

BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

Application of Nevada Power Company d/b/a NV Energy for authority to increase its annual revenue requirement for general rates charged to all classes of electric customers and for relief properly related thereto.)	Docket No. 11-06006
_____)	
Application of Nevada Power Company d/b/a NV Energy for approval of new and revised depreciation and amortization rates for its electric operations.)	Docket No. 11-06007
_____)	
Application of Sierra Pacific Power Company d/b/a NV Energy for a determination of the reasonableness of the Ely Energy Center project development costs and for authority to reclassify those costs from a deferred debit to a regulatory asset with an appropriate carrying charge.)	Docket No. 11-06008
_____)	

NOTICE OF CONSUMER SESSIONS
AND
NOTICE OF HEARINGS

On June 6, 2011, Nevada Power Company d/b/a NV Energy (“NPC”) and Sierra Pacific Power Company d/b/a NV Energy (“Sierra”) filed three (3) Applications with the Public Utilities Commission of Nevada (“Commission”). In Docket No. 11-06006, NPC requested authority to increase its annual revenue requirement for general rates charged to all classes of electric customers and for relief properly related thereto; in Docket No. 11-06007 NPC requested approval of new and revised depreciation and amortization rates for its electric operations; and in Docket No. 11-06008 Sierra filed for a determination of the reasonableness of the Ely Energy Center (“EEC”) project development costs and for authority to reclassify those costs from a deferred debit to a regulatory asset with an appropriate carrying charge. The Commission has consolidated these three dockets for hearing purposes.

NPC's Application in Docket No. 11-06006 formally requests that the Commission establish new rates for NPC's electric operations in Nevada. The proposed general rates reflect additional costs of utility operations experienced since general rates were last authorized by the Commission. The Application requests an increase in revenues of \$245,540,000 ("Full Revenue Requirement"). NPC is requesting that the Commission formally establish a new rate effective date of Sunday, January 1, 2012.

Additionally, NPC is requesting to defer approximately \$64 million of the Full Revenue Requirement with carrying charges until the next general rate case by calculating the difference between the tariffs that would collect the full revenue requirement and the tariffs that would collect the full revenue requirement less the deferral times sales on a monthly basis.

In support of its request, NPC states that present rates are not sufficient to cover the costs of major plant additions including constructing the Harry Allen Combined Cycle Plant and other generating, transmission and distribution plant additions necessary to meet the demands of its customers, or changes in operating expenses, or to provide a fair return on investment, and attract the capital necessary to assure reliable service to current and future customers.

The Application requests an increase to NPC's Base Tariff General Rates ("BTGR"). NPC's rates consist of several distinct rate components. The BTGR is one component of rates, designed to allow the utility to recover costs related to generation, transmission and distribution facilities, operations and maintenance costs and return on investment. The costs of fuel and purchased power are recovered in separate rate components. The instant Application requests modifying the BTGR, while requesting no

changes to the other rate components. The following table represents the effect of the proposed increase, both with and without deferral, on NPC's BTGR related revenue and total revenue as it relates to residential customers and all classes of customers:

	BTGR Revenue Percentage Increase (Full Revenue Requirement)	BTGR Revenue Percentage Increase (Full Revenue Requirement less deferral)	Total Revenue Percentage Increase (Full Revenue Requirement)	Total Revenue Percentage Increase (Full Revenue Requirement less deferral)
Residential Customers	26.33%	20.67%	14.12%	11.08%
All Classes of Customers	24.85%	18.44%	11.52%	8.52%

The effect of the proposed Full Revenue Requirement request (without deferral) on the total revenues for each class of customer or class of service is as follows:

Full Revenue Requirement

RATE SCHEDULE		PERCENT CHANGE
RESIDENTIAL - SINGLE-FAMILY	RS	14.33%
RESIDENTIAL - MULTI-FAMILY	RM	13.37%
RESIDENTIAL - LARGE SINGLE-FAMILY	RSL	14.28%
RESIDENTIAL - TOU - SINGLE-FAMILY - OPTION A	ORS OPT A	13.87%
RESIDENTIAL - TOU - SINGLE-FAMILY - OPTION A - HEVRR	ORS A HEV	13.40%
RESIDENTIAL - TOU - SINGLE-FAMILY - OPTION B	ORS OPT B	11.54%
RESIDENTIAL - TOU - SINGLE-FAMILY - OPTION B - HEVRR	ORS OPT B HEV	- %
RESIDENTIAL - TOU - MULTI-FAMILY - OPTION A	ORM OPT A	13.29%
RESIDENTIAL - TOU - MULTI-FAMILY - OPTION B	ORM OPT B	- %
RESIDENTIAL - LARGE SINGLE-FAMILY TOU - OPTION A	OLRS OPT A	- %
RESIDENTIAL - LARGE SINGLE-FAMILY TOU - OPTION A - HEVRR	OLRS OPT A HEV	- %
RESIDENTIAL - LARGE SINGLE-FAMILY TOU - OPTION B	OLRS OPT B	- %
RESIDENTIAL - LARGE SINGLE-FAMILY TOU - OPTION B - HEVRR	OLRS OPT B HEV	- %
RESIDENTIAL -- PRIVATE AREA LIGHTING	RS-PAL	10.43%
GENERAL SERVICE - NON-TOU	GS	15.93%
GENERAL SERVICE - TOU	OGS-TOU	12.37%
GENERAL SERVICE - TOU - HEVRR	OGS-TOU HEV	- %
GENERAL SERVICE -- PRIVATE AREA LIGHTING	GS-PAL	14.24%
LARGE GENERAL SERVICE - 1	LGS-1	10.14%
LARGE GENERAL SERVICE - 1 - TOU	OLGS-1-TOU	9.67%
LARGE GENERAL SERVICE - 1 - TOU - HEVRR	OLGS-1-TOU HEV	- %
LARGE GENERAL SERVICE -2: SECONDARY	LGS-2S	7.63%
LARGE GENERAL SERVICE -2: SECONDARY LSR	LSR-1-LGS2S	- %
LARGE GENERAL SERVICE -2: PRIMARY	LGS-2P	10.27%
LARGE GENERAL SERVICE -2: TRANSMISSION	LGS-2T	- %
LARGE GENERAL SERVICE -3: SECONDARY	LGS-3S	8.25%
LARGE GENERAL SERVICE -3: PRIMARY	LGS-3P	8.45%
LARGE GENERAL SERVICE-3:PRIMARY LSR	LSR-2-LGS3P	8.09%

LARGE GENERAL SERVICE -3: TRANSMISSION	LGS-3T	10.34%
LARGE GENERAL SERVICE -3: TRANSMISSION LSR	LSR-2-LGS3T	12.87%
EX. LARGE GENERAL SERVICE: SECONDARY	LGS-X-S	14.43%
EX. LARGE GENERAL SERVICE: PRIMARY	LGS-X-P	8.08%
EX. LARGE GENERAL SERVICE: TRANSMISSION	LGS-X-T	9.50%
STANDBY SERVICE -- TRANSMISSION	SST	- %
STREET LIGHTING	SL	15.63%
LGS - WATER PUMPING -2: SECONDARY	LGS-2S-WP	-21.86%
LGS - WATER PUMPING -2: SECONDARY LSR	LSR-2-LGS-2S-WP	- %
LGS - WATER PUMPING -2: PRIMARY	LGS-2P-WP	6.83%
LGS - WATER PUMPING -2: TRANSMISSION	LGS-2T-WP	- %
LGS - WATER PUMPING -3: SECONDARY	LGS-3S-WP	17.26%
LGS - WATER PUMPING -3: SECONDARY LSR	LSR-2-LGS-3S-WP	- %
LGS - WATER PUMPING -3: PRIMARY	LGS-3P-WP	9.20%
LGS - WATER PUMPING -3: PRIMARY LSR	LSR-2-LGS-3P-WP	- %
LGS - WATER PUMPING -3: TRANSMISSION	LGS-3T-WP	- %
LARGE GENERAL SERVICE-1 DOS	LGS-1-DOS	13.05%
LARGE GENERAL SERVICE-2 DOS	LGS-2-DOS	-3.09%
LARGE GENERAL SERVICE-3: SECONDARY DOS	LGS-3S-DOS	-1.48%
LARGE GENERAL SERVICE-3: PRIMARY DOS	LGS-3P-DOS	-0.39%
LARGE GENERAL SERVICE-3: TRANSMISSION DOS	LGS-3T-DOS	0.00%
LGS - WATER PUMPING -2: SECONDARY DOS	LGS-2S-WP-DOS	-31.56%
LGS - WATER PUMPING -2: TRANSMISSION DOS	LGS-2T-WP-DOS	40.35%
LGS - WATER PUMPING -3: SECONDARY DOS	LGS-3S-WP-DOS	-40.88%
LGS - WATER PUMPING -3: PRIMARY DOS	LGS-3P-WP-DOS	-6.34%
LGS - WATER PUMPING -3: TRANSMISSION DOS	LGS-3T-WP-DOS	0.47%
TOTAL SYSTEM		11.52%

If NPC's request to defer \$64 million of the Full Revenue Requirement is granted, the percentages in the preceding table will be reduced accordingly.

The revenue increases and rate designs contained in the Application are proposals by NPC and may be contested by the parties. At the hearing, revenue requirements and rate designs may be adopted which are different than those proposed. The Commission may adopt rates that will result in charges to individual classes of customers either higher or lower than the charges currently proposed.

NPC is proposing to increase its authorized overall rate of return from 8.53% to 8.66%, while requesting an increase in its rate of return on equity from 10.5% to 11.25%. In accordance with Nevada Revised Statutes ("NRS") 704.110(3), NPC states it is providing the recorded results for operations for the 12 months ended December 31, 2010,

in this Application, and that it plans to certify actual results through May 31, 2011. The Commission will specify the filing date for the certification at the prehearing conference for this Application.

NPC's Application in Docket No. 11-06007 seeks approval of new and revised depreciation rates. The new and revised depreciation rates are reflected in a complete study of depreciation and amortization rates which was completed in May 2011 using plant-in-service information through December 31, 2010 (except for the Harry Allen Combined Cycle facility, which reflects estimated costs as of May 31, 2011). Based on the information and data accompanying the Application, full implementation of the findings of the study will result in an increase to current annual depreciation and amortization expense of approximately \$36.3 million.

Sierra's Application in Docket No. 11-06008 requests approval to reclassify its allocated share of EEC project development costs of \$7.871 million from Account No. 186 (Other Regulatory Assets) to Account No. 182.3 (Miscellaneous Deferred Debits). This filing is made pursuant to the Commission's order on Sierra's Petition for Reconsideration in Docket No. 10-06001 dated December 23, 2010.

The filings are made pursuant to the NRS and the Nevada Administrative Code ("NAC"), including but not limited to NRS 704.110, NRS 704.100, NAC 703.535, NAC 704.2201 through 703.2481, NAC 703.2715 and NAC 704.6502 through 704.6546. Pursuant to NRS 704.196 and NAC 703.5274, NPC requests that certain information it has filed with the Application under seal be deemed confidential and not be publicly disclosed for a period of five (5) years.

Pursuant to NRS 704.069 and NAC 703.164, NOTICE IS HEREBY GIVEN that

the Commission has scheduled CONSUMER SESSIONS on the Applications to be held as follows:

TUESDAY, OCTOBER 11, 2011
1:00 p.m.
Cashman Convention Center
850 N. Las Vegas Blvd
Las Vegas, NV 89101

and

TUESDAY, OCTOBER 11, 2011
6:00 p.m.
Cashman Convention Center
850 N. Las Vegas Blvd
Las Vegas, NV 89101

at which time interested persons may appear and be heard regarding the above-captioned matters and the effect these matters may have on their utility service. A representative from NPC will be present at the consumer session to answer questions. Public comments may be limited to five minutes per person.

NOTICE IS HEREBY GIVEN that the Commission has scheduled HEARINGS on the Application to be held as follows:

A Hearing on Phase I (Cost of Capital and Depreciation issues) will be held on the following dates:

TUESDAY, OCTOBER 4, 2011
10:00 a.m.
Hearing Room A
Public Utilities Commission of Nevada
9075 West Diablo Drive, Suite 250
Las Vegas, NV 89114

VIA VIDEOCONFERENCE TO:
Hearing Room A
Public Utilities Commission of Nevada
1150 E. William Street
Carson City, NV 89701

A Hearing on Phase II (Revenue Requirement issues) will be held on the following dates:

TUESDAY, OCTOBER 18, 2011
10:00 a.m.
Hearing Room A
Public Utilities Commission of Nevada
9075 West Diablo Drive, Suite 250
Las Vegas, NV 89114

VIA VIDEOCONFERENCE TO:
Hearing Room A
Public Utilities Commission of Nevada
1150 E. William Street
Carson City, NV 89701

A Hearing Phase III (Rate Design issues) will be held on the following dates:

TUESDAY, NOVEMBER 1, 2011
10:00 a.m.
Hearing Room A
Public Utilities Commission of Nevada
9075 West Diablo Drive, Suite 250
Las Vegas, NV 89114

VIA VIDEOCONFERENCE TO:
Hearing Room A
Public Utilities Commission of Nevada
1150 E. William Street
Carson City, NV 89701

Each phase of the hearing may be continued from day to day as necessary.

The Commission is not responsible for providing clerical or administrative assistance or materials to parties during Commission proceedings. If such assistance is necessary, parties must make other arrangements for this type of assistance.

The Application is available for public viewing at the Commission's website at: <http://puc.nv.gov> and at the offices of the Commission: 1150 East William Street, Carson City, Nevada 89701 and 9075 West Diablo Drive, Suite 250, Las Vegas, Nevada 89148.

This Notice of Consumer Sessions and Notice of Hearings has been posted at the county courthouses located in Reno, Carson City, and Las Vegas.

By the Commission,

Crystal Jackson for
BREANNE POTTER
Assistant Commission Secretary

Dated: Carson City, Nevada

8-19-11

(SEAL)

