BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

Investigation and Rulemaking to examine current regulations governing Nevada’s Renewable Portfolio Standard to determine whether providers of electric service should be authorized to utilize alternative solutions, including, but not limited to, blockchain-based solutions to track and certify Nevada portfolio energy credits. Docket No. 18-09008

PROCEDURAL ORDER

1. On September 26, 2018, the Public Utilities Commission of Nevada (“Commission”) opened an investigation and rulemaking to examine current regulations governing Nevada’s Renewable Portfolio Standard to determine whether providers of electric service should be authorized to utilize alternative solutions, including, but not limited to, blockchain-based solutions, to track and certify Nevada portfolio energy credits. This matter has been designated as Docket No. 18-09008.

2. This matter is conducted pursuant to the Nevada Revised Statutes (“NRS”) and Nevada Administrative Code (“NAC”) Chapters 233B, 703, and 704, and may result in the adoption, amendment, or repeal of a permanent regulation of the Commission, including, but not limited to, NAC 704.8901 et seq.

3. The Regulatory Operations Staff (“Staff”) of the Commission participates as a matter of right pursuant to NRS 703.301.

4. On March 20, 2019, concurrent with this Procedural Order, the Commission issued a Notice of Investigation and Rulemaking, Notice of Request for Comments, and Notice of Workshop (the “March 20, 2019, Notice”).

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5. Consistent with the March 20, 2019, Notice, interested and affected persons may file **COMMENTS** at either of the Commission’s offices on or before **APRIL 15, 2019, at 5:00 P.M.** Comments should address the following questions:

   a) What blockchain-based solutions or other available technologies ("Alternative Systems") can be utilized by providers of electric service to track and certify Nevada portfolio energy credits ("PECs")?

   b) What benefits should Nevada realize from utilizing the Alternative System for tracking and certifying PECs? More specifically:

      i. How would residential customers generating power through solar panels on their homes utilize the Alternative System?

      ii. How would commercial customers utilize the Alternative System?

          i. Would use of the Alternative System for tracking and certifying PECs be particularly useful for commercial customers?

      iii. Would the Alternative System for tracking and certifying PECs affect development of renewable energy in Nevada? If so, how?

      iv. Would the Alternative System have the functionality to quantify improvements in efficiency, cost, tracking, and security for PEC transactions compared to the current systems? If no, how could this functionality be obtained?

   c) Could all Nevadans benefit from the opportunity to monetize their PECs in larger markets (e.g., California’s Western Renewable Energy Generation Information System)? If yes, what functionality should an Alternative System for tracking and certifying PECs have to ensure that Nevada customers are able to interface with other states’ PEC systems to market their PECs in other states?
d) What limits should be placed on the functionality of the Alternative System? More specifically:

i. Should there be a minimum megawatt ("MW") requirement for participation?

ii. Today, there are many Nevada generators with less than one MW of generation. If the answer to 4(a) is yes, how would PECs be tracked and certified for such generators?

iii. Should there be user interface requirements? If yes, what would they be?

iv. If small generators are not able to utilize the Alternative System, e.g., because of a lack of computer expertise or internet access, how would PECs be tracked and certified for such generators?

v. Is there an option that would permit customers who are not able to utilize the Alternative System to aggregate their output of energy to qualify under the Alternative System? If yes, what is the aggregation option and what would it cost?

vi. Should there be limits on the type(s) of currency used for transactions using the Alternative System? For example, what are the potential ramifications for user acceptance of an Alternative System if the form of compensation to generators is not in U.S. dollars?

vii. Would use of a blockchain-based Alternative System necessarily involve use of cryptocurrency or could PECs be monetized in U.S. currency as they are today?

e) In the event that the Commission decides to authorize use of an Alternative System for tracking and certifying PECs, should this be implemented in stages, such as:
i. A pilot program similar to the Energy Web Foundation, PJM-Environmental Information Services pilot program?

ii. An initial rollout for commercial customers followed by an additional rollout for residential customers at a later date?

f) Regarding transition logistics:

i. How long would it take to implement the Alternative System for tracking and certifying PECs in Nevada?

ii. How would this timeframe be different for partial implementation of the Alternative System for:

   i. Commercial customers only?

   ii. A pilot program?

iii. What costs would be associated with the implementation of the Alternative System, including the:

   i. Cost to Commission;

   ii. Cost to generators; and

   iii. Cost to the system provider?

iv. How would costs differ for partial implementation of the Alternative System?

g) What additional questions should the Commission consider in this proceeding, and why?

6. A WORKSHOP will be held at the Commission’s office in Las Vegas, Nevada, and via video conference to the Commission’s office in Carson City, Nevada, on MONDAY, MAY 6, 2019 at 10:00 A.M.

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THEREFORE, it is ORDERED:

1. The procedures set forth in paragraphs 5-6 are ADOPTED.

By the Commission,

[Signature]

ANN PONGRACZ,
Commissioner and Presiding Officer

Attest: [Signature]
TRISHA OSBORNE,
Assistant Commission Secretary

Dated: Carson City, Nevada

3/20/19

(SEAL)