

Sierra Pacific Power d/b/a NV Energy Quarterly Natural Gas/Propane Base Tariff and Deferred Energy Accounting Adjustment

Effective **October 1, 2016**, Sierra Pacific Power Company d/b/a NV Energy is adjusting its Base Tariff Energy Rate (BTER) and Deferred Energy Accounting Adjustment (DEAA) to reflect changes in natural gas costs the company pays on behalf of its customers. These changes will result in a revenue decrease of \$6,740,289. Increases or decreases are passed on dollar-for-dollar, with no profit to the company.

The company makes these quarterly filings on August 15, November 15, February 15 and May 15. These adjustments become effective 45 days from the date of filing. The transactions and recorded costs of natural gas, which are the basis for any quarterly rate adjustment, will be reviewed for reasonableness and prudence in the next proceeding held by the Commission to review the annual rate adjustment application.

For additional information, please call Customer Service at the number listed on your bill. To read natural gas tariffs online, visit nvenergy.com/rates.

Customers may send written comments or protests regarding the rate adjustment to:

Public Utilities Commission of Nevada

1150 East William Street

Carson City, NV 89701-3109

or

Public Utilities Commission of Nevada

9075 West Diablo Drive, Suite 250

Las Vegas, NV 89148-7674

The chart below reflects the adjustment for the average monthly bill for each customer class. Actual changes to individual customers' bills will vary depending on the level of consumption.

IMPACT TO CUSTOMERS AS OF OCTOBER 1, 2016

| Rate Classes | Monthly Percent Change | Monthly Increase/Decrease |
|--|-------------------------------|----------------------------------|
| Residential Natural Gas (RNG) | -6.22% | -\$2.34 |
| Residential Liquid Propane Gas (LPG) | -5.76% | -\$1.93 |
| Commercial Liquid Propane Gas (LPG) | -7.55% | -\$6.69 |
| Small Commercial Natural Gas (SCNG) | -8.36% | -\$12.92 |
| Commercial Compressed Natural Gas (COMP) | -9.43% | -\$543.22 |
| Large Commercial Natural Gas (LCNG) | -9.18% | -\$589.01 |
| Incentive Natural Gas (INGR) | -1.16% | -\$29.98 |
| Total | -6.94% | |