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18-09008

Public Utilities Commission of Nevada
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7 **BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA**

8 Investigation and Rulemaking to examine current
9 regulations governing Nevada's Renewable Portfolio
10 Standard to determine whether providers of electric service
11 should be authorized to utilize alternative solutions,
12 including, but not limited to, blockchain-based solutions to
13 track and certify Nevada portfolio energy credits.

Docket No. 18-09008

14 **REGULATORY OPERATIONS STAFF'S COMMENTS**

15 The Regulatory Operations Staff ("Staff") of the Public Utilities Commission of Nevada
16 ("Commission") submits these Comments pursuant to Procedural Order No. 3 ("PO 3"). PO 3 requested
17 Comments on a Pilot Plan ("Pilot") project to develop solutions for tracking and certifying Nevada
18 portfolio energy credits ("PECs"). Staff's responses are below.

19 **I. PROCEDURAL HISTORY**

20 The Commission opened this Docket on September 26, 2018, "[t]o determine whether providers
21 of electric service should be authorized to utilize alternative solutions, including, but not limited to,
22 blockchain-based solutions, to track and certify Nevada portfolio energy credits." *Investigation &*
23 *Rulemaking to Examine Current Regulations Governing Nevada's Renewable Portfolio Standard*, Docket
24 No. 18-09008, 2019 WL 1367646, at *1 (Nev. P.U.C. Mar. 20, 2019). Comments were filed on April 15,
25 2019, and a Workshop occurred on May 6, 2019. NV Energy ("NVE"), Energy Web Foundation, and
26 Blockchains, LLC filed a letter on September 20, 2019. The letter described a PEC pilot project, and
27 potential next steps for this Docket. On June 4, 2020, the Commission issued Procedural Order No. 2.

28 Staff filed Comments on July 15, 2020, identifying several overarching principles for this Docket
and proposing next steps. Staff's Comments, 1:24-28 – 3:1-16 (filed on July 15, 2020, in PUCN Docket
No. 18-09008). Staff noted that the Commission should ensure that any alternative to track and certify
PECs is not a solution in search of a problem. *Id.* at 3:8-9. If the Commission is going to devote resources
to investigating, researching, reviewing, and potentially authorizing the use of an alternative solution to

1 tracking and certifying PECs, then there should be a showing that the benefits to be gained will more than
2 marginally outweigh the costs. *Id.* at 3:10-13. Such a showing requires a precise description of how an
3 alternative will improve the status quo by addressing a specific problem. *Id.* at 3:13-14. Proponents of an
4 alternative bear the burden of making this showing. *Id.* at 3:14-15.

5 On September 18, 2020, Blockchains, LLC filed a letter, indicating a willingness to conduct a
6 presentation on the basics of blockchain. The Commission issued PO 3 on October 29, 2020, and
7 scheduled a Workshop for November 13, 2020.

8 **II. STAFF'S RESPONSES TO PO 3**

9 PO 3 requested: (1) a description and status of the Pilot, (2) a summary of the blockchain solutions
10 contemplated in the Pilot, (3) updates on the Pilot's intended goals, objectives, and anticipated costs, and
11 (4) a timeline for the completion of the Pilot. Staff does not have information responsive to these topics.
12 Upon information and belief, NVE and Blockchains, LLC possess this information. As such, Staff
13 anticipates that NVE and Blockchains, LLC will provide this information in their Comments, which Staff
14 looks forward to reviewing.

15 **III. CONCLUSION**

16 Staff appreciates the opportunity to respond to PO 3, and looks forward to learning about NVE
17 and Blockchains, LLC's proof of concept and other alternative solutions to track and certify PECs.

18 RESPECTFULLY SUBMITTED this 10th day of November, 2020.

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20 PUBLIC UTILITIES COMMISSION OF NEVADA
21 REGULATORY OPERATIONS STAFF

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23 By:



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Rose N. Panoff, Assistant Staff Counsel

PROOF OF SERVICE

I hereby certify that I have this day served the foregoing document upon all parties of record in this proceeding by electronic mail to the recipient's current electronic mail address properly addressed to:

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DATED at Las Vegas, Nevada, on the 10th day of July 2020.

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