

Renewable Energy System Development Program – SBI84

RELATED EXISTING NRS FACTS OVERVIEW



Related Existing NRS

- ❖ **Portfolio Standard**
NRS 704.7801
- ❖ **System of Portfolio Energy Credits**
NRS 704.7821(4)
- ❖ **Temporary Renewable Energy Development**
NRS 704.7827
- ❖ **Renewable energy system-Defined**
NRS 704.7815



Portfolio Standard

- Established in 1997.
- Requires a certain % of an electric utility's retail sales come from Renewable Energy.
- Utilities may construct their own renewable energy systems, or
- Buy Portfolio Energy Credits (PCs) earned from renewable energy systems built in Nevada, or elsewhere...



2009 12% Portfolio Quota

- Nevada Power missed the Portfolio quota by 1 Billion PCs, borrowed 500 Million PCs from Sierra Pacific and was fined \$192,000 for the shortfall. The PUCN waived the fine in favor of spending it on a school solar PV system.
- At NV Energy's default offer rate to individual system owners (5.5 cents per PC) compliance would have cost the TRED trust \$27,500,000.

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2010 12% Portfolio Quota

- The 2009 500 Million PC shortfall was carried over and added to the 2010 quota.
- The 2010 Portfolio Standard compliance report is due to the PUCN by April 1, 2011.
- NV Energy projected that in 2010 they would buy 1.49 Billion PCs from out of state systems, said to be feeding into Nevada.



2011 15% Portfolio Quota

- 11.25% (3/4th of the 15%) 3.15 Billion Kilowatt-hours of the 28 Billion Kilowatt-hours sold to retail customers must come from Renewable Energy.
- 3.75% (1/4th of the 15%) 1.1 Billion PCs, can come from utility Energy Efficiency programs.
- Any Shortfall from 2010 will be added.



System of Portfolio Energy Credits

- System for measuring the bonuses earned by a Renewable Energy System.
- PCs are units used to measure utilities compliance with the Portfolio Standard.
- One Kilowatt-hour of Electricity Generated by a Renewable Energy System Equals One Portfolio Energy Credit (PC)
- Value for non-tangible “Green Attributes” that can be sold separately from electricity.
- Often confused for net excess generation credit of a Net Meter connected system.



NVTREC.COM

- System owner reports system output to PUCN via NVTREC.COM.
- Utility can make offers for PCs registered on NVTREC.COM.
- NVTREC.COM and The System of Portfolio Energy Credits has never been publicized or standard offers established.



WREGIS.ORG

- Utility can buy RECs from WREGIS.ORG, a regional tracking site used by some states.
- One-thousand PCs equals One Renewable Energy Credit (REC, used in other markets)
- Also called Tradable REC, Green Tag, Solar REC, Renewable Energy Certificate
- NV Energy uses WREGIS to buy out-of-state RECs.



Standard Offer Adds Certainty

- Utility determines the schedule, rate and whether or not to make an offer for PCs.
- NV Energy default offer for PCs from distributed solar is 2.5 cents x Solar Multiplier and 5.5 cents for all other renewable energy systems.



Temporary Renewable Energy Development Program - TRED

- Trust Fund to Buy Renewable Energy & PCs
- Intended to support utility credit worthiness.
- Each NV Energy bill includes a TRED charge to collect funds for each kilowatt-hour at a fraction of a penny that is deposited into the TRED Trust Fund.



Current TRED Rate times 2010 Retail Sales

North	\$ 0.00123	x	8,111,005,000	=	\$ 9,976,536
South	\$ 0.00078	x	20,874,596,000	=	\$ <u>16,282,185</u>
Projected 2011 Total Fund					\$ 26,258,721

L-12



“Renewable energy system” means:

- A facility or energy system that uses renewable energy or energy from a qualified energy recovery process to generate electricity and:
 - Uses that electricity in this State; or
 - Out-of-State that Delivers to Nevada Utility, &
 - Net Metered Systems.

