



NV GreenEnergy Rider program Frequently Asked Questions

Q1. What is the NV GreenEnergy Rider (NGR) program?

Ans. – A variety of solar, geothermal, wind and other forms of renewable energy serve all NV Energy customers. However, for various business and environmental stewardship reasons, a growing number of large companies are willing to pay a slight premium for the benefit of receiving more of their energy or all of their energy from renewable energy resources.

NV Energy’s NV GreenEnergy Rider program follows guidelines approved by the Public Utilities Commission of Nevada to contract with such customers and secure long-term renewable energy resources on their behalf. Often major customers can take advantage of this opportunity in parallel with the available PowerShift suite of energy efficiency offerings, which are designed to save energy and lower monthly bills for these same type of customers.

Q2. Do I need to separate from NV Energy and find my own supplier if I want to be 100 percent renewable energy?

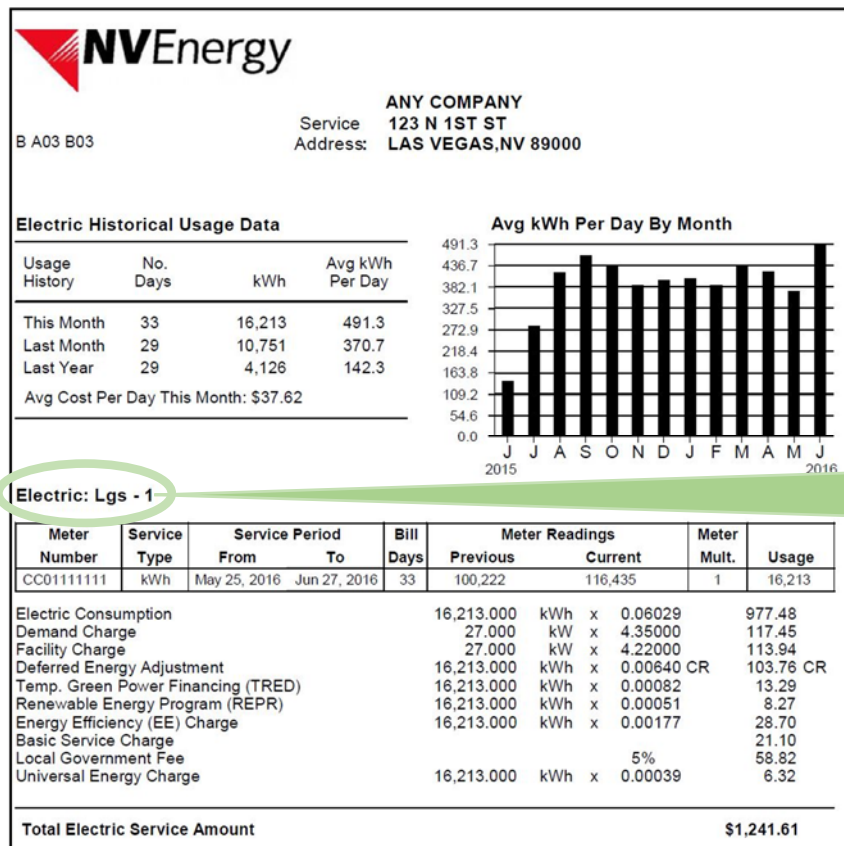
Ans. – No. Through this NV GreenEnergy Rider program, large NV Energy customers have already secured renewable energy resources that equal 100 percent of their energy consumption. For as little as a half-cent per kilowatt-hour premium or less, this initiative is available to all large NV Energy customers – on a first-come, first-served basis – to meet all of their energy needs with renewable energy resources.

Q3. If my company or entity is interested, how do I pursue this opportunity?

Ans. – Simply go to www.nvenergy.com/NGR and follow the “How to Apply” steps. These steps ultimately lead to a Renewable Energy Agreement between you (the customer) and NV Energy.

Q4. I see the program applies to medium general service (GS-2 or LGS-1) or larger customers. How do I know what category of customer my company is?

Ans. – All commercial customers of NV Energy have an assigned Major Account Executive or Business Solutions representative. If you need assistance determining what customer category applies to your company, you may locate it on your bill, contact your account executive, or contact the Business Solutions Center in Northern Nevada at 775-473-6998 or in Southern Nevada at 702-402-1000.



Customer category is shown on page 1 of your monthly statement

Q5. Is the NV GreenEnergy Rider opportunity available at this time?

Ans. – No. However, this is an ideal time to prepare for the next “open season” – which is a reference to when interest will be accepted by NV Energy on a first-come, first-served basis. It is anticipated the next NGR Open Season will be issued in the first quarter of 2017, and it is expected to be issued on an annual basis. Click [here](#) to review the first NGR Open Season application process, required forms, etc.

Q6. What happens if my company participates in the program, but my power demand falls below the one-megawatt (1.0 MW) threshold requirement as outlined in the Renewable Energy Agreement?

Ans. – Generally, there would not be a customer impact from a participation standpoint. The minimum requirement of one megawatt (1.0 MW) of aggregated demand per customer is established for initial enrollment. The customer’s Renewable Energy Agreement specifies the Renewable Energy Rate for its “dedicated amount”, which is payable for the term of the agreement, even if the demand falls below the one megawatt threshold. There is no maximum load criteria established for initial enrollment.

Q7. I understand the need to align the contract length of a Renewable Energy Agreement with the contract length of your renewable energy Power Purchase Agreement, but

what happens if my company is sold, goes out of business, or experiences a financial hardship and can't pay the higher NV GreenEnergy Rider rate?

Ans. – NV Energy will make commercially reasonable efforts to mitigate such damages by marketing the Portfolio Energy Credits that would have been purchased by the customer under the Renewable Energy Agreement, or by using the Portfolio Energy Credits for NV Energy's compliance with the Renewable Energy Law. In the event NV Energy is able to sell or internally use such Portfolio Energy Credits that would have been purchased by the customer under the Renewable Energy Agreement, the damages due will be adjusted accordingly. The damages are intended to protect other, non-participating, customers that would be at risk of paying the renewable premium if a participating customer defaults per the Renewable Energy Agreement. Additional details on default, damages and remedy terms can be reviewed in Section 8 of the pro forma Renewable Energy Agreement posted at www.nvenergy.com/NGR.

Q8. Is it possible to have a shorter term length on the Renewable Energy Agreement?

Ans. – There is a possibility that the request for proposals for the 2017 Open Season may ask for proposals shorter than the current Power Purchase Agreement term length (i.e. 20 years, or more). However, it should be noted that a shorter term length will result in a higher NGR rate. Similar to a mortgage, the fewer years on the term of the loan, the higher the principle payments.

Q9. Does the Renewable Energy Agreement require my company to stay as a fully subscribed customer?

Ans. – Yes, all companies who elect to take advantage of the NV GreenEnergy Rider program must remain as full customers of NV Energy.

Q10. Do distribution-only customers qualify for the NGR program?

Ans. – No. Distribution-only service customers do not qualify as a NV GreenEnergy Rider customer under the tariffs. Only fully-subscribed GS-2/LGS-1 or larger customers can qualify.

Q11. Can customers request to be served by a particular renewable energy resource?

Ans. – Yes. You may request a specific renewable energy source via e-mail at NGR@NVEnergy.com. To align with regulatory guidance, a request for proposals will be developed, based on the customer's request. Please note, the lowest-cost and best-value resource(s) from the bidding process will offer the most regulatory certainty and will require regulatory approval. Customer input is used to construct the request for proposals for new renewable resources, including their location, but there is no guarantee that the lowest-cost, best-value proposal will coincide with the customer's preference.

Q12. Once my NGR application is approved, when will my business be served by renewable energy? When will the premium be reflected on my bill?

Ans. – We anticipate the Public Utilities Commission of Nevada will rule on the current NV GreenEnergy Rider agreements by the end of 2017. At that point, the selected renewable energy project will move into the development and construction phase. Once the project achieves commercial operation, the premium will be added to your bill on a monthly basis for the term of the contract. Anticipated commercial operation for the lowest cost resource is expected to be December 31, 2019. However, partial early delivery of the solar energy resource may be possible in early to mid-2018, depending on a final agreement with the selected supplier.

Q13. Why is the renewable energy premium more expensive in north Nevada?

Ans. – The premium is based on the cost of the associated Power Purchase Agreement. The supplier considers several factors when determining pricing, including but not limited to, the project costs along with the resource potential. Solar resources, for example, in northern Nevada have a slight disadvantage over similar solar resources in southern Nevada. NV Energy selects the best resource, which is based on a competitive bidding process that considers both pricing and non-pricing criteria.

Q14. The Customer Participation Agreement states, “NV Energy has identified a solar photovoltaic energy resource located in Clark County, Nevada that could provide a source of portfolio energy credits.” How is this different or better than making a shorter commitment to buy renewable energy credits from the open market?

Ans. – The price NV Energy offers for renewable energy credits from identified renewable resource are likely less than what can be obtained on the open market. Additionally, an independent evaluator submits their reports directly to the Public Utilities Commission of Nevada for oversight. This guarantees the lowest-cost and least-risky resource is purchased on behalf of our NGR participants.

Q15. Is the amount of portfolio energy credits NV Energy purchases for NGR customers equal to the amount of renewable energy the customer buys?

Ans. – Yes. This “dedicated amount” from the Renewable Energy Agreement between the customer and NV Energy is independent of customer load.

Q16. What happens if the photovoltaic system produces less energy than the demand from NGR customers?

Ans. – The facility that was selected through the request for proposals process and approved by regulators was designed to meet the aggregated needs for customers. In the event production of the facility does not meet customer demand, the energy would be allocated to customers on a pro-rata share basis, per the Renewable Energy Agreement terms.

Q17. Is my company associated with one specific project for the entire 20 to 25 year agreement?

Ans. – Yes, unless your demand increases to the point where another resource must be used to meet the additional demand, you will be associated with one specific project. If your demand increases and you wish to increase your related credits for renewable energy, the NGR premium would be recalculated as necessary.

Q18. Why is NV Energy entitled to damages if the Power Purchase Agreement is terminated, but there are no protections for NGR customers?

Ans. – The customer does not have to pay the higher rate if there is not renewable energy available from the facility. NGR customers only pay for the Portfolio Energy Credits that are generated and transferred to the customer's account in the Western Renewable Energy Generation Information System or the Nevada Tracks Renewable Energy Credits System.

Q19. Is the dedicated amount in kilowatt-hours (kWh) or kilowatts (kW)?

Ans. – The dedicated amount is in kilowatt-hours.

Q20. What happens if the demand exceeds what is contracted in the Power Purchase Agreement?

Ans. – If the NGR participant wishes to meet the additional demand with renewable energy, NV Energy will work with the supplier to increase the size of the facility or enter into another power purchase agreement with alternate suppliers.

Q21. What happens if demand is less than expected?

Ans. – NV Energy will retain the resources for capacity replacement as authorized by the Public Utilities Commission of Nevada.

Q22. How much of the energy my company consumes already comes from renewable resources?

Ans. – Currently, all customers are served by 19 geothermal energy plants, 12 solar resources, six hydro facilities, five biomass or methane resources and one large wind farm. Three more large solar resources (429 megawatts) are in the construction or development stage. The legislated Renewable Portfolio Standard for 2015 was 20 percent, and NV Energy achieved a 31.3 percent Renewable Portfolio Standard in northern Nevada and 21.2 percent Renewable Portfolio Standard in southern Nevada. However, the legislature included energy efficiency, station power used by geothermal energy facilities, a multiplier for energy used on the customer's side of the meter, carry-forward credits and other elements in the Renewable Portfolio Standard.

Q23. What is the difference between “Portfolio Energy Credits” and “Renewable Energy Credits”?

Ans. – A “Portfolio Energy Credit” is equal to 1,000 watts of renewable energy for an hour (or 1 kilowatt-hour). A “Renewable Energy Credit” is equal to 1,000 Portfolio Energy Credits – or one megawatt-hour.