

BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

Application of Nevada Power Company d/b/a NV Energy Seeking Acceptance of the First Amendment to its 2013-2032 integrated resource plan and its Energy Supply Plan Update for 2015, which include an emissions reduction and capacity replacement plan filed pursuant to NRS § 704.7311 et seq.

Docket No. 14-05 ____

VOLUME 3 OF 15

EMISSIONS REDUCTION AND CAPACITY REPLACEMENT PLAN

SUMMARY

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SUMMARY

SECTION I - INTRODUCTION: NAC § 704.9215(2)(a)

This Emissions Reduction and Capacity Replacement plan (“ERCR Plan”) is filed by Nevada Power Company d/b/a NV Energy (“Nevada Power” or the “Company”). Nevada Power is a wholly-owned subsidiary of NV Energy, Inc. (“NVE”). NVE has two utility subsidiaries: Nevada Power and Sierra Pacific Power Company d/b/a NV Energy (“Sierra”).

In preparing the ERCR filing, Nevada Power sought to develop a balanced plan, weighing a number of factors such as the effects on customers, resource diversity and economic benefits to the State of Nevada. The Company developed a strategy based on opportunistic acquisitions, looking first to the acquisition of existing resources in Nevada rather than the construction of new fossil-fuel fired units. The Company then sought opportunities that immediately advance the development of new renewable resources in Nevada and add construction jobs to the local economy upon approval by the Public Utilities Commission of Nevada (the “Commission”). The result is a cost-effective, orderly and structured plan. Under the plan, Nevada Power will retire or eliminate 812 MW of coal-fired generation over the next six years, acquire 496 MW of existing gas-fired generation needed to provide reliable service, construct 215 MW of new, company-owned solar facilities that add fuel diversity, issue three separate 100 MW requests for proposals (“RFPs”) for transaction with new renewable energy, and begin permitting of land in Clark County for new renewable energy facilities (the “Preferred Plan”).

The purpose of this Summary Volume is to provide an overview of Nevada Power’s ERCR Plan. This volume also describes how the plan fits into the broader Company strategic and planning requirements. Finally, this volume presents the Company’s plan which outlines the specific approval requests (“Action Plan”) for the Commission’s consideration.

A. EMISSIONS REDUCTION AND CAPACITY REPLACEMENT.

Background. On June 11, 2013, Governor Brian Sandoval signed SB 123, marking the completion of a bi-partisan effort to change Nevada’s energy landscape.¹ Sponsored by Senator Atkinson, Assemblywoman Kirkpatrick, and Assemblyman Bobzien, the legislation requires Nevada Power to prepare and file with the Commission an ERCR Plan. Section 704.7316 of the Nevada Revised Statutes (“NRS”) prescribes the minimum elements of the ERCR Plan.

NRS § 704.7316(2)(a) provides for the retirement or elimination in three phases of not less than 800 MW of coal-fired electric generating capacity. The first 300 MW of coal-fired generating capacity must be retired or eliminated on or before December 31, 2014, then 250 MW of coal-fired generation on or before December 31, 2017, followed by 250 MW of coal-fired generation on or before December 31, 2019.

¹ Senate Bill 123 received unanimous support from Nevada’s 11 Democratic and 10 Republican Senators.

NRS § 704.7316(2)(c) provides that retired or eliminated coal-fired generation is to be replaced by 550 MW of constructed or acquired generating capacity that is owned by Nevada Power. The fuel source for this 550 MW of owned generating capacity is not specified by the legislation. However, the legislation does require that this 550 MW of replacement generating capacity be constructed or acquired in an orderly and structured manner.

NRS § 704.7316(2)(b) provides that retired or eliminated coal-fired generation is to be replaced by 350 MW of constructed, acquired or contracted for renewable energy resources. Nevada Power is required to issue three 100 MW RFPs from new renewable energy, on or before December 31, 2014, December 31, 2015 and December 31, 2016, respectively. Nevada Power must begin to construct or acquire 50 MW of new renewable energy resources on or before December 31, 2017.

In 2013, the Legislature made the “choice to move our state forward by moving away from this form [coal] of production of energy.”² According to Senator Atkinson, the legislation took “a distinct and bold new approach to the development of renewable energy for our State.”³ The legislation secured for Nevada a “bright future with clean energy production,” helping the State contribute to “solutions for climate change.”⁴ At the same time, the statute was designed and intended to provide “jobs at a critical point in the emerging recovery of Nevada’s economy.”⁵ In short, the legislation was intended to do what is “right for our environment, for the health of all Nevadans, and for our economy.”⁶

Key Elements of Nevada Power’s ERCR Plan. Nevada Power has developed a thoughtful and comprehensive approach to meeting the challenges of long-term resource planning while considering the requirements of the ERCR Plan. The Company’s Preferred Plan was selected from four alternative plans (or “cases”), all of which met the ERCR Plan requirements. Nevada Power tested each of the four alternative plans against different assumptions for fuel prices, load growth, and carbon prices. The Preferred Plan provides a balanced, orderly and structured solution for customers with a present worth of revenue requirement (“PWRR”) 0.008 percent of the case with the lowest PWRR (the construction of a single large natural gas-fired combined cycle power plant). The Preferred Plan maintains critical system diversity, and has immediate positive economic impacts on Nevada by advancing renewable energy and jobs in the state. The Preferred Plan meets the three main requirements of the ERCR Plan.

² See Assembly Journal at 241 (“This session we are making the choice to move our state forward by moving away from this form of production of energy.”) (Statement of Assemblyman Bobzien).

³ See Senate Journal at 8 (“The bill also makes a distinct and bold new approach to the development of renewable energy for our State.”) (Statement of Senator Atkinson).

⁴ See Assembly Journal 241 (“Nevada has a bright future with clean energy production and the finding of solutions for climate change.”) (Statement of Assemblyman Bobzien).

⁵ See Senate Journal at 8 (“The bill requires NV Energy to take appropriate and necessary steps to develop 350 megawatts of new renewable facilities, and provides construction jobs at a critical point in the emerging recovery of Nevada’s economy.”) (Statement of Senator Atkinson).

⁶ See Assembly Journal at 244 (“This is planning. This is getting ready for the future. This is what’s right for our environment, for the health of all Nevadans, and for our economy.”).

1. Retire or Eliminate at Least 800 MW of Coal Fired Generation

Nevada Power must file with the Commission a plan for the retirement or elimination of at least 800 MW of coal-fired generating facilities according to a defined schedule. All required retirements and eliminations must be completed before December 31, 2019. This ERCR Plan meets this requirement by proposing the following action as shown in Table S-1.

**TABLE S-1
PROPOSED RETIREMENT OR ELIMINATION OF
COAL-FIRED GENERATION CAPACITY⁷**

Unit	Planning Capacity	Retire or Eliminate	Date
Reid Gardner Generating Station, Units 1, 2 & 3	300 MW	Retire	12/31/2014
Reid Gardner Generating Station, Unit 4	257 MW	Retire	12/31/2017
Navajo Generating Station, 11.3 percent Ownership Interest	255 MW	Eliminate	12/22/2019
Total Retired/Eliminated Planning Capacity	812 MW		

Note: Retire is to remove a unit permanently from service.

Eliminate is to divest a utility's ownership interest in the facility.

The details of the retirements, including schedules and costs for decommissioning, are described in the Generation Section beginning with the Supply Side Plan, Section 2.A.3.

2. 550 MW of Replacement “Planning” Capacity

Nevada Power developed a package of replacement generating units that adds company-owned capacity in an orderly and structured manner, and also provides fuel diversity. Equally important, instead of proposing construction of new gas-fired generating units, the package provides for the acquisition of existing units. As shown in Table S-2, the first addition of replacement capacity occurs on January 1, 2015, when Nevada Power plans to acquire the existing 224 MW Las Vegas Cogeneration (“LV Cogen”) Unit 2. The next addition of replacement capacity occurs on June 1, 2016, when an existing power purchase agreement (“PPA”) terminates, and the existing 222 MW Sun-Peak Generating Unit becomes replacement capacity. Nevada Power adds the third element of the replacement capacity package in October 2016, when the 200 MW Moapa Solar Project (which provides 76 MW of planning capacity) is placed into service. The final element of the replacement capacity package involves the addition of 50 MW of incremental capacity in

⁷ See Regulation Section 12, Para. 2.

October 2017, when Nevada Power’s existing PPA with LV Cogen Unit 1 becomes replacement capacity.

The Preferred Plan is cost effective, with lower capital costs than a single new combined-cycle generating unit. Moreover, the economics of the Preferred Plan are improved with the opportunity to obtain an Investment Tax Credit (“ITC”) on two of the proposed investments that will reduce the overall cost of providing service. The Preferred Plan results in a 20-year present worth of revenue requirement (“PWRR”) that under base assumptions is within 0.008 percent of the case with the lowest PWRR (the construction of a single large natural gas-fired combined cycle power plant). The package balances cost-effective acquisitions of existing natural gas resources with the environmental and economic objectives of SB 123 by also providing for the construction of a new 200 MW (nameplate rating, 76 MW planning capacity) solar photovoltaic (“PV”) facility. Table S-2 describes the replacement capacity package developed by Nevada Power.

**TABLE S-2
COMPANY-OWNED REPLACEMENT CAPACITY
(NON-TECHNOLOGY SPECIFIC)⁸**

Unit	Timing of Replacement	Planning Capacity	Type of Capacity	Fuel	Estimated Cost
LV Cogen Unit 2	1/1/2015	224 MW	Intermediate	Natural Gas	\$130.8m
Sun-Peak Generating Unit	6/1/2016	222 MW	Peaking	Natural Gas	\$15.8m
Moapa Solar Generating Station	10/1/2016	76 MW	Intermittent	Solar	\$438.1m ⁹
LV Cogen Unit 1	10/1/2017	50 MW	Peaking	Natural Gas	\$0.0 ¹⁰
Total Replacement Capacity		572 MW			\$584.7m

Note: Planning capacity refers to the amount of firm electric generating capacity required to meet Nevada Power’s peak load and provide a planning reserve margin that is authorized by the Commission. With regard to the Moapa Solar Generating Station, the “nameplate” capacity is approximately 200 MW but a planning capacity of 76 MW.

The details of the replacement capacity, including schedules and costs are described in Section IV of this Summary and Section 2.A.4. of the Supply Side Volume for LV Cogen Units 1 and 2,

⁸ Nev. Rev. Stat. § 704.7361(2)(c). Million is abbreviated to “m” and thousand is abbreviated to “k.”

⁹ This estimate does not include an allowance for funds used during construction (“AFUDC”).

¹⁰ LV Cogen Unit 1 will be acquired as a package with LV Cogen Unit 2.

and Sun-Peak, and in Section V of this Summary and Section 2.D.6. of the Supply Side Plan the for the Moapa Solar Project.

The transmission requirements associated with the Moapa Solar Project are described in the Supply Side Volume, Section 2.E. Because the Preferred Plan contains natural gas fired replacement capacity, the Company is proposing a fixed physical gas hedging strategy. The hedging strategy is explained in detail in the Energy Supply Plan filed with this ERCR Plan.

3. 350 MW Renewable Replacement “Nameplate” Capacity

Under the provisions of SB 123, Nevada Power is required to acquire or construct 50 MW of renewable resources and issue three 100 MW RFPs for renewable energy. The Company is seeking Commission approval to invest up to \$54.5 million to build a 15 MW (alternating current) PV generating facility at Nellis Air Force Base. The Company will take appropriate steps to identify opportunities for another 35 MW or more. Proposals will be brought to the Commission for approval in an amendment.

Nevada Power is also requesting Commission approval to issue three 100 MW RFPs (300 MW in total) for transactions with new renewable energy. The Company will follow the structure of its previous solicitation and contracting process used in securing renewable power purchase agreements (“PPAs”). The Company expects to receive additional guidance from the Commission as a result of continued rulemaking known as Phase 2 of Docket No. 13-06023. The Company anticipates that it will request interim approval of PPAs in an effort to allow projects eligible for an investment tax credit (“ITC”) to meet a 2016 commercial operation date and to allow the Company to maintain schedule compliance with SB 123 requirements.

**TABLE S-3
RENEWABLE RFP ESTIMATED SCHEDULE**

RFP Schedule 300 MW			
EVENT	2014	2015	2016
Release Public Notice	10/01/14	12/14/15 ¹¹	11/15/16
Initial Short List	01/13/15	02/11/16	01/24/17
Final Short List	02/13/15	03/11/16	02/24/17
Negotiations	03/30/15	04/22/16	04/07/17
Management Approvals	04/30/15	05/23/16	05/08/17
IRP (Amendment) Approval Filing	07/01/15	06/15/16	06/01/17
PUCN Approval Timeline	12/28/15	10/28/16	10/13/17

The details of the renewable PPAs, Nellis Solar Array II and Clark County site permitting for future renewables is described in the Supply Side Plan, Section 2.D.

Analysis of Alternatives. Nevada Power considered four alternative plans to replacing coal-fired generating capacity that will be retired or eliminated pursuant to NRS § 704.7316. Specifically, Nevada Power considered replacing retired coal-fired generating capacity with: (1) a 597 MW combined-cycle generating unit in 2018 (Case A); (2) 568 MW of simple-cycle, peaking units in 2018 (Case B); (3) a replacement package of diverse peaking (272 MW), intermediate (224 MW) and intermittent units (approximately 200 MW, or approximately 76 MW planning), which is the Company’s Preferred Plan (Case C); and, (4) a modified replacement package of peaking (50 MW), intermediate (224 MW) and intermittent units (700 MW nameplate, and 266 MW planning) (Case D).

Table S-4 compares the Cases A, B, C, and D for the base load forecast, base fuel and purchase power forecast, and mid-carbon price forecast.

¹¹ NAC [Section 3] requires that the Company shall not accept proposals until the previous RFP is complete. Proposals would be accepted (due) in February 2016.

TABLE S-4
SUMMARY-BASE LOAD FORECAST WITH
BASE FUEL AND PURCHASED POWER - MID CARBON

BASE LOAD BASE FUEL Mid Carbon No Sales										
Case	Description	10 Year	20 Year	30 Year	10 Year	20 Year	30 Year	10 Year	20 Year	30 Year
		PWRR	PWRR	PWRR	PWRR	PWRR	PWRR			
		2015-2024	2015-2034	2015-2044	Increase	Increase	Increase	PWRR Rank	PWRR Rank	PWRR Rank
		(million \$)	(million \$)	(million \$)	vs	vs	vs			
					Least	Least	Least			
					Cost	Cost	Cost			
					(million \$)	(million \$)	(million \$)			
Case A	2x1 CC 2018 ERCR	\$ 13,871	\$ 24,199	\$ 31,903	\$ -	\$ -	\$ -	1	1	1
Case B	CTs 2018 ERCR	\$ 13,935	\$ 24,285	\$ 31,999	\$ 63	\$ 85	\$ 96	3	3	3
Case C	200 PV LVC SP ERCR	\$ 13,875	\$ 24,201	\$ 31,967	\$ 3	\$ 2	\$ 64	2	2	2
Case D	200 PV LVC 500 PV ERCR	\$ 14,337	\$ 24,724	\$ 32,406	\$ 466	\$ 525	\$ 503	4	4	4

In an analysis of alternative plans, the Preferred Plan resulted in a 20-year PWRR that under base assumptions is within 0.008 percent of the case with the lowest PWRR (the construction of a single large natural gas-fired combined cycle power plant), and was the least cost plan in 6 of 12 sensitivity scenarios.

Diversity Concerns. Diversification plays an important role in reducing risk related to price volatility and, consequently, cost. With respect to electric generation, both capacity and fuel diversity are important.

Capacity diversity refers to the nature of a generating unit (e.g., baseload, intermediate, peaking and intermittent resources). Capacity diversity is important because it allows a utility to use the appropriate and most efficient “tool” for the “job.” When properly deployed, each type of capacity can operate synergistically to allow a utility to meet increases and decreases in demand in the most cost effective manner.

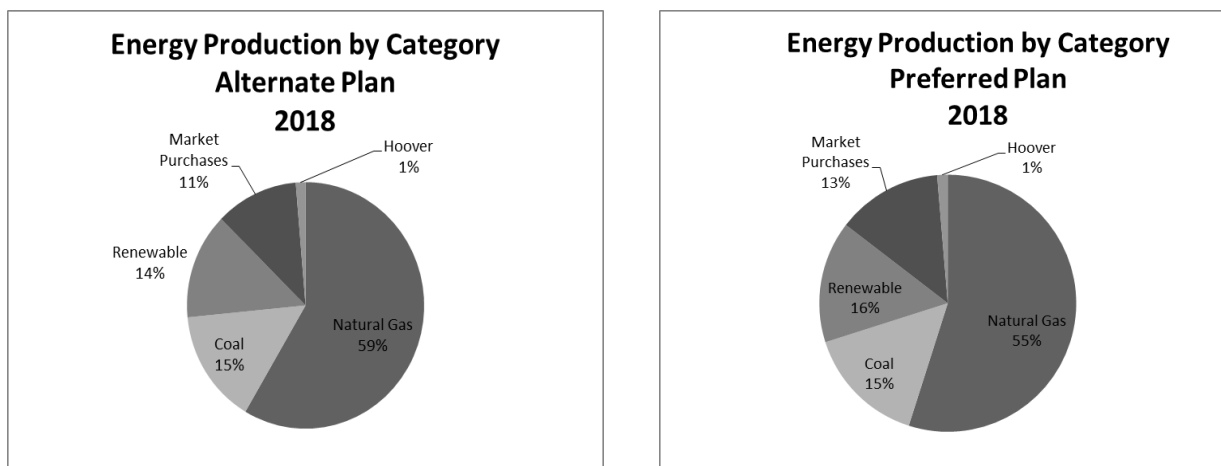
Fuel (or production) diversity refers to the type of fuel or process that a given unit uses to produce electricity. More specifically, fuel diversity – that is, the development of a portfolio of generation resources that rely on different means of generating electricity – has the potential to reduce the impact that uncontrollable changes in fuel markets have on customers. Fuel diversity assures economic and energy security; too great a reliance on any one source of energy increases risk by exposing customers to potential price increases and supply disruptions. Equally important, fuel diversity can reduce the effect that major changes in public policy might have on the Company’s customers. In summary, capacity and fuel diversity play important roles in enhancing Nevada Power’s ability to provide safe and reliable electric service to its customers while maintaining just, reasonable and predictable rates.

A variety of different resources can be used to generate electricity, including coal, natural gas, uranium, wind, water, solar, geothermal and biomass. Each of these options has a unique cost profile, based on the supply and demand of the fuel and technology used to turn chemical, solar or kinetic energy into electricity. Each option presents different diversity, and thus risk, characteristics and unique operating considerations related to availability, performance and reliability. Each option has different implications for capacity and fuel diversity.

The Company’s Preferred Plan maintains both capacity and fuel diversity. When comparing Case C to Case A, Case C provides more fuel diversity and more capacity diversity than does Case A. The combined-cycle unit in Case A is gas-fired base load capacity. The replacement capacity developed by the Company in Case C provides 224 MW of gas-fired intermediate capacity, 272 MW of gas-fired peaking capacity, and 76 MW (planning capacity) of renewable intermittent capacity.

The inclusion of new renewable energy facilities in the Preferred Plan provides an element of fuel diversity, which is particularly important in light of the retirement of coal-fired generation. See Figure S-1, below.

**FIGURE S-1
ENERGY PRODUCTION BY CATEGORY
PREFERRED PLAN AND ALTERNATE PLAN**



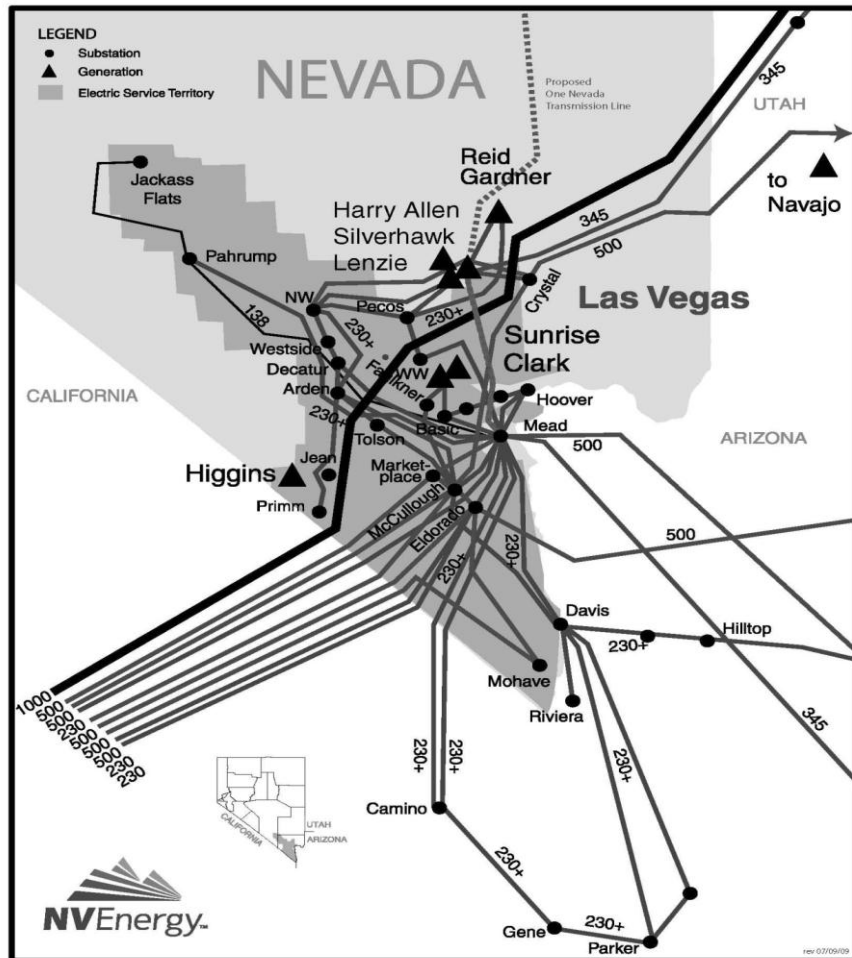
B. SUMMARY VOLUME REQUIREMENTS¹²

Nevada Power Described. Nevada Power generates, transmits and distributes electric energy to approximately 850,000 customers in Las Vegas, North Las Vegas, Henderson, Searchlight, Laughlin, and adjoining areas, including Nellis Air Force Base.

¹² This Section of the Summary contains an integrated evaluation of the components of the resource plan, which relates the preferred plan to the objectives of the strategic plan. See NAC §704.9215(2)(h).

Nevada Power is regulated by the Commission and the Federal Energy Regulatory Commission (“FERC”). Nevada Power’s primary place of business is at 6226 West Sahara Avenue, in Las Vegas, Nevada. Figure S-2 shows Nevada Power’s service territory along with existing transmission and generation stations.

**FIGURE S-2
NEVADA POWER SERVICE TERRITORY, EXISTING
TRANSMISSION AND GENERATION**



With the Commission’s leadership and support, Nevada Power has reduced its reliance on volatile wholesale markets in recent years. In 2008, Nevada Power generated just 67.5 percent of its total energy requirements from Company-owned facilities, while purchasing the remaining 32.5 percent from neighboring utilities and renewable energy developers. Nevada Power now has sufficient Company owned and/or controlled generation to meet nearly all of its customers’ 2014 needs. Considering pending generation retirements and expiring contracts, and utilizing the results of a new long-term load forecast, the Company’s approved demand-side management plan (“DSM Plan”) and a refreshed renewable energy plan, Nevada Power identified the Company’s resource requirements over a full 30-year planning period. This analysis indicates

that Nevada Power needs to execute a comprehensive replacement strategy to replace retiring capacity.

Resource Planning Described. Beginning in 1983, the Legislature gave the Commission oversight authority over Nevada Power’s long-term planning process. Every three years, Nevada Power formulates and presents its Preferred Plan for meeting the long-term needs of its customers. Based on projections of customers’ load requirements, Nevada Power prepares a long-term integrated resource plan (“IRP”), in which it lays out programs to fill projected requirements with programs that reduce energy consumption (demand-side management or “DSM”), by building or purchasing generation (from conventional and renewable energy sources), by building or purchasing transmission, and by purchasing fuel (natural gas and coal).

ERCR Planning Period and Action Period. This 2014 ERCR Plan filing addresses the 20-year planning period 2015 to 2034, and the 30-year planning period 2015-2044. The Company’s Preferred and Alternate Plans are formulated and compared to different options using economic models. The ERCR Plan includes an “Action Plan” which details the steps that Nevada Power will take over the next year (2015) to implement the Preferred Plan. The Action Plan includes a description of the costs, timeline, and planning activities for each recommended project. A more detailed description of each project is provided in detailed narratives that are included in the ERCR Supply Side Volume.

Economic Analysis and Selection of Nevada Power’s ERCR Preferred Plan. In selecting its Preferred and Alternate Plans, Nevada Power has evaluated various factors that are set forth in the Commission’s regulations, including:

- The PWRR for each alternative (see NAC § 704.9357(3))
- The present worth of societal cost (“PWSC”) for each alternative (see NAC § 704.9357(4))
- Whether the plan mitigates risk (see NAC § 704.9357(5))
- Whether the plan provides adequate reliability (see NAC § 704.9357(6)(a))
- Regulatory and financial constraints (see NAC § 704.9357(6)(b))
- Whether the plan meets the Renewable Portfolio Standard (“RPS”) (see NAC § 704.9357(6)(c))
- Whether the plan meets the requirements for environmental protection (see NAC § 704.9357(6)(d))

In accordance with NAC § 704.948(2), the Company considered the relationship among these factors in selecting the Preferred and Alternate Plans, including the relationship between mitigating risk, minimizing cost and volatility, maximizing reliability, and resource diversification. The Company selected Preferred and Alternate Plans that provide the best combination of attributes, without assigning specific weights to any particular factor.

As discussed above, Nevada Power considered four alternative plans to replacing coal-fired generating capacity that will be retired or eliminated. In addition, scenario analyses were conducted by modeling all alternative plans under high and low fuel and purchased power prices; high and low load forecasts; and mid, high, and low carbon price impacts, including a scenario with no future carbon or greenhouse gas (“GHG”) cap-and-trade program. Each of the alternative plans is run under 12 sensitivities as identified in Table S-5.

**TABLE S-5
SUMMARY OF ANALYSIS SENSITIVITIES**

	<u>Load</u>	<u>Fuel</u>	<u>GHG</u>
1		BASE	MID C
2	BASE	LOW	MID C
3		HIGH	MID C
4	HIGH	BASE	MID C
5	LOW	BASE	MID C
6		BASE	NO C
7	BASE	LOW	NO C
8		HIGH	NO C
9	HIGH	BASE	NO C
10	LOW	BASE	NO C
11	BASE	BASE	HIGH
12	BASE	BASE	LOW

The Company has chosen Case C as the Preferred Plan and Case A as the Alternate Plan. With respect to PWRR, Cases C and A consistently provide the lowest PWRR among all scenarios among all planning periods. It is important to recognize that the difference between Case C and Case A (the case with the lowest PWRR under base assumptions) is negligible, especially in 10-year and 20-year periods. Indeed, in those years, the PWRR differences between Case C and Case A are \$3.0 million and \$2.0 million, respectively. This amounts to 0.02 percent and 0.008 percent of the total PWRR.

In light of the objective – the orderly and structured replacement of retired or eliminated coal-fired generating capacity – the replacement package developed by Nevada Power provides a favorably to Case B (the construction of a simple-cycle peaking project) and Case D (the acquisition of 274 MW of gas-fired generation and the addition of another 500 MW of PV). The

Preferred Plan also provides a more balanced outcome than the Alternate Plan, Case A (the construction of a 2x1 combined-cycle generating unit).

First, the overall capital cost of the replacement package is lower than the estimated cost of constructing a combined-cycle generating unit. Nevada Power estimates the cost of constructing a single natural gas-fired 576 MW combined-cycle generating unit by June 1, 2018, at least \$711 million (2015 dollars without an allowance for funds used during construction). In contrast, the estimated capital cost of the Preferred Plan is \$584.7 million.¹³ Importantly, the construction of a single combined-cycle unit would not receive the benefit of the federal ITC. The ITC equals 30 percent of eligible expenditures, with no maximum credit limitation on renewable systems placed in service on or before December 31, 2016. While Nevada Power, as a regulated utility, must normalize the tax credit over time, the credit reduces the overall cost of providing service to customers.

Second, the construction of a combined-cycle unit or simple cycle units would not provide the same type of capacity diversity delivered by the replacement package. While natural gas-fired combined-cycle units provide flexibility, including the ability to follow intermittent resources, those units today provide either base load or intermediate capacity. Simple-cycle units, on the other hand, provide peaking capacity. The replacement capacity package developed by the Company provides a mixture of replacement capacity. The package provides 224 MW of intermediate capacity, 272 MW of peaking capacity, 76 MW of intermittent capacity and another 6 MW of intermittent capacity. The package thus expands the capacity diversity of Nevada Power's portfolio.

Third, the construction or acquisition of a single-combined cycle unit or the construction of simple-cycle units would not enhance fuel diversity within Nevada Power's generating fleet. The first option (Case A) adds 597 MW of natural-gas fired combined-cycle generating capacity; the second option (Case B) adds 568 MW of natural-gas fired simple-cycle generating capacity. In either case, the Company would be relying entirely on natural gas as the fuel for fulfilling the 550 MW of non-technology specific replacement capacity required by NRS § 704.7316(2)(c) Case C, on the other hand, improves the Company's fuel diversity. By adding 200 MW (nameplate) of solar generating facilities, the Preferred Plan incorporates into its portfolio a resource that produces electricity without the need to procure additional natural gas. Case C not only increases the capacity diversity within Nevada Power's portfolio, but also increases the fuel diversity within the portfolio.

Fourth, and possibly most importantly, the Preferred Plan provides a distinct and bold option for Nevada. The package provides "construction jobs" in the renewable energy industry "at a critical

¹³ The estimated capital costs of the 200 MW, nameplate, of solar generating capacity shown in Table S-2 do not take into consideration the investment tax credit. While the Company must normalize the investment tax credit pursuant to federal law, Nevada Power's customers realize the benefit of the credit over time.

point in the emerging recovery of Nevada’s economy.” The Preferred Plan ensures that Nevada has a “bright future with clean energy production.” And, the Preferred Plan ensures local benefits, providing the best value for Nevadans as the Moapa Solar Project should generate up to \$181 million in benefits to Nevada.¹⁴

ERCR Plan Long-Term Resource Planning. Nevada Power needs to take action now, in 2014 and 2015, to replace the coal-fired generating capacity that it plans to retire in 2014 and 2017 pursuant to SB 123. Nevada Power will seek permission in its triennial IRP filing (due 2015), to ensure that it maintains the ability to continue to provide industry-leading reliable electric service at just and reasonable rates throughout the planning period. Between 2014 and 2022, Nevada Power must replace not only coal-fired generating capacity but capacity from expiring long-term purchased power agreements. In total, Nevada Power must replace approximately 2,320 MW of generating capacity by 2022, as is shown in Table S-6.

**TABLE S-6
CAPACITY ELIMINATIONS 2013-2022**

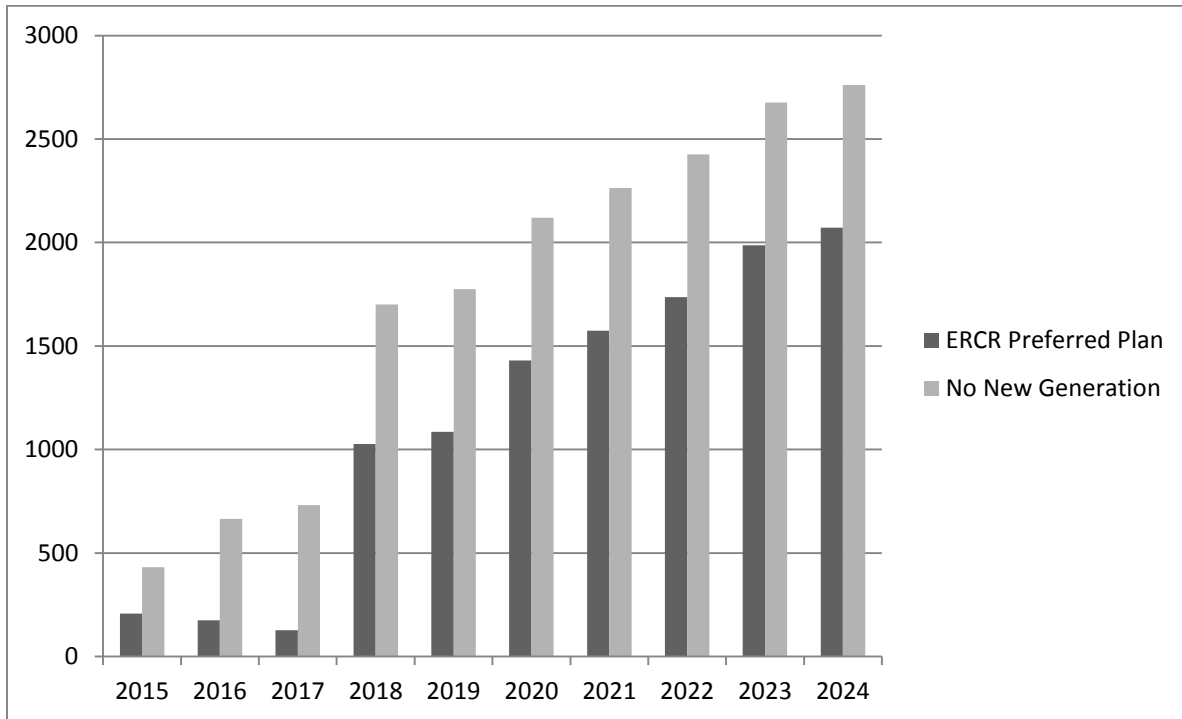
Unit/ PPA	Megawatts (MW) Summer Capacity	Retirement (R), Elimination (E) or Contract Expiration (C) Year
Las Vegas Cogeneration II	224	2013-C
Reid Gardner 1,2,3	300	2014-R
Sunpeak	222	2016-C
Griffith	570	2017-C
Las Vegas Cogeneration I	50	2017-C
Reid Gardner 4	257	2017-R
Southern Nevada Water Authority Transaction	130	2018-C
Navajo	255	2019-E
Clark 4	54	2020-C
Saguaro	90	2021-C
Nevada Cogeneration Associates 1	85	2022-C
Nevada Cogeneration Associates 2	85	2022-C

Absent action as a result of this filing, Figure S-3 shows that Nevada Power’s open capacity position (“Open Position”) grows to over 1,500 MW by 2018. Even if the Company takes action and adds the diverse portfolio of replacement capacity included in this ERCR Plan, Nevada Power projects that its Open Position will grow to approximately 1,000 MW by 2018.¹⁵

¹⁴ See Technical Appendix Item ECON-19, Solar Photovoltaic Plant Economic Impact Analysis prepared by Applied Analysis.

¹⁵ The Company has options to mitigate its open position and, in fact, is in the process of pursuing those options.

**FIGURE S-3
OPEN POSITION WITH NO ACTION AND WITH CASE C
(PREFERRED PLAN)**



ERCR and the Strategic Plan.¹⁶ Nevada Power is guided by six core principles. The Company’s ERCR Plan is consistent with these core principles: customer service, employee commitment, environmental respect, regulatory integrity, operational excellence, and financial strength. As such, the Company’s ERCR Plan consistent with Nevada Power’s strategic plan and is supported and endorsed at the highest levels of NV Energy.

The Company’s ERCR Plan is viewed as an efficient and effective strategic plan to meet the requirements of SB 123 while maintaining the reliability and cost effectiveness of its energy supply resources. The Company has incorporated the DSM Plan consistent with that included in Nevada Power’s application for approval of its 2012 Integrated Resource Plan, as modified by the Commission’s order and approved on December 24, 2012, in Docket 12-06053. After accounting for the contributions of DSM resources, the Company has identified the need to execute new generation supply acquisitions and initiate new generation construction activities to replace retiring generation and ensure it can reliably meet the needs of its customers.

Taking orderly and structured steps now—by executing on the acquisition of existing generating resources and beginning construction of new generating resources—will ensure that the

¹⁶ See LCB File No. R131-13, Sec. 13(2)(a).

Company and its customers are well-positioned to maintain a strong generation portfolio and avoid the risks of high levels of energy market exposure in the future.

Managing the Renewable Portfolio. The renewable energy plan set forth in this ERCR Plan continues Nevada Power's RPS compliance planning and advances important facets of SB 123, namely the development of renewable energy in Nevada and providing Nevada jobs to fuel the recovery of our economy. The Preferred Plan allows the Company to continue to manage its diverse portfolio of renewable PPAs while carefully monitoring the completion of approved projects that are not yet in service and pursue new PPAs and Company-owned renewable projects. Additionally, the Company intends to investigate new distributed generation options. NV Energy will complete an analysis of distributed generation and subscription options. Section VII describes the renewable energy action items that the Company is requesting approval.

Managing Generation and Purchased Power Portfolio. The Preferred Plan provides both capacity and fuel diversity. The Preferred Plan is based on the acquisition of existing gas-fired generating units and construction of new renewable generation that complements the Company's existing fleet of owned generation and long-term PPAs. The Company will continue to manage its generation fleet and PPAs to optimize the overall value to its customers and maintain a safe and reliable electric system. Additionally, the Company will continue to seek opportunities for its customers by investigating generation acquisition opportunities and long-term PPA extensions where it is economically beneficial. Section VII of this Summary describes the generation action items that the Company is requesting approval.

Managing Strategic Transmission Resources. The updated transmission plan submitted in this ERCR Plan filing is built upon the plan's load forecasts, system characteristics, existing and future transmission facilities, and obligations. Based on these key system characteristics, the transmission plan examines the capabilities of the existing transmission system and determines the need and timing of any additional transmission facilities. The Preferred Plan requires investment in transmission infrastructure. The transmission plan includes a previous study to address the development of Nevada's renewable resources for both internal consumption and for potential export to other markets. Finally the transmission plan discusses new or updated WestConnect and FERC policies. All facets of the transmission plan are intended to preserve and enhance the safety, reliability and effectiveness of the Company's transmission system. Section VII describes the transmission action items that the Company is requesting approval.

SECTION II - FORECAST OF GROWTH: NAC § 704.9215(2)(b)

Nevada Power has prepared a new load forecast for the 2014 ERCR Plan ("2014 ERCR Forecast"). The 2014 ERCR Forecast updates the 2014-15 Energy Supply Plan Update ("2014-2015 ESP Update Forecast" or "2014-2015 ESP"), which was completed in January 2013 and

filed with the Commission on September 1, 2013 in Docket No. 13-08009. The 2014 ERCR Forecast was completed in November 2013 and incorporates actual sales and load data through August 2013. Nevada Power seeks approval of the 2014 ERCR Forecast.

Forecast Summary. In 2008, the downturn in the national and local economy began to significantly impact economic performance and electric sales in Nevada Power's service territory. The economic downturn worsened in 2009 and continued to adversely impact Nevada Power's sales through 2011. Fueled by an uptick in the tourism industry, sales turned positive in 2012 across all sectors with weather normalized sales up 1.7 percent compared to the previous year. However, in 2013 year-over-year sales fell again as the tourism industry remained sluggish and the Department of Energy's Nevada Test Site ("Nevada Test Site") exited Nevada Power's system to take service from Valley Electric Association.¹⁷ In 2013, total sales fell 1.0 percent, with small and large commercial and industrial ("C&I") weather normalized sales dropping 1.5 percent and 2.4 percent respectively from 2012.

Unlike sales, customer counts continued to modestly increase even during the economic downturn that started in 2008. Residential customer counts increased 1.5 percent in 2012 and 1.2 percent in 2013. Despite continued increases in customer counts, however, end-use efficiency, new appliance and commercial end-use standards, solar photovoltaic ("PV") market penetration, and demand side management ("DSM") program activity will continue to put downward pressure on long-term projections of customer usage (measured in terms of kWh/per customer). Residential average use is projected to decline 0.2 percent annually from 2013 through 2023 and commercial average use (small- and medium-size commercial customers) is projected to decline 0.1 percent annually over this period. In the near-term (2013 through 2016) residential use per customer is forecast to decline 0.5 percent on average as a result of the new lighting standards and continued DSM program activity. New residential lighting standards have had the largest impact on customer usage, as 100 watt and 75 watt incandescent light bulbs were scheduled for phase out in 2013, and 60 watt and 40 watt incandescent light bulbs are scheduled to be phased out in 2014. A full discussion of customer usage is contained in Technical Appendix LF-1.

Overall, Nevada Power expects to see positive sales growth over the next 10 years as the economy continues to improve, and Nevada Power adds new customers. Sales are expected to grow at an average annual rate of 1.0 percent over the next 10 years. Table S-7 summarizes historical (weather normalized) and forecasted class sales. Table S-8 presents residential historical and forecasted customer counts and weather normalized average usage. The forecast begins in 2014. Full results are summarized in Technical Appendix LF-1.

¹⁷ The Nevada Test Site represented a sales loss of approximately 65 GWh from 2012 to 2013.

**TABLE S-7
HISTORICAL (WEATHER NORMALIZED) AND FORECASTED SALES (GWH)**

Year	Res	chg	Small C&I	chg	Large C&I	chg	StLight	chg	Public Authority	chg	Total	chg
2003	7,456		3,743		6,292		153		258		17,901	
2004	7,742	3.8%	3,923	4.8%	6,548	4.1%	158	3.2%	249	-3.2%	18,620	4.0%
2005	8,512	9.9%	4,243	8.2%	6,986	6.7%	167	5.6%	184	-26.3%	20,091	7.9%
2006	8,907	4.6%	4,410	3.9%	7,270	4.1%	170	2.2%	110	-40.0%	20,867	3.9%
2007	8,979	0.8%	4,573	3.7%	7,472	2.8%	171	0.5%	64	-42.1%	21,259	1.9%
2008	8,884	-1.1%	4,604	0.7%	7,645	2.3%	173	1.0%	58	-9.5%	21,364	0.5%
2009	8,718	-1.9%	4,447	-3.4%	7,596	-0.6%	185	6.7%	55	-4.3%	21,001	-1.7%
2010	8,639	-0.9%	4,358	-2.0%	7,653	0.7%	177	-4.2%	56	0.4%	20,883	-0.6%
2011	8,604	-0.4%	4,352	-0.1%	7,627	-0.3%	170	-4.2%	55	-0.9%	20,807	-0.4%
2012	8,833	2.7%	4,456	2.4%	7,645	0.2%	166	-1.9%	53	-4.4%	21,153	1.7%
2013	8,871	0.4%	4,391	-1.5%	7,458	-2.4%	155	-6.8%	56	6.2%	20,931	-1.0%
2014	8,969	1.1%	4,462	1.6%	7,563	1.4%	154	-0.7%	54	-3.3%	21,202	1.3%
2015	8,985	0.2%	4,477	0.3%	7,588	0.3%	152	-1.0%	54	0.0%	21,256	0.3%
2016	9,010	0.3%	4,525	1.1%	7,633	0.6%	151	-1.0%	54	0.0%	21,372	0.5%
2017	9,083	0.8%	4,595	1.6%	7,703	0.9%	149	-1.0%	54	0.0%	21,585	1.0%
2018	9,207	1.4%	4,678	1.8%	7,789	1.1%	149	0.0%	54	0.0%	21,878	1.4%
2019	9,335	1.4%	4,767	1.9%	7,875	1.1%	149	0.0%	54	0.0%	22,180	1.4%
2020	9,450	1.2%	4,861	2.0%	7,957	1.0%	149	0.0%	54	0.0%	22,471	1.3%
2021	9,565	1.2%	4,956	2.0%	8,015	0.7%	149	0.0%	54	0.0%	22,740	1.2%
2022	9,654	0.9%	5,049	1.9%	8,062	0.6%	149	0.0%	54	0.0%	22,968	1.0%
2023	9,756	1.1%	5,145	1.9%	8,122	0.8%	149	0.0%	54	0.0%	23,227	1.1%
2003 - 13		1.8%		1.6%		1.7%		0.1%		-14.2%		1.6%
2013 - 23		1.0%		1.6%		0.9%		-0.4%		-0.3%		1.0%

Notes:

- “Res” – Residential
- “Chg” – Change
- “Small C&I” – Small Commercial and Industrial
- “Large C&I” – Large Commercial and Industrial
- “StLight” – Street Lighting

**TABLE S-8
HISTORICAL AND FORECASTED CUSTOMER COUNTS AND
AVERAGE USE PER CUSTOMER**

Year	Res		Res Avg Use		Small C&I		Small C&I Avg Use	
	Custs	chg	(kWh)	chg	Custs	chg	(kWh)	chg
2003	606,187		12,299		78,794		47,498	
2004	633,907	4.6%	12,213	-0.7%	83,149	5.5%	47,179	-0.7%
2005	667,742	5.3%	12,747	4.4%	87,819	5.6%	48,318	2.4%
2006	700,309	4.9%	12,718	-0.2%	92,367	5.2%	47,741	-1.2%
2007	720,116	2.8%	12,469	-2.0%	96,579	4.6%	47,345	-0.8%
2008	724,663	0.6%	12,259	-1.7%	99,089	2.6%	46,466	-1.9%
2009	725,557	0.1%	12,015	-2.0%	99,446	0.4%	44,716	-3.8%
2010	729,565	0.6%	11,842	-1.4%	100,270	0.8%	43,466	-2.8%
2011	737,500	1.1%	11,666	-1.5%	100,712	0.4%	43,213	-0.6%
2012	748,226	1.5%	11,805	1.2%	101,410	0.7%	43,937	1.7%
2013	757,052	1.2%	11,718	-0.7%	102,981	1.5%	42,635	-3.0%
2014	768,297	1.5%	11,674	-0.4%	104,166	1.2%	42,839	0.5%
2015	777,535	1.2%	11,556	-1.0%	105,522	1.3%	42,428	-1.0%
2016	786,458	1.1%	11,456	-0.9%	107,187	1.6%	42,213	-0.5%
2017	795,438	1.1%	11,419	-0.3%	109,138	1.8%	42,106	-0.3%
2018	804,507	1.1%	11,444	0.2%	111,269	2.0%	42,046	-0.1%
2019	813,309	1.1%	11,478	0.3%	113,514	2.0%	41,996	-0.1%
2020	821,678	1.0%	11,500	0.2%	115,772	2.0%	41,990	0.0%
2021	829,994	1.0%	11,525	0.2%	117,962	1.9%	42,015	0.1%
2022	837,917	1.0%	11,521	0.0%	120,076	1.8%	42,047	0.1%
2023	845,641	0.9%	11,537	0.1%	122,075	1.7%	42,142	0.2%
2003 - 13		2.2%		-0.5%		2.7%		-1.1%
2013 - 23		1.1%		-0.2%		1.7%		-0.1%

Required Figures. Table S-9 shows the forecast of energy sales for each of the twenty years of the planning period under the low, base and high scenarios, both with and without DSM. Table S-10 shows the forecast of peak demand for each of the 20 years of the planning period, also under the low, base and high scenarios with and without DSM. Table S-11 is a summary of the DSM MW on peak, by program. The values are the cumulative incremental additions from 2013.

**TABLE S-9
LOW, BASE AND HIGH SALES SCENARIOS
WITH AND WITHOUT DSM**

Year	SALES (GWH) WITH DSM			SALES (GWH) WITHOUT DSM/DR		
	LOW	BASE	HIGH	LOW	BASE	HIGH
2014	20,878	21,202	21,083	21,017	21,341	21,222
2015	20,507	21,256	21,288	20,790	21,539	21,571
2016	20,470	21,372	21,603	20,896	21,798	22,029
2017	20,622	21,585	22,006	21,181	22,144	22,566
2018	20,883	21,878	22,487	21,574	22,569	23,178
2019	21,105	22,180	22,888	21,928	23,003	23,711
2020	21,329	22,471	23,284	22,284	23,426	24,238
2021	21,547	22,740	23,681	22,630	23,823	24,764
2022	21,798	22,968	24,127	23,007	24,177	25,337
2023	22,058	23,227	24,560	23,390	24,558	25,892
2024	22,328	23,503	25,022	23,777	24,952	26,470
2025	22,613	23,744	25,511	24,179	25,310	27,076
2026	22,943	24,026	26,052	24,620	25,702	27,729
2027	23,231	24,318	26,538	25,012	26,099	28,319
2028	23,559	24,638	27,085	25,415	26,494	28,941
2029	23,882	24,912	27,653	25,775	26,805	29,546
2030	24,234	25,200	28,257	26,147	27,113	30,170
2031	24,526	25,501	28,799	26,445	27,420	30,717
2032	24,842	25,836	29,382	26,766	27,760	31,306
2033	25,171	26,105	29,993	27,101	28,034	31,922
2034	25,544	26,413	30,622	27,477	28,346	32,554

Includes the effects of solar PV and wind net metering.

**TABLE S-10
LOW, BASE, AND HIGH PEAK DEMAND SCENARIOS
WITH AND WITHOUT DSM**

Year	PEAK DEMAND (MW) WITH DSM			PEAK DEMAND (MW) WITHOUT DSM/DR		
	LOW	BASE	HIGH	LOW	BASE	HIGH
2014	5,563	5,656	5,703	5,785	5,878	5,925
2015	5,480	5,629	5,727	5,769	5,918	6,016
2016	5,460	5,654	5,795	5,781	5,975	6,116
2017	5,470	5,713	5,899	5,818	6,061	6,247
2018	5,505	5,795	6,021	5,879	6,169	6,395
2019	5,548	5,883	6,142	5,949	6,284	6,543
2020	5,592	5,963	6,255	6,020	6,391	6,683
2021	5,636	6,043	6,363	6,090	6,497	6,817
2022	5,670	6,108	6,460	6,150	6,588	6,940
2023	5,710	6,180	6,564	6,215	6,685	7,069
2024	5,755	6,256	6,671	6,285	6,786	7,201
2025	5,793	6,322	6,770	6,347	6,876	7,324
2026	5,840	6,400	6,879	6,417	6,977	7,456
2027	5,889	6,480	6,994	6,489	7,080	7,594
2028	5,949	6,570	7,120	6,568	7,189	7,739
2029	5,993	6,642	7,227	6,626	7,275	7,860
2030	6,042	6,720	7,344	6,683	7,361	7,985
2031	6,094	6,803	7,466	6,735	7,444	8,107
2032	6,156	6,893	7,599	6,798	7,535	8,241
2033	6,204	6,969	7,721	6,846	7,611	8,363
2034	6,258	7,052	7,849	6,900	7,694	8,491

Includes the effects of solar PV and wind net metering.

**TABLE S-11
DSM CONTRIBUTIONS TO THE LOAD FORECAST (MW)**

Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Non-Profit Grants	4.3	9.0	13.9	18.9	23.7	28.6	33.6	38.4	43.4	48.2	53.2	58.1	62.7	67.1	69.8	70.3	70.5	70.5	70.4	70.4	70.4
Commercial Incentives	2.8	5.8	9.0	12.1	15.2	18.4	21.6	24.7	27.9	31.0	34.2	37.4	40.3	43.1	44.9	45.2	45.4	45.3	45.3	45.3	45.3
Energy Smart Schools	3.2	6.8	10.5	14.2	17.8	21.5	25.3	28.9	32.6	36.3	40.1	43.7	47.2	50.5	52.5	52.9	53.1	53.0	53.1	53.0	53.0
Low Income Weatherization	5.0	10.1	15.3	20.5	25.5	30.7	35.9	40.9	45.8	50.4	54.8	59.1	63.2	67.5	71.8	76.2	78.8	78.8	79.1	79.2	79.2
Residential Lighting	0.9	1.7	2.6	3.5	4.3	5.2	6.1	7.0	7.8	8.6	9.3	10.1	10.8	11.5	12.2	13.0	13.4	13.4	13.5	13.5	13.5
Refrigerator Recycling	1.1	2.3	3.5	4.7	5.8	7.0	8.2	9.3	10.4	11.4	12.5	13.4	14.4	15.3	16.3	17.3	17.9	17.9	18.0	18.0	18.0
Residential High Efficiency AC	5.0	10.1	15.3	20.5	25.5	30.7	35.9	40.9	45.8	50.4	54.8	59.1	63.2	67.5	71.8	76.2	78.8	78.8	79.1	79.2	79.2
Energy Efficient Pools and Spas	1.6	3.3	5.0	6.7	8.3	10.0	11.6	13.2	14.8	16.3	17.8	19.1	20.5	21.9	23.2	24.7	25.5	25.5	25.6	25.6	25.7
Solar Thermal Water Heating	0.9	1.9	2.9	3.8	4.8	5.7	6.7	7.6	8.5	9.4	10.2	11.0	11.8	12.6	13.4	14.2	14.7	14.7	14.8	14.8	14.8
Demand Response (1)	82	123	128	128	128	128	128	128	128	128	128	128	128	128	128	128	128	128	128	128	128
Total MW	107	174	206	233	259	286	313	339	365	390	415	439	462	485	504	518	526	526	527	527	527

Footnote 1: The estimates are based on the expected MW realized at 5 pm of the peak day for the specified year. These are not the first year savings.

SECTION III - DEMAND SIDE PLAN SUMMARY: NAC § 704.9215(2)(c)

The DSM portfolio of programs is consistent with that included in Nevada Power's application for approval of its 2013 Annual Demand Side Management Update Report, as modified by the Commission's order and approved on December 19, 2013 in Docket 13-07002. The estimated energy efficiency savings attributed to this portfolio is consistent in all of the alternative plans evaluated for this ERCR Plan.

SECTION IV - SUMMARY OF THE SUPPLY SIDE PREFERRED PLAN: NAC § 704.9215(2)(d)

The Company's Preferred Plan (Case C) includes a package of company-owned generation of different capacity and fuel types that maximizes the use of existing generating facilities coupled with the construction of new renewable facilities to replace retiring coal generation capacity. Case C includes the purchase of LV Cogen on January 1, 2015, the Sun-Peak Generation Station on January 1, 2015, and construction of the 200 MW Moapa Solar Project, with an in-service date of October 2016. LV Cogen—an existing gas-fired generator—includes 50 MW of peaking capacity from LV Cogen Unit 1 and 224 MW of intermediate capacity from LV Cogen Unit 2. The cost of acquisition of LV Cogen is \$130.8 million.¹⁸ Sun-Peak Generation Unit—an existing gas-fired generator—includes 222 MW of peaking capacity. The cost of acquisition of the Sun-Peak Generation Station is \$15.8 million.¹⁹ The cost of constructing the Moapa Solar Project is \$438.1 million (excluding allowance of funds used during construction). The Moapa Solar Project provides 76 MW of planning capacity for a total planned replacement capacity package of 572 MW to meet the non-technology specific replacement capacity SB 123 requirement.²⁰ The Preferred Plan also includes the 15 MW Nellis Solar Array II, with a construction cost of \$54.5 million, a request to permit acreage in Clark County for additional solar facilities, and authorization to issue the first of three separate 100 MW RFPs for transaction with new renewable energy.

a.) LV Cogen Units 1 and 2

The Company requests Commission approval to spend \$130.8 million or \$477/kW, to acquire the LV Cogen facility. LV Cogen consists of two combined cycle units with a total capacity of 274 MW. LV Cogen Unit 1 is a 50 MW 1x1 natural gas-fired combined cycle unit that has been

¹⁸ The total transaction costs consist of \$129.9 million purchase price plus \$0.900 million of transaction costs.

¹⁹ The total transaction costs consists of a purchase price of \$11.0 million, integration costs of approximately \$4.5 million, and transaction costs of \$300 thousand

²⁰ The thirty-eight percent capacity value across the PV portfolio is based on an analysis performed by Pacific Northwest National Laboratories using data from Nevada Power's PV Integration Study. See Docket No. 11-03014, Technical Appendix Item SUP-ECON-6.

in-service since 1994. LV Cogen Unit 2 is a 224 MW dual 2x1 natural gas-fired combined cycle unit that has been in-service since 2003.

b.) Sun-Peak Generating Facility

The Company requests to spend \$15.8 million or \$71/kW to acquire the Sun-Peak facility. Sun-Peak consists of three simple cycle combustion turbine units with a total capacity of 222 MW. Sun-Peak has been in-service since 1991.

c.) Moapa Solar Project

The Company is seeking the Commission's approval to invest approximately \$438.1 million (excluding AFUDC) to acquire the development assets and to construct and ultimately operate the Moapa Solar Project, a solar photovoltaic ("PV") electric generating facility with an expected capacity of 200 MWac, measured at the delivery point. The Moapa Solar Project is being developed by RES Americas Development, Inc. ("RES") and will be located on reservation lands of the Moapa Band of Paiutes, approximately 45 miles north east of Las Vegas, Nevada. Based on the proposed capital cost and expected output, the renewable nature of the project requiring only Nevada's abundant solar resource for fuel, and taking advantage of the ITC set to expire at the end of 2016, the Moapa Solar Project represents an opportunistic acquisition for Nevada Power Company and will provide many years of fuel and emissions free energy for Nevada Power customers.

d.) Nellis Solar Array II

The Company is seeking Commission approval to invest up to \$54.5 million (without AFUDC) to build a 15 MW (alternating current) solar PV generating facility at Nellis Air Force Base. The solar facility would be built on the premises of Nellis Air Force Base and would interconnect directly to the Nellis Air Force Base electric distribution system. The Company must begin construction of at least 50 MW of new renewable energy facilities before December 31, 2017. This project satisfies that requirement, by beginning construction in 2015 for several good reasons. First, the Company takes advantage of the existing 30 percent investment tax credit. Second, the project cements the Company's relationship with a long-standing customer by developing an option that meets the customer's mission-critical goals. Third, the Company's customers will benefit from the 2.4 portfolio credit ("PC") multiplier associated with this project. In order to receive the multiplier at least 50 percent of the energy produced must be consumed on site and the project must be in place by December 31, 2015. The electrical interconnection requirements related to this project are described in the project narrative contained in the Supply Side Plan, Section 2.D.5.

e.) Clark County Solar Siting Work

Nevada Power is requesting Commission approval to spend up to \$4.4 million on initial siting activities related to one or more proposed new solar PV generating facilities northeast of Las Vegas in Clark County, Nevada. NV Energy has identified several locations capable of supporting approximately 500 MW of solar PV capacity near the Harry Allen power generation facility. The proposed sites occupy approximately 4,000 acres and are located on U.S. Bureau of Land Management land, within or near the current Nevada Power right-of-way grant.

f.) Renewable RFPs for 300 MWs

Nevada Power is requesting Commission approval to issue three 100 MW RFPs for transactions with new renewable energy. The Company will generally follow the structure of its previous solicitation and contracting process used in securing renewable power purchase agreements. The Company expects to receive additional guidance from the Commission as a result of continued rulemaking in Docket 13-06023, known as Phase 2.

Tables S-12 through S-16 show Nevada Power's projected loads and resources under the Preferred Plan, assuming base load conditions. The Company also developed a number of sensitivities around the base case; the sensitivities are presented in the Supply Side Plan, Section 3 (Economic Analysis) Figure EA-3 – Sensitivities Conducted for Economic Analysis.

TABLE S-12 L&R TABLE – 2015 – 2029

NEVADA POWER COMPANY - 2014 ERCR - Base Load 200PV, LVC, SP ERCR															
Description	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
GROSS SYSTEM PEAK LOAD FORECAST (January 2014)	5,933	5,998	6,088	6,204	6,325	6,440	6,549	6,640	6,738	6,839	6,930	7,033	7,137	7,246	7,333
DSM	51	78	105	131	158	185	211	237	262	287	311	334	357	376	390
Net Metering	15	23	27	35	41	49	52	52	53	53	54	56	57	57	58
Demand Response	238	243	243	243	243	243	243	243	243	243	243	243	243	243	243
SYSTEM PEAK LOAD FORECAST (1) (January 2014 Load Forecast)	5,629	5,654	5,713	5,795	5,883	5,963	6,043	6,108	6,180	6,256	6,322	6,400	6,480	6,570	6,642
SNWA Obligation	125	125	125	125	-	-	-	-	-	-	-	-	-	-	-
NET SYSTEM PEAK LOAD	5,754	5,779	5,838	5,920	5,883	5,963	6,043	6,108	6,180	6,256	6,322	6,400	6,480	6,570	6,642
Planning Reserve Requirement (12%)	690	693	701	710	706	716	725	733	742	751	759	768	778	788	797
REQUIRED RESOURCES	6,444	6,472	6,539	6,630	6,589	6,679	6,768	6,841	6,922	7,007	7,081	7,168	7,258	7,358	7,439
RESOURCES (Itemized)															
<u>Existing Internal Generation Facilities (Retire Date, 12/31/xx)</u>															
Clark 4 (2020)	54	54	54	54	54	54	-	-	-	-	-	-	-	-	-
Clark 9,10 (9 - 2033, 10 - 2034)	430	430	430	430	430	430	430	430	430	430	430	430	430	430	430
Clark Peakers 11-22 (2038)	619	619	619	619	619	619	619	619	619	619	619	619	619	619	619
Goodsprings (2043)	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Harry Allen 3 (2025)	72	72	72	72	72	72	72	72	72	72	72	-	-	-	-
Harry Allen 4 (2036)	72	72	72	72	72	72	72	72	72	72	72	72	72	72	72
Harry Allen 5,6,7 (2046)	484	484	484	484	484	484	484	484	484	484	484	484	484	484	484
Higgins (2039)	530	530	530	530	530	530	530	530	530	530	530	530	530	530	530
Lenzie 1 (2041)	551	551	551	551	551	551	551	551	551	551	551	551	551	551	551
Lenzie 2 (2041)	551	551	551	551	551	551	551	551	551	551	551	551	551	551	551
Reid Gardner 1,2,3 (2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reid Gardner 4 - Base (2017)	257	257	257	-	-	-	-	-	-	-	-	-	-	-	-
Silverhawk (75% Share) (2039)	390	390	390	390	390	390	390	390	390	390	390	390	390	390	390
Sunpeak 3,4,5 (2026)	222	222	222	222	222	222	222	222	222	222	222	222	-	-	-
Existing Generation Requiring or Affecting Imports	4,237	4,237	4,237	3,980	3,980	3,980	3,926	3,926	3,926	3,926	3,926	3,854	3,632	3,632	3,632
Hoover	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200
Navajo 1,2,3 (2019)	255	255	255	255	255	-	-	-	-	-	-	-	-	-	-
Total Existing Generation	4,692	4,692	4,692	4,435	4,435	4,180	4,126	4,126	4,126	4,126	4,126	4,054	3,832	3,832	3,832
<u>Planned Internal Generation Facilities</u>															
15 MW PV_2016 (COD 1/1/2016)	-	6	6	6	6	6	6	6	6	6	6	6	6	6	6
200 MW PV_2016 (COD 10/1/2016)	-	-	76	76	76	76	76	76	76	76	76	76	76	76	76
35 MW PV_2021 (COD 1/1/2021)	-	-	-	-	-	-	13	13	13	13	13	13	13	13	13
3x_7EA_27	-	-	-	-	-	-	-	-	-	-	-	-	-	213	213
2x1_CC_20	-	-	-	-	-	597	597	597	597	597	597	597	597	597	597
Total Planned Internal Generation	-	6	82	82	82	679	692	692	692	692	692	692	905	905	905
<u>Planned Generation Facilities Requiring Import Rights</u>															
1x1_CC_22	-	-	-	-	-	-	-	-	273	273	273	273	273	273	273
3x_7EA_23	-	-	-	-	-	-	-	-	-	213	213	213	213	213	213
2x1_CC_24	-	-	-	-	-	-	-	-	-	-	597	597	597	597	597
3x_LMS 100_30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3x_LMS 100_32	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2x1_CC_35	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3x_LMS 100_36	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1x1_CC_38	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1x1_CC_39	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2x1_CC_39	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2x1_CC_40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3x_LMS 100_40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1x1_CC_41	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2x1_CC_42	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2x1_CC_42	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Planned Generation Requiring Imports	-	-	-	-	-	-	-	-	273	486	1,083	1,083	1,083	1,083	1,083
Total Planned Generation	-	-	6	82	82	82	679	692	965	1,178	1,775	1,775	1,775	1,988	1,988
Less Scheduled Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL GENERATION	4,992	4,692	4,698	4,774	4,517	4,517	4,859	4,818	5,091	5,304	5,901	5,901	5,829	5,820	5,820

TABLE S-13 L&R TABLE –2015 – 2029

NEVADA POWER COMPANY - 2014 ERCR - Base Load
200PV, LVC, SP ERCR

Description	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Specific Purchases															
Qualifying Facilities															
NCA 1 (2022)	85	85	85	85	85	85	85	85	-	-	-	-	-	-	-
NCA 2 (2022)	85	85	85	85	85	85	85	85	-	-	-	-	-	-	-
Saguaro (2021)	90	90	90	90	90	90	90	-	-	-	-	-	-	-	-
Total Qualifying Facilities	260	260	260	260	260	260	260	170	-	-	-	-	-	-	-
Contracts (Internal)															
LV CoGen I (Buy, Retire 2036)	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
LV CoGen II (Buy, Retire 2036)	224	224	224	224	224	224	224	224	224	224	224	224	224	224	224
Total Contracts (Internal)	274	274	274	274	274	274	274	274	274	274	274	274	274	274	274
Contracts (External)															
Griffith	570	570	570	-	-	-	-	-	-	-	-	-	-	-	-
Silverhawk (SNWA Transaction)	130	130	130	130	-	-	-	-	-	-	-	-	-	-	-
Solar1	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34
ACE Searchlight	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Fotowatio Apex	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Republic Apex Landfill	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
Next Light Silver State	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
JsyValNP	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
DsrPknP	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
(Blue Mountain) FlknerNP	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
GalZNP	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
SHWeNP	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
SiWtrNP (PV & GEO)	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21
Tuscarora	15	15	15	15	21	21	21	21	21	21	21	21	21	21	21
Tuscarora Expansion (Option)	-	-	-	-	7	7	7	7	7	7	7	7	7	7	7
McGuiness	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
McGuiness Hills Expansion	-	16	16	16	16	16	16	16	16	16	16	16	16	16	16
NextEra Mountain View	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
FRV Spectrum	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19
Crescent Dunes	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
SpValley	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
WMRE Lockwood	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Future Purchases (ERCR)															
100 MW PV_2016	-	38	38	38	38	38	38	38	38	38	38	38	38	38	38
100 MW PV_2017	-	-	38	38	38	38	38	38	38	38	38	38	38	38	38
50 MW PV_2018	-	-	-	19	19	19	19	19	19	19	19	19	19	19	19
51 MW GEO_2019	-	-	-	-	17	17	17	17	17	17	17	17	17	17	17
102 MW GEO_2033	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
76.5 MW GEO_2033	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100 MW PV_2033	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25 MW PV_2035	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25 MW PV_2036	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25 MW PV_2037	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25 MW PV_2037	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50 MW PV_2038	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25 MW PV_2039	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25 MW PV_2040	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50 MW PV_2041	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50 MW PV_2042	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25 MW PV_2043	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25 MW PV_2044	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Renewables - Subtotal	311	365	403	422	453	453	453	453	453	453	453	453	453	453	453
Total Contracts (External)	1,011	1,065	1,103	552	453	453	453	453	453	453	453	453	453	453	453
TOTAL GROSS PURCHASES	1,545	1,599	1,637	1,086	987	987	987	897	727	727	727	727	727	727	727
Less Scheduled Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL NET PURCHASES	1,545	1,599	1,637	1,086	987	987	987	897	727	727	727	727	727	727	727
AVAILABLE RESOURCES															
IMP OPEN POSITION	207	176	128	1,028	1,085	833	963	853	891	379	453	612	711	811	892
LONG POSITION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TRANSMISSION															
Balancing Area Import Transmission Capacity	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Balancing Area Customer Load (2)	262	265	267	269	271	273	274	278	279	280	299	299	299	299	299
System Import Transmission Capacity	2,238	2,235	2,233	2,231	2,229	2,227	2,226	2,222	2,221	2,220	2,201	2,201	2,201	2,201	2,201
Import Capacity for Reserve Sharing (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of Renewable Resources	216	232	232	232	263	263	263	263	263	263	263	263	263	263	263
Subtotal	2,022	2,003	2,001	1,999	1,966	1,964	1,963	1,959	1,958	1,957	1,938	1,938	1,938	1,938	1,938
Import Capacity for other Native Load Requirements	1,232	1,201	1,153	1,483	1,540	1,033	1,163	1,053	1,090	579	652	812	910	1,011	1,092
Import Capacity Requirement for Planned Generation	-	-	-	-	-	-	-	273	486	1,083	1,083	1,083	1,083	1,083	1,083
Estimated Available Transmission Capacity (4)	790	802	848	516	426	931	800	633	381	295	203	43	(55)	(156)	(237)

TABLE S-14 L&R TABLE – 2030 - 2044

NEVADA POWER COMPANY - 2014 ERCR - Base Load 200PV, LVC, SP ERCR															
Description	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
GROSS SYSTEM PEAK LOAD FORECAST (January 2014)	7,420	7,504	7,596	7,672	7,756	7,841	7,927	8,014	8,102	8,191	8,281	8,372	8,464	8,557	8,651
DSM	398	398	399	399	399	399	399	399	399	399	399	399	399	399	399
Net Metering	59	60	61	61	62	62	62	62	62	62	62	62	62	62	62
Demand Response	243	243	243	243	243	243	243	243	243	243	243	243	243	243	243
SYSTEM PEAK LOAD FORECAST (1) (January 2014 Load Forecast)	6,720	6,803	6,893	6,969	7,052	7,137	7,223	7,310	7,398	7,487	7,577	7,668	7,760	7,853	7,947
SNWA Obligation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NET SYSTEM PEAK LOAD	6,720	6,803	6,893	6,969	7,052	7,137	7,223	7,310	7,398	7,487	7,577	7,668	7,760	7,853	7,947
Planning Reserve Requirement (12%)	806	816	827	836	846	856	867	877	888	898	909	920	931	942	954
REQUIRED RESOURCES	7,526	7,619	7,720	7,805	7,898	7,993	8,090	8,187	8,286	8,385	8,486	8,588	8,691	8,795	8,901
RESOURCES (Itemized)															
<u>Existing Internal Generation Facilities (Retire Date, 12/31/xx)</u>															
Clark 4 (2020)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clark 9,10 (9 - 2033, 10 - 2034)	430	430	430	430	215	-	-	-	-	-	-	-	-	-	-
Clark Peakers 11-22 (2038)	619	619	619	619	619	619	619	619	619	-	-	-	-	-	-
Goodsprings (2043)	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Harry Allen 3 (2025)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Harry Allen 4 (2036)	72	72	72	72	72	72	72	-	-	-	-	-	-	-	-
Harry Allen 5,6,7 (2046)	484	484	484	484	484	484	484	484	484	484	484	484	484	484	484
Higgins (2039)	530	530	530	530	530	530	530	530	530	530	-	-	-	-	-
Lenzie 1 (2041)	551	551	551	551	551	551	551	551	551	551	551	551	-	-	-
Lenzie 2 (2041)	551	551	551	551	551	551	551	551	551	551	551	551	-	-	-
Reid Gardner 1,2,3 (2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reid Gardner 4 - Base (2017)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Silverhawk (75% Share) (2039)	390	390	390	390	390	390	390	390	390	390	-	-	-	-	-
Sunpeak 3,4,5 (2026)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	3,632	3,632	3,632	3,632	3,417	3,202	3,202	3,130	3,130	2,511	1,591	1,591	489	489	489
<u>Existing Generation Requiring or Affecting Imports</u>															
Hoover	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200
Navajo 1,2,3 (2019)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Existing Generation	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200
	3,832	3,832	3,832	3,832	3,617	3,402	3,402	3,330	3,330	2,711	1,791	1,791	689	689	689
<u>Planned Internal Generation Facilities</u>															
15 MW PV_2016 (COD 1/1/2016)	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
200 MW PV_2016 (COD 10/1/2016)	76	76	76	76	76	76	76	76	76	76	76	76	76	76	76
35 MW PV_2021 (COD 1/1/2021)	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13
3x_7EA_27	213	213	213	213	213	213	213	213	213	213	213	213	213	213	213
2x1_CC_20	597	597	597	597	597	597	597	597	597	597	597	597	597	597	597
	905	905	905	905	905	905	905	905	905	905	905	905	905	905	905
<u>Total Planned Internal Generation</u>															
	905	905	905	905	905	905	905	905	905	905	905	905	905	905	905
<u>Planned Generation Facilities Requiring Import Rights</u>															
1x1_CC_22	273	273	273	273	273	273	273	273	273	273	273	273	273	273	273
3x_7EA_23	213	213	213	213	213	213	213	213	213	213	213	213	213	213	213
2x1_CC_24	597	597	597	597	597	597	597	597	597	597	597	597	597	597	597
3x_LMS 100_30	234	234	234	234	234	234	234	234	234	234	234	234	234	234	234
3x_LMS 100_32	-	-	234	234	234	234	234	234	234	234	234	234	234	234	234
2x1_CC_35	-	-	-	-	-	597	597	597	597	597	597	597	597	597	597
3x_LMS 100_36	-	-	-	-	-	-	234	234	234	234	234	234	234	234	234
1x1_CC_38	-	-	-	-	-	-	-	-	273	273	273	273	273	273	273
1x1_CC_39	-	-	-	-	-	-	-	-	-	273	273	273	273	273	273
2x1_CC_39	-	-	-	-	-	-	-	-	-	597	597	597	597	597	597
2x1_CC_40	-	-	-	-	-	-	-	-	-	-	597	597	597	597	597
3x_LMS 100_40	-	-	-	-	-	-	-	-	-	-	234	234	234	234	234
1x1_CC_41	-	-	-	-	-	-	-	-	-	-	-	273	273	273	273
2x1_CC_42	-	-	-	-	-	-	-	-	-	-	-	-	597	597	597
2x1_CC_42	-	-	-	-	-	-	-	-	-	-	-	-	597	597	597
	1,317	1,317	1,551	1,551	1,551	2,148	2,382	2,382	2,655	3,525	4,356	4,629	5,823	5,823	5,823
Total Planned Generation Requiring Imports	2,222	2,222	2,456	2,456	2,456	3,053	3,287	3,287	3,560	4,430	5,261	5,534	6,728	6,728	6,728
Total Planned Generation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less Scheduled Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL GENERATION	6,054	6,054	6,288	6,288	6,073	6,455	6,689	6,617	6,890	7,141	7,052	7,325	7,417	7,417	7,417

TABLE S-15 L&R TABLE – 2030 – 2044

NEVADA POWER COMPANY - 2014 ERCR - Base Load
200PV, LVC, SP ERCR

Description	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Specific Purchases															
Qualifying Facilities															
NCA 1 (2022)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NCA 2 (2022)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Saguaro (2021)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Qualifying Facilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracts (Internal)															
LV CoGen I (Buy, Retire 2036)	50	50	50	50	50	50	50	-	-	-	-	-	-	-	-
LV CoGen II (Buy, Retire 2036)	224	224	224	224	224	224	224	-	-	-	-	-	-	-	-
Total Contracts (Internal)	274	274	274	274	274	274	274	-	-	-	-	-	-	-	-
Contracts (External)															
Griffith	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Silverhawk (SNWA Transaction)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Solar1	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34
ACE Searchlight	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Fotowatio Apex	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Republic Apex Landfill	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
Next Light Silver State	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
JsyValNP	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
DsrP&NP	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
(Blue Mountain) FlknerNP	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
GalZNP	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
SHWeNP	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
SHWtrNP (PV & GEO)	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21
Tuscarora	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21
Tuscarora Expansion (Option)	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
McGinness	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
McGinness Hills Expansion	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16
NextEra Mountain View	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
FRV Spectrum	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19
Crecent Dunes	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
SpValley	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
WMRE Lockwood	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Future Purchases (ERCR)															
100 MW PV_2016	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38
100 MW PV_2017	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38
50 MW PV_2018	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19
51 MW GEO_2019	17	17	17	17	17	17	17	17	17	17	17	17	17	17	17
76.5 MW GEO_2032	-	-	-	34	34	34	34	34	34	34	34	34	34	34	34
100 MW PV_2032	-	-	-	26	26	26	26	26	26	26	26	26	26	26	26
100 MW PV_2032	-	-	-	38	38	38	38	38	38	38	38	38	38	38	38
50 MW PV_2032	-	-	-	-	-	10	10	10	10	10	10	10	10	10	10
51 MW GEO_2033	-	-	-	-	-	10	10	10	10	10	10	10	10	10	10
25 MW PV_2034	-	-	-	-	-	-	10	10	10	10	10	10	10	10	10
25 MW PV_2035	-	-	-	-	-	-	10	10	10	10	10	10	10	10	10
25.5 MW GEO_2037	-	-	-	-	-	-	-	19	19	19	19	19	19	19	19
25 MW PV_2038	-	-	-	-	-	-	-	-	10	10	10	10	10	10	10
25 MW PV_2039	-	-	-	-	-	-	-	-	-	10	10	10	10	10	10
50 MW PV_2040	-	-	-	-	-	-	-	-	-	-	19	19	19	19	19
25 MW PV_2041	-	-	-	-	-	-	-	-	-	-	-	19	19	19	19
25 MW PV_2041	-	-	-	-	-	-	-	-	-	-	-	-	10	10	10
50 MW PV_2042	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10
Renewables - Subtotal	453	453	453	551	551	561	570	589	608	618	627	646	665	675	684
Total Contracts (External)	453	453	453	551	551	561	570	589	608	618	627	646	665	675	684
TOTAL GROSS PURCHASES	727	727	727	825	825	835	844	859	868	878	887	906	925	935	944
Less Scheduled Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL NET PURCHASES	727	727	727	825	825	835	844	859	868	878	887	906	925	935	944
AVAILABLE RESOURCES															
	6,781	6,781	7,015	7,113	6,898	7,290	7,533	7,206	7,498	7,759	7,679	7,971	8,082	8,092	8,101
OPEN POSITION	745	838	705	692	1,000	704	556	981	787	627	807	617	609	704	799
LONG POSITION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TRANSMISSION															
Balancing Area Import Transmission Capacity	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Balancing Area Customer Load (2)	299	299	299	299	299	299	299	299	299	299	299	299	299	299	299
System Import Transmission Capacity	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201
Import Capacity for Reserve Sharing (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of Renewable Resources	263	263	263	323	323	323	323	323	323	323	323	323	323	323	323
Subtotal	1,938	1,938	1,938	1,878	1,878	1,878	1,878	1,878	1,878	1,878	1,878	1,878	1,878	1,878	1,878
Import Capacity for other Native Load Requirements	945	1,038	905	892	1,200	904	756	1,181	987	827	1,007	817	809	903	999
Import Capacity Requirement for Planned Generation	1,317	1,317	1,551	1,551	1,551	2,148	2,382	2,382	2,655	3,525	4,356	4,629	5,823	5,823	5,823
Estimated Available Transmission Capacity (4)	(324)	(417)	(518)	(565)	(873)	(1,174)	(1,260)	(1,685)	(1,764)	(2,474)	(3,485)	(3,508)	(4,754)	(4,848)	(4,944)

TABLE S-16 FOOTNOTES TO NEVADA POWER'S L&R TABLES

- (1) SNWA 125 MW contract through 2018.
- (2) Coincident combined loads for Boulder City, CRC-BMI, City of LV SB211, LVVWD, Lincoln, Overton, East Side / Newport, SB 211, , City of Henderson.
- (3) Reserve sharing assistance assumed to change from the Southwest Reserve Sharing Group (SRSRG) to the Northwest Power Pool.
- (4) Estimates are based on summer peak conditions only.

SECTION V – SUMMARY OF THE RENEWABLE ENERGY PLAN: NAC § 704.9215(2)(e)

The renewable energy plan set forth in this ERCR Plan continues Nevada Power's RPS compliance planning and advances important facets of SB 123, namely developing renewable energy for our state and providing jobs for the recovery of our economy. The Preferred Plan efficiently and effectively meets the requirements of the Commission's regulations implementing that legislation by meeting the requirements for new renewable energy RFPs and new utility-sponsored construction or acquisition of renewable energy facilities. SB 123 and the associated regulations related to renewable energy require Nevada Power, in its ERCR Plan filing, to provide, at a minimum, for a) the construction or acquisition of 50 MW of electric generating capacity from renewable energy facilities, and b) the issuance of RFPs for 300 MW of electric generating capacity from renewable energy facilities. The renewable energy plan complies with the requirements set forth in SB 123 and supports Nevada Powers continued compliance with the RPS.

The Preferred Plan will solidly position Nevada Power to meet the requirements of Nevada's RPS. These requirements grow to 25 percent by 2025, with five percent of the RPS that must be generated or acquired from solar resources (growing to six percent starting in 2016). These RPS requirements continue to grow in accordance with statutory requirements, even during periods of low or flat load growth. Nevada Power's ability to comply with the RPS is dependent on variables that will evolve over time, such as load, changes in law, continued successful operation of the existing portfolio and stable resource for projects. Compliance with the RPS requires the Company to measure against a continuously evolving target. Nonetheless, Nevada Power expects to be fully compliant with the RPS requirements during the Action Plan Period of the ERCR Plan, 2015, and beyond. Execution of the Preferred Plan that includes new renewable construction of 15 MW of solar PV at Nellis, 200 MW of solar PV at Moapa, and RFPs for 300 MW of additional renewable energy will position the Nevada Power and its customers to meet future RPS requirements through at least 2033. Please see Section IV for a more detailed discussion of these facilities.

While Nevada Power's renewable energy portfolio is adequate to satisfy the RPS through the Action Plan Period, the Company must diligently plan to meet its ongoing RPS compliance requirements after the Action Plan Period. Although no new power purchase agreements with renewable energy projects are presented for approval in this ERCR Plan, the Company is asking the Commission to approve an RFP program, the completion of 15 MW of solar PV and 200 MW of solar PV, and solar siting work described below.

EXISTING RENEWABLE ENERGY CONTRACTS

Nevada Power has been able to contract for many of Nevada's prime renewable resources through long-term PPAs, and is now seeing the results of these efforts as numerous projects complete construction and begin operating. The following list sets forth all of the facilities that are operating and contributing to RPS requirements as of the end of 2013:

1. Goodsprings Recovered Energy Generation Station, waste heat-7.5 MW
2. Desert Peak 2 Geothermal Power, geothermal PPA-25 MW
3. Faulkner 1 Geothermal Power Plant, geothermal PPA-49.5 MW
4. Galena 2 Geothermal Power Plant, geothermal PPA-13 MW
5. Jersey Valley Geothermal Project, geothermal PPA-22.5 MW
6. McGinness Hills Geothermal Project, geothermal PPA-48 MW
7. Salt Wells Geothermal Plant, geothermal PPA-23.6 MW
8. Stillwater 2 Geothermal Plant, geothermal PPA-47.2 MW
9. Tuscarora Geothermal Plant, geothermal PPA-32 MW
10. Apex Nevada Solar, solar PPA-20 MW
11. Las Vegas Valley Water District ("LVVWD"; six projects), solar PPA-3 MW
12. Mountain View Solar, solar PPA-20 MW
13. Nellis Air Force Base, Solar Star, solar PPA-13.2 MW
14. Nevada Solar One, solar PPA-46.9 MW (balance of plant contracted to Sierra)
15. Silver State Solar, solar PPA-52 MW
16. Spectrum Nevada Solar, solar PPA-30 MW
17. Stillwater 2 Solar, solar PPA-22 MW
18. Spring Valley Wind, wind PPA-151.8 MW
19. CC Landfill Facility, gas recovery PPA-12 MW
20. Lockwood Renewable Energy Facility, gas recovery PPA-3.2 MW

SECTION VI - SUMMARY OF ENERGY SUPPLY PLAN: NAC § 704.9215(f)

Pursuant to NAC § 704.9061, an “Energy Supply Plan” means a plan that:

1. Establishes the parameters of an energy supply portfolio for a utility for the three-year period covered by its Action Plan and which balances the objectives of:
 - a) Minimizing the cost of supply;
 - b) Minimizing retail price volatility; and
 - c) Maximizing the reliability of energy supply over the term of the energy supply plan.
2. Is composed of a purchased power procurement plan, fuel procurement plan and risk management strategy.

Nevada Power’s 2015 Energy Supply Plan Update (“ESP Update”) will be filed concurrent with this 2014 ERCR. The ESP Update provides the Company’s recommended power procurement plan, fuel procurement plan, and risk management strategy based on current conditions. This ESP may need to be adjusted over the Action Plan period to adequately respond to changes in the market, changes in the Company’s expected loads and resources, and other significant changes in circumstances. Pursuant to NAC § 704.9504, Nevada Power may deviate from the approved ESP “to the extent necessary to respond adequately to any significant change in circumstances not contemplated by the Energy Supply Plan.” If Nevada Power deviates from its approved ESP, it will inform the Commission’s Staff of the deviation as soon as practical. In addition, Nevada Power will include in its next annual deferred energy application a description of and justification for the deviation. If a deviation from the ESP is of a continuing nature, Nevada Power will seek authority from the Commission to deviate prospectively from the ESP in an update of the ESP filed pursuant to NAC § 704.9506, or by filing an amendment to the ESP pursuant to NAC § 704.9504(3).

Pursuant to NAC §§ 704.9508(2) and 704.9494, the Commission may determine that the elements of an ESP are prudent if the following requirements are met:

- The ESP balances the objectives of minimizing the cost of supply, minimizing retail price volatility and maximizing the reliability of supply over the term of the plan.
- The ESP optimizes the value of the overall supply portfolio of the utility for the benefit of its bundled retail customers.

- The ESP does not contain any feature or mechanism that the Commission finds would impair the restoration of the creditworthiness of the utility or would lead to a deterioration of the creditworthiness of the utility.

The 2015 ESP Update balances the objectives of minimizing the cost of supply, minimizing retail price volatility and maximizing the reliability of supply over the term of the plan.

Price volatility risk remains, particularly with respect to fuel supplies. Assuming approval of the proposed ESP Update, the estimated costs of fuel and purchased power costs during the Action Plan period under the low, base, and high fuel & purchased power price scenarios are summarized in Figure S-4.

**FIGURE S-4
ESTIMATED COST TO SERVE FOR 2015**

Year	TOTAL PRODUCTION COSTS, EXCLUDING FIXED & VARIABLE OPERATIONS AND MAINTENANCE (UNHEDGED)			TOTAL PRODUCTION COSTS, EXCLUDING FIXED & VARIABLE OPERATIONS AND MAINTENANCE (25,000 MMBTU/DAY OF FIXED PHYSICAL NATURAL GAS)		
	Cost to Serve Assuming Low F&PP Prices (\$000) (A)	Cost to Serve Assuming Base F&PP Prices (\$000) (B)	Cost to Serve Assuming High F&PP Prices (\$000) (C)	Cost to Serve Assuming Low F&PP Prices (\$000) (D)	Cost to Serve Assuming Base F&PP Prices (\$000) (E)	Cost to Serve Assuming High F&PP Prices (\$000) (F)
2015	\$886,906	\$1,053,192	\$1,276,874	\$896,353	\$1,053,192	\$1,262,554

The Company calculated the projected Base Tariff Energy Rates (“BTERs”) and Deferred Energy Accounting Adjustment (“DEAA”) rates for 2015 under the low, base, and high fuel and purchased power price forecasts. The projected BTER and DEAA rates, along with estimated carrying charges, are presented in Technical Appendices.

The expected cost to serve and forecasted rates are expected to remain within a reasonable band under the Company’s proposed procurement strategies.

This ESP optimizes the value of the overall supply portfolio of the utility for the benefit of its bundled retail customers.

The Company will continue to monitor and adjust the power portfolio. By monitoring the portfolio, Nevada Power can identify and account for changes in load, cost, volatility, reliability, and other commercial or technical factors. Day-ahead or day-of power purchases are expected to be made if there is an open position, or if system costs of decremental energy exceed the additional cost of market purchases. Similarly, day-ahead or day-of power sales are expected to be made as opportunities appear, including spot, fixed price, or indexed agreements as specified in the Energy Risk Management and Control Policy. The Company intends to continue to issue

reverse RFPs for the prospective forward sale of heat rate call options, as specified in the Portfolio Optimization Procedures Manual.

This ESP does not contain any feature or mechanism that would impair the restoration of the creditworthiness of the utility or would lead to a deterioration of the creditworthiness of the utility.

Historically, the Commission has implemented an energy supply planning process and the Company's credit has improved. Currently, the Company is able to provide financing for this ESP without impairing its creditworthiness, assuming timely recovery under current rate recovery mechanisms.

A. POWER PROCUREMENT PLAN

The Company's power position for 2015 is projected to be 250 MW open. The Company does not propose to take any short-term action to close the position at this time. If Nevada Power later determines a need for additional capacity or energy, the Company will procure needed products through a competitive bidding process. Any proposed purchases of greater than three years in duration will be submitted to the Commission for approval in accordance with NAC §§ 704.9113 and 704.9512. In addition, Nevada Power will continue to make forward and short-term sales of resources not expected to be needed to serve native load.

The Company currently anticipates satisfying the RPS through the Action Plan Period based on current load forecasts and current renewable supply projections. The Company's goal for short-term purchases of renewable energy is to augment, not supplant, supplies from long-term renewable energy PPAs by helping to close gaps resulting from under-producing, late and cancelled projects. To the extent short-term purchases can be made on an opportunistic basis, they help Nevada Power meet its RPS requirements and bridge to between project completion dates. In addition, the Company expects to continue with the past practice of purchasing PCs from customers in Nevada who host renewable energy systems with uncommitted PCs.

B. GAS PROCUREMENT PLAN

The gas procurement plan has three components: physical gas procurement plan; gas transportation plan; and gas hedging plan.

Physical Gas Procurement Plan. Nevada Power employs a four-season laddering strategy for physical gas purchases through which 25 percent of projected monthly gas requirements per season are procured, subject to the availability of conforming bids and the willingness of

suppliers to accept reasonable commercial terms. All of Nevada Power's physical gas is expected to come from the Rocky Mountain gas supply basin.

Gas Transportation Plan. Nevada Power is requesting acceptance and approval of its gas transportation plan. Presently, no contracts will be discontinued. Two existing gas transport contracts with Kern River Gas Transmission Company are set to expire on September 30, 2016, and require a decision to extend by September 30, 2015. Nevada Power is requesting approval to renew these two contracts at lower Period Two²¹ rates for rolled-in rate service for up to fifteen years, resulting in lower annual costs by approximately \$0.7 million. Nevada Power is also requesting approval to acquire additional firm gas transportation capacity, up to 40,075 MMBtu/day, through a competitive bid process as part of the proposed gas transportation strategy. The additional capacity will assist in minimizing any future open position with respect to firm interstate gas transportation. Nevada Power will continue to purchase firm delivered gas to reliably meet small open positions. As part of the acquisition of LV Cogen, Nevada Power will assume and maintain two gas transportation agreements with Southwest Gas Company.

Gas Hedging Plan. For delivery periods April 2015 to March 2016, the Company proposes to procure fixed physical natural gas in the amount of 25,000 MMBtu/day to cover two gas seasons. The Company will continue to monitor the natural gas market fundamentals and recommend changes to the hedging strategy in an ESP Update or ESP Amendment as necessary. Should the Company determine that additional hedging would be in the best interest of its customers for periods beyond March 2014, it will make a specific proposal to the Commission in its next ESP filing, a future ESP update or in an ESP amendment filed pursuant to NAC § 704.9504(3).

C. COAL PROCUREMENT PLAN

Nevada Power is proposing to continue the current coal procurement strategy containing the following elements:

- Fill Reid Gardner Unit 4's coal requirements for 2015 via spot market solicitations as necessary.

D. RISK MANAGEMENT STRATEGY

The Company's risk management strategy includes:

- Detailed corporate governance and risk control policies and procedures;

²¹ Kern River Gas Transmission Company's Tariff in Section 30.1(c), Sheet No. 299 defines Period Two as "The contract term that commences when the primary term of an Eligible Shipper's Period One transportation service agreement ends and during which an Eligible shipper will be charged Period Two rates."

- Compliance with approved supply plans;
- Reduced reliance on volatile wholesale markets;
- Increased fuel diversity;
- Use of competitive procurement processes;
- Gas hedging strategies; and
- Market monitoring.

Risk Control measures the Company's energy portfolio against specific criteria, including transaction approval limits, test period mark-to-base, value at risk, and credit risk limits. Specific measurements are compared to the approved exposure notification thresholds. Reports are prepared to identify, track and report compliance with the Company's risk policies.

Credit Risk Management mitigates risk of the organization by reviewing potential transactions with counterparties to make sure they comply with credit limits. All potential transactions are reviewed to determine the credit ratings, policy limits based on credit ratings, the current mark-to-market exposure of all current transactions, and whether the potential credit exposure calculations are within the Company's policy limits.

SECTION VII – A SUMMARY OF THE ACTIVITIES, ACQUISITIONS, AND COSTS INCLUDED IN THE ACTION PLAN OF THE UTILITY: NAC § 704.9215(2)(g)²²

The Company seeks Commission approval of the following Action Plan items, which must be acted upon within the Action Plan period, 2015. Items denoted with an asterisk (*) meet the requirements of NAC § 704.9512(2)(g) and Section 13(2)(b) of LCB R131-13.

A. LOAD FORECAST – ERCR & ESP

- Approval of the load forecast that is provided in the Load Forecast, Market Fundamentals and Fuel and Purchase Power volume. Approval of the loads and resources tables for 2015 that are presented in the ESP Update, Economic Analysis and Financial Plan volume. A finding that the load forecast is based upon substantially accurate data that has been adequately demonstrated and defended, and has been adequately documented and justified. A finding that the load forecast is appropriate for resource planning decision making through the Action Plan period.*

B. FUEL AND PURCHASED POWER FORECAST – IRP & ESP

- Approval of the fuel and purchased power price forecasts presented in the Load Forecast and Market Fundamentals volume. A finding that the fuel and purchased power price

²² See LCB File No. R131-13, Sec. 13(2)(b).

forecasts are based upon substantially accurate data that has been adequately demonstrated and defended, and has been adequately documented and justified. A finding that the fuel and purchased power forecasts are appropriate for resource planning decision making through the Action Plan period.*

C. ERCR PLAN

(1) Retirement Plan

- Approval to retire coal-fired generating units as shown in Table S-17.

**TABLE S-17
RETIREMENT PLAN**

Unit	Planning Capacity	Retire or Eliminate	Date
Reid Gardner Generating Station, Units 1, 2 & 3	300 MW	Retire	12/31/2014
Reid Gardner Generating Station, Unit 4	257 MW	Retire	12/31/2017
Navajo Generating Station, 11.3 percent Ownership Interest	255 MW	Eliminate	12/22/2019
Total Retired/Eliminated Planning Capacity	812 MW		

Note: Retire is to remove a unit permanently from service.

Eliminate is to divest a utility's ownership interest in the facility.

(2) 550 MW of Company-Owned Replacement Capacity, see Table S-18

- A finding, pursuant to NAC § 704.0097, that good cause exists for deviating from LCB R131-13 § 12(8).
- Approval to acquire 224 MW of intermediate gas-fired combined cycle capacity from LV Cogen Unit 2.
- Approval to acquire 222 MW of natural gas-fired peaking capacity from Sun-Peak Generating Company.
- Approval to invest approximately \$471.6 million to acquire the development assets and complete the construction of the Moapa Solar Project, a 200 MW (nameplate) solar PV facility.

- Approval to acquire LV Cogen Unit 1 as a package with LV Cogen Unit 2.

TABLE S-18
550 MW COMPANY-OWNED REPLACEMENT CAPACITY
(NON-TECHNOLOGY SPECIFIC)

Unit	Timing of Replacement	Planning Capacity	Type of Capacity	Fuel	Estimated Cost
LV Cogen Unit 2	1/1/2015	224 MW	Intermediate	Natural Gas	\$130.8m
Sun-Peak Generating Unit	6/1/2016	222 MW	Peaking	Natural Gas	\$15.8m
Moapa Solar Generating Station	10/1/2016	76 MW	Intermittent	Solar	\$438.1m ²³
LV Cogen Unit 1	10/1/2017	50 MW	Peaking	Natural Gas	\$0.0 ²⁴
Total Replacement Capacity		572 MW			\$584.7m

Note: Planning capacity is the reliable capacity at the time of summer peak. With regard to the Moapa Solar Generating Station, the “nameplate” capacity is approximately 200 MW.

(3) 350 MW of Replacement Renewable Capacity

- Approval to issue three 100 MW RFPs for renewable resources pursuant to the schedule set forth in Table S-19.

²³ This estimate does not include an allowance for funds used during construction (“AFUDC”).

²⁴ LV Cogen Unit 1 will be acquired as a package with LV Cogen Unit 2.

**TABLE S-19
THREE 100 MW RFPS**

RFP Schedule 300 MW			
EVENT	2014	2015	2016
Release Public Notice	10/01/14	12/14/15 ²⁵	11/15/16
Short List/Start Negotiations	02/13/15	03/11/16	02/24/17
Conclude Negotiations	03/30/15	04/22/16	04/07/17
IRP (Amendment) Approval Filing	07/01/15	06/15/16	06/01/17
PUCN Approval Timeline	12/28/15	10/28/16	10/14/17

- Approval of the Nellis Solar Array II, a 15 MW solar PV facility located on the Nellis Air Force Base at a cost of approximately \$54.5 million (excluding AFUDC). Included in the budget are the new distribution interconnection facilities to interconnect the facility with the Company’s Nellis 69/12 kV substation at a cost of \$4.6 million and the distribution interconnection facilities to interconnect the PV facility and Nellis Air Force Base to the Company’s Lincoln 138/12 kV substation and a new Clinton 69/12 kV substation at a cost of \$3.2 million, excluding AFUDC.
- Approval to spend up to \$4.4 million as shown in Table S-20 on initial siting activities related to one or more proposed new solar PV generating facilities northeast of Las Vegas in Clark County, Nevada.

²⁵ LCB R131-13 § 12.3(a) requires that the Company shall not accept proposals until the previous RFP is complete. Proposals would be accepted (due) in February 2016.

**TABLE S-20
CLARK COUNTY SOLAR DEVELOPMENT BUDGET**

	TOTAL PRE- 2015	2015	TOTAL²⁶
Permitting costs	\$95	\$1,101	\$1,196
Project management and internal labor	40	150	190
Outside services: design, consulting, legal, etc.	40	600	640
BLM auction	2,347	-	2,347
TOTAL	\$2,522	\$1,851	\$4,373

D. RENEWABLES

- Approval of the Renewable Expansion Plan set forth in Section 2.D. of the Supply Side Plan.

E. TRANSMISSION

- Harry Allen Transformer. Because Nevada Power does not seek to include the Harry Allen 1,500 MVA, 500/230 kV autotransformer in the regulatory asset to be established for SB 123 eligible projects, Nevada Power will file a brief amendment seeking separate approval of the new Harry Allen 1,500 MVA, 500/230 kV autotransformer 45 days after it files the ERCR. The Company will rely on the information provided in this ERCR in making its amendment filing and seek to consolidate the amendment requesting approval for the Harry Allen 500/230 kV transformer with the ERCR filing for hearing purposes.
- To interconnect the Moapa Solar Project to the Company’s transmission system at Harry Allen, the Company requests approval to spend approximately \$1.7 million on network upgrades at the Harry Allen substation. This work will include site metering and communication, substation entrance work, permit assistance, environmental work and protection review.

²⁶ If permitting efforts continue beyond 2015, estimated costs total approximately \$7.3 million.

F. DEMAND SIDE PROGRAMS

Nevada Power is not seeking approval of any change to its approved DSM Plan. The DSM portfolio of programs is consistent with that included in Nevada Power's application for approval of its 2012 Integrated Resource Plan, as modified by the Commission's order and approved on December 24, 2012 in Docket 12-06053. The estimated energy efficiency savings attributed to this portfolio is consistent in all of the alternative expansion plans evaluated for this Emissions Reduction and Capacity Replacement plan. As required by the Commission's regulations, the Company will file an update to its 2015 DSM Plan by July 1, 2014.

G. ENERGY SUPPLY PLAN

Nevada Power's Energy Supply Plan is described in Section VI above.

H. ACTION PLAN BUDGET

Table S-21 lists the individual projects and the associated budgets for the Action Plan period.

TABLE S-21
ACTION PLAN BUDGET²⁷

NEVADA POWER COMPANY
ESTIMATED CASH FLOWS
(millions excluding AFUDC)

Action Plan Projects	Total	Total Pre-2015	Action Plan 2015	Non-Action Plan Period	Expected Completion/ In-service
Generation					
LV Cogen 1 and 2	\$ 130.82		\$ 130.82		12/31/2014
Sun-Peak	\$ 15.83		\$ 15.83		12/31/2014
<i>Subtotal Generation</i>	\$ 146.65	\$ -	\$ 146.65	\$ -	
Renewables					
Nellis Solar II	\$ 54.50		\$ 54.50		12/31/2015
Moapa Solar	\$ 438.09	\$ 6.00	\$ 192.21	\$ 239.88	10/1/2016
Clark County Solar Development	\$ 4.37	\$ 2.52	\$ 1.85		12/31/2016
<i>Subtotal Renewables</i>	\$ 496.96	\$ 8.52	\$ 248.56	\$ 239.88	
Transmission					
Harry Allen ("HA") Transformer Breaker Bay at HA for Moapa	\$ 46.70		\$ 0.94	\$ 45.77	6/1/2017
	\$ 1.70		\$ 1.70		12/31/2015
<i>previously approved</i>					
ON Line (Nevada Power's portion 95%)			\$ 0.12		
WestConnect membership			\$ 0.15		
<i>Subtotal transmission</i>	\$ 48.40	\$ -	\$ 2.91	\$ 45.77	
Demand Side					
Per Approved DSM Plan			\$ 53.05		12/31/2015
<i>Subtotal DSM</i>	\$ -	\$ -	\$ 53.05	\$ -	
Total	\$ 692.01	\$ 8.52	\$ 451.17	\$ 285.65	

²⁷ Harry Allen Transformer. Because Nevada Power does not seek to include the Harry Allen 1,500 MVA, 500/230 kV autotransformer in the regulatory asset to be established for SB 123 eligible projects, Nevada Power will file a brief amendment seeking separate approval of new Harry Allen 1,500 MVA, 500/230 kV autotransformer 45 days after it files the ERCR. The Company will rely on the information provided in this ERCR in making its amendment filing, and seek to consolidate the amendment requesting approval for the Harry Allen 500/230 kV transformer with the ERCR filing for hearing purposes.