

Daily Demand

WHAT IS IT?

NV Energy will introduce restructured energy bills in Southern Nevada beginning on January 1, 2027. This update will include daily demand for residential and small commercial customers. This update is designed to modernize how electric service costs are structured, without increasing NV Energy's overall revenue.

Currently, customer bills include a basic service charge and an energy usage charge (based on total electricity consumed). These components will be reduced slightly and beginning in January, daily demand will be separated from the energy rate to more accurately reflect the cost of delivering electricity when it is needed most.

WHAT IS IT NOT?

Daily demand is NOT

- A new charge on customer bills
- An experimental or unproven rate
- A time of use rate

The change is revenue-neutral and focused on cost accuracy and fairness.

WHY?

Daily demand more accurately captures the cost of maintaining and delivering energy during periods of highest demand on the system. It also improves fairness in how costs are shared among customers.

The updated structure:

- Aligns charges with actual system usage patterns
- Addresses cost-shifting between rooftop solar and non-solar customers
- Ensures all customers pay equitably for the grid infrastructure they rely on

By law, all customers must be charged consistently. Under the current structure, some costs are not evenly distributed. Daily demand helps correct that imbalance.

HOW DOES IT WORK?

Daily demand is calculated based on each customer's highest 15-minute interval of electricity use and this resets every day of the month. These daily peaks are totaled over the billing period to determine the monthly Daily Demand charge. A typical household will see a daily demand total of approximately \$0.49 per day.

At the same time:

- The basic service charge has already decreased (effective October 1, 2025).
- The per-kilowatt-hour energy rate will decrease when daily demand is implemented.
- These adjustments are designed to keep total customer bills approximately the same overall.

HOW DOES IT IMPACT CUSTOMERS?

Most customers are expected to see little to no change in their overall bill, and many may see slight decreases.

Customers can:

- Maintain current usage habits with minimal impact
- Lower bills by managing peak usage periods, if they choose


Rooftop solar customers in Southern Nevada may see a modest bill increase due to more accurate cost allocation.

Status:

Daily demand will take effect January 1, 2027, for Southern Nevada customers.

The rate structure has been reviewed and upheld through extensive regulatory and legal processes, including affirmation by two courts as reasonable and supported by substantial evidence.

Continued on reverse



On May 26, Justice Holthus of the Eighth Judicial District Court said of daily demand:

“Ninety percent of the people paying for 10% of the people, I just keep coming back to that. At the end of the day, it sounds like 100% of the people are going to have better rates. Now, the 10% are going to be higher than they would have been without this, but they’re still going to be lower than this 90%, and there’s still the benefits. The way the evidence comes to me, 100% of the people are going to gain from this.”

Ahead of implementation, Southern Nevada customers will receive educational materials that highlight the largest sources of energy use in their home and provide a comparison showing what a recent bill would have looked like under the new rate structure. Customers will also have access to web-based tools that offer detailed insights into when energy is used, along with tips and programs to help manage usage through behavioral changes and technology.