information as soon as it becomes  
15 available. Deviation from the relevant regulations is in the public interest in that it will allow the  
16 expeditious processing of this application and avoid any complications that could impact Fulcrum  
17 or remaining ratepayers if it were required to delay this process. There is no countervailing interest  
18 that is served in requiring this information prior to the filing of this Application; the specific  
19 identity of the Provider and points of delivery have no bearing on the financial impact of  
20 Fulcrum’s departure from NV Energy’s system on remaining ratepayers. Waiver of the specified  
21 regulations is not contrary to any statute.

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WHEREFORE, Fulcrum respectfully requests the Commission issue an Order (1) authorizing Fulcrum to purchase energy, capacity and ancillary services from its Provider pursuant to NRS Chapter 704B and NAC Chapter 704B on or about September 1, 2019 or such other date identified by Fulcrum and approved by the Commission; (2) determining that a protective order should issue for the information contained in Attachment D to Exhibit 1 and Exhibit 2; (3) waiving the requirements of NAC 704B.320(2)(c) and 704B.320(1) and (1)(e) until such time as that information is available, and (4) such other relief as determined by the Commission is necessary to process this Application.

Respectfully submitted this 6<sup>th</sup> day of June, 2018.



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Lucas Foletta  
Nevada Bar No. 12154  
McDonald Carano LLP  
100 West Liberty Street, 10<sup>th</sup> Floor  
Reno, NV 89501  
Tel: 775-788-2000  
Email: [lfoletta@mcdonaldcarano.com](mailto:lfoletta@mcdonaldcarano.com)

# **Exhibit 1**

## **Letter of Intent**

# **Exhibit 1**



April 25, 2018

**Via Hand Delivery and Electronic Mail**

To: Michael Greene  
Regulatory Counsel  
NV Energy  
P.O. Box 10100  
Reno, NV 89520  
[mgreene@nvenergy.com](mailto:mgreene@nvenergy.com)

To: Tammy Cordova  
Staff Counsel, Regulatory Operations Staff  
Public Utilities Commission of Nevada  
1150 East Williams Street  
Carson City, NV 89701-3901  
[tcordova@puc.nv.gov](mailto:tcordova@puc.nv.gov)

To: Ernest Figueroa  
Consumer Advocate and Chief Deputy Attorney General  
State of Nevada, Attorney General's Bureau of Consumer Protection  
555 E. Washington Avenue, Suite 3900  
Las Vegas, Nevada 89101  
[Efigueroa@ag.nv.gov](mailto:Efigueroa@ag.nv.gov)

**Re: Fulcrum Sierra BioFuels, LLC**  
**Letter of Intent pursuant to NAC 704B.320**

Dear Mr. Greene, Ms. Cordova, and Mr. Figueroa:

As you know, Fulcrum Sierra BioFuels, LLC ("Fulcrum") is about to commence construction of a biorefinery to be located at 3600 Peru Drive, McCarran, Storey County, Nevada (the "Biorefinery"). On October 4, 2017, Fulcrum notified Sierra Pacific Power Company d/b/a NV Energy ("NV Energy") that it planned to avail itself of the process set forth in NRS 704B to purchase energy, capacity and ancillary services from a provider of new electric resources. A copy of Fulcrum's October 4, 2017 correspondence to NV Energy is enclosed here as **Attachment A**. On April 2, 2018, NV Energy transmitted an email correspondence to Fulcrum indicating that it would not plan to serve the Biorefinery's load. A copy of that correspondence is enclosed here as **Attachment B**.

[fulcrum-bioenergy.com](http://fulcrum-bioenergy.com)

Fulcrum also owns and operates a feedstock processing facility located at 350 Saddle Court, Mustang, Storey County 89434 (the “FPF”). The FPF is currently operational and taking power from NV Energy.

NAC 704B.320(1) provides that “[n]ot later than 30 calendar days before the date on which an eligible customer files an application pursuant to NRS 704B.310, the eligible customer shall submit a letter of intent to file the application . . . .” Pursuant to NAC 704B.320(1)(a)-(c), this letter informs NV Energy, the Regulatory Operations Staff (“Staff”) of the Public Utilities Commission of Nevada (“Commission”), and the Attorney General’s Bureau of Consumer Protection that Fulcrum intends to file its application pursuant to NRS Chapter 704B for the purpose of obtaining energy, capacity, and ancillary services from a provider of new electric resources to serve both the Biorefinery and the FPF.

Pursuant to NAC 704B.320, Fulcrum, provides the following information:

- NAC 704B.320(2)(a):
  - *Provide the name of the eligible customer, the address and other contact information for the eligible customer, and information demonstrating that the applicant is an eligible customer.*

Fulcrum is the eligible customer. Contact information for Fulcrum is as follows.

Jeanne Benedetti  
Vice President  
Fulcrum BioFuels, LLC  
4900 Hopyard Rd, Suite 220  
Pleasanton, CA 94588  
(925) 224-8248  
jbenedetti@fulcrum-bioenergy.com

Fulcrum is an eligible customer pursuant NAC 704B.080 (defining “eligible customer”) because it is a nongovernmental, commercial, end-use customer that “will consume, during the 12 months immediately following the date of commencement, 8,760,000 kilowatt-hours or more of energy in the service territory” of NV Energy. NAC 704B.300(1).

- NAC 704B.320(2)(b)
  - *The name of Fulcrum’s provider, the address and other contact information for the provider:*

Fulcrum is in negotiation with a number of potential providers of new electric resources (once selected, the “Provider”), each of which is qualified to do business as a provider of new electric resources in the state of Nevada. Fulcrum will provide more specific information regarding its chosen provider, including the relevant contact information, as soon as it is available.

fulcrum-bioenergy.com



- *Information demonstrating that the Provider will provide energy, capacity or ancillary services from one or more identifiable new electric resources:*

Fulcrum anticipates that, consistent with other providers of new electric resources in Nevada, the Provider will be active in the Western Electricity Coordinating Council (“WECC”) wholesale power market, including electricity and natural gas trading and marketing activities throughout the region, physical load-supply service to utilities and end-use customers and offer a structured products portfolio including generation entitlement, transmission capacity and other power products. The Provider will likely serve other load within the western United States and have dedicated 24-hour real-time operations and trading desk. The provision of electric service will be documented in a definitive agreement between the Provider and Fulcrum, which shall obligate the Provider to provide energy, capacity, and ancillary services and require the Provider to comply with the applicable requirements of the renewable portfolio standard pursuant to NAC 704B.500 (the “Agreement”). The Agreement will be provided to the Commission pursuant to the requirements of NRS and NAC 704B. The Agreement will require that the Provider serve as Fulcrum’s scheduling coordinator for delivery of energy which will be delivered from outside NV Energy’s control area. The anticipated point of receipt is the Midpoint 345kV substation.

- *The location of the new electric resource or identification of the market for the new electric resource:*

The “new electric resources” will be provided by the Provider from outside NV Energy’s control area.

- *If the provider intends to build a new electric resource, the letter of intent must also include a description of the proposed new facility and of how the total electricity requirements of the eligible customer will be met:*

Fulcrum does not anticipate that the Provider will build a new electric resource.

- NAC 704B.320(2)(c)(1) and (2)

*Each point of delivery at which the eligible customer intends to purchase energy from the provider and, for each such point of delivery the physical location of the point of delivery, the current account number for the point of delivery, the name on each account, the current billing address and final billing address for each such account:*

Because Fulcrum is submitting this correspondence prior to completing construction of the Biorefinery, the points of delivery, the physical locations of the same and account numbers have not been established. Fulcrum will provide this information as soon as it is available.

With respect to the FPF, see **Attachment C** to this letter which has been designated as confidential.

