Good afternoon Chairman Brooks and Members of the Sub Committee, for the record my name is Rose McKinney-James, I am the Managing Principal of Energy Works LLC Dba McKinney-James and Associates. I'm here today representing Valley Electric Association. In addition, in Las Vegas I'm joined today by Kristin Mettke, Executive VP of Engineering and Compliance for the cooperative. With your permission, I have a brief statement on behalf of the Association:

**STATEMENT**

Valley Electric Association, is a 52 year old member owned non-profit utility cooperative based in Pahrump Nevada. With more than 17,500 members and a population of 45,000. Valley has been actively engaged in providing a range of clean energy options to our members including the largest community solar project in the U.S.

This 15 megawatt solar generation project, which uses 54,000 photovoltaic solar panels installed on 80 acres in Pahrump. The output of the project will be made available to all VEA members at a lower price than their current electric rates with the provision that the energy flows into a dispatchable consumer battery pack. The program will allow VEA consumers to enjoy the benefits of renewable energy without the investments and hurdles of commercially available roof top systems.

Another initiative has positioned VEA as the largest domestic solar water heater program in the nation. Nearly 700 residential members have taken advantage of the cooperative’s zero down, zero percent interest loans to purchase fully installed units on their homes. Additionally, for approximately 20 years, every home and business within VEA’s service area has been equipped with a “Smart Meter.” Members can access their secure account information to monitor and make decisions about their energy usage.

Valley Electric’s commitment to the principle of renewable energy is evident in our goal for 2018: VEA's is actively negotiating a long term portfolio of power that would be made up of 80 percent renewable energy, which includes VEA’s hydro power contracts, a far greater
percentage than any other utility in Nevada. Additionally, VEA supported President Obama’s Clean Power Plan and provided a letter of commitment.

Valley Electric Association supported Question 3 on the November 2016 ballot. Like voters statewide, Valley Electric members voted overwhelmingly in favor of the initiative. We believe that what is good for our members, ultimately will be good for the Cooperative they own. We believe that there is an important role for both clean energy and technology to play in an open market.

In summary VEA is very supportive of advancing renewable energy resources within our service area and support the goal of Nevada of becoming a leading producer and consumer of clean and renewable energy.

Therefore, we offer the following considerations to the bill:

- A goal of increasing the current targets and achieving by 2030 an amount of renewable energy production equal to at least 33 percent of the total amount of electricity sold by providers of electric service in this State. This percentage is lower than what is proposed in the bill before you, however, we believe that a lower RPS than represented in this bill, but one that is higher than exists today, is an appropriate target providing for the review of the policy and law by the State Energy Office giving the flexibility of ramping up and further providing for the opportunity to employ rapidly changing technologies in addition to planning for any adjustments based on the fragile economic condition of our state.

- We also believe that it is appropriate that the policy include all providers of electric service including electric cooperatives and public power utilities. This represents an equitable position for all new and incumbent electric utilities to accept the responsibility and obligation for the state’s energy policy.

- We appreciate the challenges associated with the expectation of an immediate ramp up to comply with the proposed standard and support language that allows for adjustments for those not currently under the RPS, such as phasing in at no more than a certain percentage each year until reaching the maximum of our suggested 33% goal. This allows all providers of electric service to have a diversified portfolio. We are also mindful that this will allow for a smoother transition from current contractual obligations to the RPS. This will lessen the financial impact of compliance.
• We also recommend that all voluntary behind-the-meter customer owned renewable projects within a utility’s mandated service area be counted towards the RPS requirements. This allows for a utility to avoid doubling up of the portfolio and recognizes that today there is customer choice through distributed generation.

• All providers of electric service that do business within the state should be required to join a Regional Transmission Organization as a Load Serving Entity and/or Transmission Owner/Operator. We have a national and regional electric grid that is interconnected from coast to coast. A regional management and participation approach allows for a more efficient utilization of generation and transmission assets thus reducing costs. This will also be needed for reliability as more intermittent renewables are put on line and more baseload generation comes off.

• Finally, all renewable energy projects or installations that utilize storage with dispatch capability should be given the maximum capacity percentage of the combined output towards the RPS required. This will further incentivize the storage market and provide maximum value on intermittent renewables. This has been one of the most significant drawbacks to renewables and will further help with the decline of thermal firming and backup. This will also allow the state to leverage its investment in battery technology.

Mr. Chairman, this concludes my testimony. I'd like to reiterate what I have shared with you and other members of the Sub Committee that Valley would welcome the opportunity to discuss our suggestions further and would appreciate the opportunity to participate in any stakeholder meetings planned for this measure. Thank you for your consideration.

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