

**Schedule No. Hoover-D
HOOVER-D SERVICE RIDER**

APPLICABLE

This tariff rider implements the provisions contained in NRS 704.787 and is applicable to customers that have been granted an allocation of Schedule D power from Hoover Dam pursuant to the Hoover Power Allocation Act of 2011 ("HPAA"), 43 U.S.C. §§ 619 et seq. ("Hoover D allocation"), as outlined in the table below: The Hoover D allocation amount may vary over time due to reallocations pursuant to NRS Chapter 538 and anticipated fluctuations in the amount of available Hoover power, subject to the limitations of NRS 704.787.

Customer	Allocation from Western			Allocation from. CRC			Total Allocations		
	kW	kWh	Capacity Factor	kW	kWh	Capacity Factor	kW	kWh	Capacity Factor
NV Dept. of Administration	109	237,970	0.25				109	237,970	0.25
NV Dept. of Transportation	116	253,252	0.25				116	253,252	0.25
NV Dept. of Corrections	281	613,483	0.25				281	613,483	0.25
College of Southern Nevada	281	613,483	0.25				281	613,483	0.25
Clark County Water Reclamation District	680	1,484,586	0.25	1,000	2,181,842	0.25	1,680	3,666,428	0.25
City of North Las Vegas	763	1,665,793	0.25	1,000	2,181,842	0.25	1,763	3,847,635	0.25
City of Henderson	906	1,977,993	0.25	1,000	2,181,842	0.25	1,906	4,159,835	0.25
University of Nevada, Las Vegas	305	665,881	0.25	2,500	5,454,605	0.25	2,805	6,120,486	0.25
City of Las Vegas	1,054	2,301,109	0.25	1,000	2,181,842	0.25	2,054	4,482,951	0.25
Las Vegas Water District	3,000	6,549,646	0.25	2,260	4,930,962	0.25	5,260	11,480,608	0.25
Clark County School District	3,000	6,549,646	0.25				3,000	6,549,646	0.25
Las Vegas Paiute Tribe	688	1,502,052	0.25				688	1,502,052	0.25
Totals	11,183	24,414,894	0.25	8,760	19,112,935	0.25	19,943	43,527,829	0.25

These customers are referred to as the Hoover D customers in this schedule. Pursuant to the HPAA all Nevada non-tribal Hoover D customers receive their allocations through contracts with the Colorado River Commission of Nevada ("CRC"), regardless of whether allocations are from Western Area Power Administration ("Western") or CRC. The Las Vegas Paiute Tribe receives its allocation through its contract with Western.

The terms and conditions of this service schedule may be revised by Nevada Power, subject to review and approval of any such revisions by the Public Utilities Commission of Nevada. In addition, Nevada Power will revise this schedule to reflect changes by Western or CRC in the allocations set forth above.

TERRITORY

Entire Nevada Service Area, as specified.

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PUCN Sheet No. 36T(2)

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(Continued)**

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RATES

The Hoover D customers shall pay all charges contained in the schedule pursuant to which the Hoover D customers take service. This rider provides a mechanism for Nevada Power to provide monthly credits to the Hoover D customers that reflect Hoover D energy and capacity provided pursuant to customers' contracts with the CRC and the Western, and delivered by Western to Nevada Power.

Energy Credit

Hoover D customers shall receive a monthly energy credit based on the marginal energy costs and the kilowatt hours ("kWh") of the customers' share of Hoover D energy provided pursuant to Customers' contracts with the CRC and Western and delivered by Western each month to Nevada Power. Each customer's share shall be calculated based on the kWh allocation stated above as a proportion to the total allocation. The monthly energy credit rates will be filed for Commission approval along with the underlying marginal energy costs in each Nevada Power annual deferred energy filing made pursuant to NRS 704.187. The twelve (12) monthly energy credit rates will be calculated in accordance with the following formula:

1. Multiply (a) the projected hourly marginal energy costs forecasted for the 12 months of the rate effective period beginning the following October 1 and continuing through the following September 30, by (b) historical hourly Hoover D deliveries to Nevada Power for the 12 most recent months available at the time Nevada Power prepares its above referenced filing, aligning the hourly Hoover D deliveries with the rate effective marginal energy cost by month and day of week.
2. Sum the hourly products from Step 1 by month.
3. Sum the historical hourly Hoover D deliveries used in Step 1 by month.
4. Divide the monthly figures from Step 2 by the monthly figures from Step 3 to calculate the monthly energy credit rates for the upcoming rate effective period.

The energy credit rates approved in the deferred filing will be used to calculate the monthly energy credit for each month of the rate effective year multiplied by each customer's share of Hoover D energy provided pursuant to customers' contracts with the CRC and Western and delivered to Nevada Power.

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(Continued)**

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RATES (continued)

Capacity Credit

Hoover D customers shall receive a capacity credit during the months of July, August and September equal to the capacity rate derived from Nevada Power's capped long-term avoided costs multiplied by the kilowatts (:kW") of the customers' Hoover D capacity provided pursuant to customers' contracts with the CRC and Western and delivered by Western each month to Nevada Power. For 2017-2021, the capacity rates will be as follows:

Year	Monthly Capacity Rate (July-September) (\$/kW-mo)
2017	\$ 1.86
2018	\$ 2.18
2019	\$ 3.07
2020	\$ 4.69
2021	\$ 5.53

The capacity rate for each subsequent three year term starting in 2022 will be derived from Nevada Power's capped long-term avoided costs approved in each Triennial Integrated Resource Plan filing made pursuant to NRS 704.741. The capacity rate will be filed in the Nevada Power annual deferred energy filing made pursuant to NRS 704.187 following each triennial integrated resource plan Commission Order. The capacity credit rate will be calculated in accordance with the following methodology:

1. Calculate the difference between the capped long term avoided cost (monthly average) and the marginal energy cost (monthly average). The resulting value is the implied capacity value expressed in dollars per megawatt hour ("\$/MWh")

$$\text{Implied Capacity Value} = \text{Capped Long Term Avoided Cost} - \text{Marginal Energy Cost}$$

2. For each calendar year, average the implied capacity values for July, August, and September.
3. Convert the implied capacity value from dollars per megawatt-hour to dollars per kW-month. For each month in the third quarter of the year, the resource provides capacity value in 16 hours per day for the 92 days in Q3 of each year. This equates to 1,472 hours.

$$\text{Capacity value in } \$/\text{kW-mo} = \text{Average Implied Capacity Value } \$/\text{MWh} * 1,472 \text{ hours} / 3 \text{ months of Q3} * 1 \text{ MW} / 1000 \text{ kW}$$

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(Continued)**

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RATES (continued)

Calculation and Payment of Energy and Capacity Credits

The energy credit rates approved in the deferred filing will be used to calculate the monthly energy credit for each month of the rate effective year multiplied by each customer's share of Hoover D energy provided pursuant to customers' contracts with the CRC and Western and delivered to Nevada Power. Nevada Power will calculate the capacity credit in total for all Hoover D customers and apportion the total credit amount among the individual Hoover D customers based on the capacity allocation stated in the Applicable Section above in proportion to the total allocation.

Nevada Power shall pay the credits to the individual Hoover D customers with the credits calculated at the aggregate level for each customer rather than individual customer account level. Nevada Power will calculate a single credit amount per month no matter how many accounts the customer has with Nevada Power. Nevada Power will send one credit check each month after the billing month based on the Hoover D allocation. Nevada Power will issue the check within fifteen (15) calendar days of its receipt of Hoover Schedule D power data from the CRC each month. There will be a month delay in the payment of the credit to ensure the availability of the Hoover D delivery data.

CHANGE IN CUSTOMER UTILIZATION

A Hoover D customer may, at times specified herein, change whether they receive the benefit of Hoover power under this Tariff Rider, or utilize this power under the Distribution-Only Service ("DOS") tariff, provided that: (a) a Hoover D customer seeking to no longer take service under the Hoover-D Tariff Rider will utilize its Hoover Schedule D power at a meter for which the Hoover D customer has already paid an exit fee under the DOS tariff; and (b) a Hoover D customer seeking to change whether it utilizes its Hoover Schedule D power under the Hoover-D Tariff Rider or under Nevada Power's DOS tariff, will provide notice to Nevada Power and CRC of its intention to make such a change, within twenty-one (21) calendar days of the issuance of the Commission's Order in each of Nevada Power's future Triennial Resource Plans, which are submitted every three (3) years, in order for Nevada Power to include such changes in its compliance filing.

The effective date for a Hoover D customer's change in whether it receives the benefit of its Hoover D power under this Rider, or utilizes its Hoover D power under the DOS tariff, shall be the later of either: 1) the effective date of the Hoover-D Tariff Rider following issuance of the Commission's Order on Nevada Power's Triennial Resource Plan, or 2) the effective date proposed by the Hoover D customer in its notification of intent submitted under the paragraph immediately above.

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