MINUTES OF THE SENATE COMMITTEE ON COMMERCE, LABOR AND ENERGY SUBCOMMITTEE ON ENERGY

Seventy-ninth Session April 10, 2017

The Subcommittee of the Senate Committee on Commerce, Labor and Energy was called to order by Chair Pat Spearman at 6:35 p.m. on Monday, April 10, 2017, in Room 2144 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Exhibit A is the Agenda. Exhibit B is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

SUBCOMMITTEE MEMBERS PRESENT:

Senator Pat Spearman, Chair Senator James A. Settelmeyer Senator Patricia Farley

STAFF MEMBERS PRESENT:

Marji Paslov Thomas, Policy Analyst Bryan Fernley, Counsel Lynn Hendricks, Committee Secretary

OTHERS PRESENT:

Timothy DenHerder-Thomas, Cooperative Energy Futures

Garret Weir, Commission General Counsel, Public Utilities Commission of Nevada

Angela M. Dykema, Director, Office of Energy, Office of the Governor

Judy Stokey, NV Energy

Dylan Sullivan, Natural Resources Defense Council

Rose McKinney-James, Valley Electric Association, Inc.

Ralph Williamson, Pastor, First African Methodist Episcopal Church; Faith Organizing Alliance

Leonard Jackson, Reverend, Director, Faith Organizing Alliance

CHAIR SPEARMAN:

I will open the work session on Senate Bill (S.B.) 392.

SENATE BILL 392: Revises provisions relating to energy. (BDR 58-663)

MARJI PASLOV THOMAS (Policy Analyst):

I have prepared a worksheet (<u>Exhibit C</u>) giving a brief summary of the bills and amendments on today's agenda. <u>Senate Bill 392</u> is described on pages 4 and 5 of <u>Exhibit C</u>. Nine amendments have been proposed for this bill; five are from Senator Mo Denis (<u>Exhibit D</u>), two are from Ernie Adler on behalf of the International Brotherhood of Electrical Workers Local 1245 (<u>Exhibit E</u>), and two are from Senator Spearman. The amendments from Senator Spearman are shown on page 5 of <u>Exhibit C</u>.

SENATOR FARLEY:

I have two questions. First, are community solar gardens considered utilities? If so, would they fall under the law and regulations governing utilities? Second, I am concerned about not knowing NV Energy's fate if the industry is deregulated in the next election. I love the idea of community solar gardens.

CHAIR SPEARMAN:

I had similar questions. I have asked a representative of the company that built the Shiloh Temple Community Solar project in Minnesota to speak with us and answer our questions.

TIMOTHY DENHERDER-THOMAS (Cooperative Energy Futures):

Cooperative Energy Futures is a local clean energy cooperative in Minnesota. We helped develop the Shiloh Temple project and are working on seven other community solar garden projects in Minnesota. There are several other developers working on community solar projects in Minnesota, but we are one of the few focused on partnering with communities to serve residential and low-income subscribers.

Community solar garden legislation was passed in Minnesota in May 2013 and was processed through our public utilities commission. A community solar garden is a large solar array designed and installed by a company like Cooperative Energy Futures, which then invites members of the community to sign up to get their power from these arrays, also called solar gardens. The local utility connects these systems to the grid and offers subscribers credit on their utility bills for the portion of the energy produced by the solar array assigned to each subscriber.

The project at Shiloh Temple is a 201 kilowatt (kW) solar garden. It has been subscribed to by the church on which it is located, as well as a couple of neighborhood businesses and about 25 local residents. We set the subscription size to be roughly equivalent to what would cover their annual energy usage. The rules in Minnesota state law say such arrays cannot exceed 120 percent of their annual usage. We designed the system and manage the subscriber relationship through a billing system. Xcel Energy has a contract with us that essentially guarantees the right of our members and subscribers to get credits on their utility bills from that system.

We have a couple of different options for how people can subscribe. The most common one is what we call a pay-as-you-go subscription, which means the subscriber pays nothing for the solar system on the front end. Rather, they pay a monthly fee based on the amount of kilowatt-hours (kWh) generated by the system. We have been able to price it such that the amount we charge per kWh is less than the credit they get on their bill. We are making this work on a relatively small solar garden at around 14 cents per kWh. Some of our larger solar gardens are able to do it for much less.

In the Shiloh Temple project, subscribers became members of the cooperative. Among other things, this means profits that accumulate from it go back to the community. Over the lifetime of the solar array, we are delivering about a 23 percent reduction in energy bills. Additional profits that come into the cooperative through the project are distributed to the membership, and that provides additional value, though the amounts are uncertain.

SENATOR FARLEY:

Does Minnesota have a deregulated energy market?

Mr. DenHerder-Thomas:

No. It is a regulated market, so there is no consumer choice outside of the community solar garden programs.

SENATOR FARLEY:

Would you see deregulation as a problem for community solar gardens?

Mr. DenHerder-Thomas:

Not particularly. In Minnesota, solar gardens would almost be the same as a different sourcing contract for a different energy provider.

SENATOR FARLEY:

Community solar gardens have been proposed to us as a way to give lower-income people a way to reap the benefits of solar energy. Are you able to do that in Minnesota and allow people who cannot put solar on their rooftops to participate?

Mr. DenHerder-Thomas:

Yes, exactly. A big focus of our approach is working with renters, who obviously do not have the property ownership to install solar. We offer a way to participate in solar that is zero upfront cost and an immediate cost savings from the first month. Our projects offer a relatively modest reduction in energy bills of 6 to 7 percent on the front end when there is no particular subsidy. But because you can essentially flatline the cost of solar over 25 years, there is a strong potential for savings, which is how we get to an expected savings of 23 percent over the life of the project. That is based on a conservative estimate on how energy prices will change in the future.

SENATOR FARLEY:

Is there anything that might not be working well that we should do differently in Nevada?

Mr. DenHerder-Thomas:

Yes, though I should make it clear that this is my opinion and not the consensus of the solar industry as a whole.

Initially, the majority of developers were proposing very large projects in the range of 10, 20, or 30 megawatt (MW) systems. They were not intending to serve residents; the vast majority of development in Minnesota has not been focused on residents, and definitely not on renters or low-income residents. These large projects sign up five subscribers, which is the state minimum, who are large commercial entities or institutions. I do not have a problem with that, but if it is happening in the absence of deep participation for residential customers and particularly renters and low-income customers who would not

otherwise have access to solar, it is not meeting the purpose of community solar gardens.

There are some additional barriers to the community solar garden. Many of the financing entities that build solar systems are less familiar and less comfortable with a large number of individual residents and residents who have low incomes or low credit scores. We have had to do a lot of work to demonstrate and prove the security of these projects to make that work. There are market forces that make it harder to serve renters and low-income people. If that is the goal, you need to make it explicit and have mechanisms and standards to ensure it happens. I could probably spend hours going into details about various mechanisms of how to do that. In the absence of a program design focusing on residential and low-income, there is a strong likelihood the majority of subscribers will not be residential or low income.

SENATOR SETTELMEYER:

What is the average cost of electricity for individuals in Minnesota at the moment? You said the rate for the solar garden was 14 cents per kWh.

Mr. DenHerder-Thomas:

It gets a little complex because it is not net metered in Minnesota. For our historic projects, including the Shiloh Temple project, the retail rate, meaning what our residential customers would pay, is around 13.3 cents per kWh. However, the credit they would receive on their bill is about 15.3 cents, and that is because the solar garden developer is receiving value for the renewable energy credits as well. At a 14-cent rate, which is roughly what we are offering for Shiloh, they are saving the difference between 14 cents, which is what they are paying, and 15.3 cents, which is what they are being credited for.

The rate structure in Minnesota has since changed and is now a lower rate structure. It is called the value of solar, and it is based on a complex calculation of all the aspects of grid value that solar provides to the grid: avoided generation, avoided transmission, avoided pollutant and externality costs, various factors that are in the overall equation. That is coming in right now at just over 10 cents with an escalator over 25 years. That has made it a little harder in the market. There is some discussion right now at Minnesota's public utilities commission about creating a residential adder to make it more accessible for residents.

The cost of solar is coming down so fast that going from 14 cents to 12 cents, and pretty soon to 10 cents, is possible as the industry scales. Part of the value in scaling this program is thinking about if a minor incentive is needed to get it off the ground, how can we use that to scale a long-term and scalable solar industry in the state that can ultimately become one of the most affordable sources of power? I do not know your electric costs in Nevada, but I know your solar access is much better than it is in Minnesota. I would assume you would have a lot of potential.

CHAIR SPEARMAN:

There has been some discussion in Nevada as to whether going this route will increase or decrease jobs. Can you speak to that?

Mr. DenHerder-Thomas:

I read a report released by some of the job agencies in Minnesota showing that in 2016, Minnesota had a 169 percent increase in solar jobs. We now have an industry with at least 2,500 solar jobs in the state. That increase is largely because of the community solar garden program. Nationwide, the U.S. Department of Energy shows that there are more solar jobs in the U.S. than there are coal jobs, and solar is only a tiny fraction of the energy supply. There is a huge opportunity for job growth and an economic boom coming out of solar and other clean energy resources. We are experiencing that right now in Minnesota. We have a job training program in which we invite folks from low-income communities and communities of color to participate in learning how to install solar. As a cooperative, we include in our installation contracts that our contractors have to hire at least 50 percent minority labor. It is like an on-ramp through that training program.

CHAIR SPEARMAN:

You mentioned something about giving back some of the savings, that some of the savings go back to the participants in the solar garden. How does that happen?

Mr. DenHerder-Thomas:

There are two pieces of the savings for the residents. One is their subscription, so their subscription is at a lower cost than the value they receive in their energy bills. There are immediate savings. That is true for any community solar developer in the state. The second is unique to the model Cooperative Energy

Futures uses. As a business, we are organized as a member-owned cooperative. All of the subscribers who are getting their energy through us are member-owners of the business. They democratically control the business through the board of directors, which they elect and can run for.

Also, as the cooperative generates profit, subscribers receive an allocation of that profit based on what proportion of the overall business in the cooperative is their subscriptions. This ensures that the profits generated from the project, after expenses, debt service, operating reserves, and all those things you need to make a viable business, are going back to the subscribers. We have found that this is not going to amount to a whole lot of additional cash in the first six years. It starts to ramp up in years 7 to 15, and then once the project depth is completed, profit is on the order of 40 to 50 percent, which is then redistributed back to the membership.

I have a video developed by our partners at Minnesota Interfaith Energy Power and Light about the Shiloh Temple project to show the Subcommittee. It can also be seen online at https://youtu.be/VG4Lo1ycDiQ.

With regard to Senator Farley's question about whether community solar gardens are utilities, in Minnesota they are not. Usually solar gardens do not go up to the transmission level of the system. They are putting power out only at the distribution level, distributing a small amount of electricity within the community rather than shipping it long-distance. Also, the Minnesota solar garden statute is clear that the solar garden developer is not selling energy to the end customer. Instead, we are selling the right to get bill credits from a portion of the electricity generated by the solar panels. The customers are still buying all their electricity from the utility, which passes through the credits from the solar panels. For this reason, we are not designated or identified as public utilities, and the utility regulations do not apply to us.

The solar garden credit is almost the same situation as solar customers who get energy credit from the solar systems on their own roofs. It is just that it is not on their own roofs.

SENATOR FARLEY:

So the utility buys the energy and sells it to the customer, and the community solar garden is the broker. Is that right?

Mr. DenHerder-Thomas:

Not exactly. It is a three-way relationship. There is the developer, which in our case is Cooperative Energy Futures; the utility, which in our case is Xcel Energy; and the subscriber, who is the consumer. We deliver energy to the utility; the utility delivers energy to the consumer. The utility delivers bill credits to the consumer, and those credits offset a substantial portion of the normal energy bill; the consumer then pays us for the subscription. We are not seen as delivering energy directly to the consumer. We are delivering energy to the utility, the utility credits the customer for their share of that energy, and the customer pays us.

GARRET WEIR (Commission General Counsel, Public Utilities Commission of Nevada):

In Nevada, the definition of a public utility would likely include this type of equipment. However, the statutes are permissive regarding whether the Public Utilities Commission of Nevada (PUCN) fully regulates a utility under that definition. The PUCN does not necessarily have to exercise jurisdiction. With that in mind, an exemption was carved out for net metering systems in the last Legislative Session to avoid the issue of regulation as a public utility. This is in Nevada Revised Statute (NRS) 704.021, section 9, which explicitly exempts the owner or operator of a net energy metering system from the definition of public utility. As net energy metering systems are currently defined, the scale of community solar gardens would be outside that definition, but this body could always amend that definition to cover these types of systems as well.

SENATOR FARLEY:

So if I have a solar panel on my roof, I get my energy from the panel instead of accessing the utility, and the excess might go on to the transmission. With a community solar garden, the only way I can get the energy is if it goes through the transmission to that network. Is that right?

Mr. Weir:

There seems to be some confusion about the terms. It would not be the transmission network. It would be the distribution system at the more local level. That would be the local grid, NV Energy's distribution system. Even with the residential rooftop systems, that excess generation goes onto the local distribution system in the same way that these distributed solar gardens would.

CHAIR SPEARMAN:

Mr. Fernley, could you address that from a legal standpoint, please?

BRYAN FERNLEY (Counsel):

With regard to whether a community solar garden or a subscriber organization would be considered a public utility subject to regulation by the PUCN, section 15 of the bill states that community solar garden subscriber organizations would not be considered a public utility for the purposes of those regulations that apply to public utilities. Community solar gardens and subscriber organizations would be subject to the regulations that would be adopted under section 11 of the bill. However, section 15 would exempt those entities from regulation as public utilities.

SENATOR FARLEY MOVED TO RECOMMEND THE FULL COMMITTEE AMEND AND DO PASS AS AMENDED <u>S.B. 392</u> WITH THE NINE AMENDMENTS NOTED.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION PASSED. (SENATOR SETTELMEYER VOTED NO.)

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CHAIR SPEARMAN:

I will open the work session on S.B. 65.

SENATE BILL 65: Revises provisions related to the filing by certain electric utilities of an integrated resource plan. (BDR 58-167)

SENATOR FARLEY MOVED TO RECONSIDER S.B. 65.

SENATOR SETTELMEYER SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Ms. Paslov Thomas:

<u>Senate Bill 65</u> and its amendment are summarized on page 1 of <u>Exhibit C</u>. The two amendments in Proposed Amendment 3375 (<u>Exhibit F</u>) were suggested by Senator Spearman.

SENATOR SETTELMEYER:

Could we have an explanation of the amendments in Exhibit F?

Mr. Fernley:

The first amendment in <u>Exhibit F</u> would allow the PUCN to consider the cost of those sources. The second amendment in <u>Exhibit F</u> would say if the PUCN chooses not to give a preference to those sources of supply because of the consideration of cost, the PUCN would have to justify that decision.

SENATOR SETTELMEYER:

It seems that the intent of the amendment is to make sure the PUCN can give a mathematical reason it was not a justifiable cost. They cannot just say they did not do it. Is that the only thing they have to do?

CHAIR SPEARMAN:

They have to show justification. I guess your question is whether the PUCN can simply say, "No, we didn't want to consider it," or do they have to show why they did not consider it. Is that your question?

SENATOR SETTELMEYER:

My question is if the PUCN provides mathematical cost-benefit analysis information based upon tangible, quantifiable material, is that proof?

CHAIR SPEARMAN:

Ms. Dykema, was that your intent?

ANGELA M. DYKEMA (Director, Office of Energy, Office of the Governor):

The intent of <u>S.B. 65</u>, as it was recommended by the Governor's New Energy Industry Task Force, is to have the PUCN give preference to measures that supply the greatest environmental and economic benefits and potential for new jobs in Nevada while reducing the risk to customers of the price volatility of fossil fuels because renewables tend to be in fixed contracts at set rates.

The second amendment in <u>Exhibit F</u> says that if the PUCN decides the dollar cost outweighs the environmental benefits, it must provide a justification for that decision.

SENATOR SETTELMEYER:

I wanted to get that on the record. Sometimes, we have not been clear in the directions we have given the PUCN. That is why I wanted to make sure to make it clear that theoretically, the math does govern. If the PUCN makes this determination, a dollars and cents justification is acceptable.

Ms. DYKEMA:

The intent was to shift away from a focus on the lowest cost and to give preference to the measures that provide the greatest environmental and economic benefit. If preference is not given to those factors, there would need to be a justification as to why cost was the only thing considered.

SENATOR SETTELMEYER:

Now it is as clear as mud. That is what I am trying to avoid. Trying to quantify some of the environmental gains can be problematic, compared to dollars and cents.

Ms. Dykema:

There is nothing in <u>S.B. 65</u> that prescribes how that valuation is to be done. That would be left to the PUCN.

SENATOR SETTELMEYER:

We have given enough direction to make them completely confused. Hopefully, they will be able to figure it out as they go along. I appreciate the amendments; they make it a better bill. I am still confused, but I am willing to move the bill while I figure it out.

CHAIR SPEARMAN:

I appreciate the questions. One of the things that was brought out during the Task Force meetings was that there are accepted universal rubrics in place to talk about the economic, environmental and health care costs of different energy sources. I can drive across town to get gas that is 15 cents cheaper than the gas station around the corner, but if you take into consideration the gas I will use to get there, it does not look so cost-effective. The formulae that

are in place answer the question. We can always go back and provide more guidance. I am hoping we will not restrict the performance of the PUCN to the point where we wind up back where we were in December 2015. We are trying to give them some guidance while at the same time giving them latitude to use the technological information tools that are available.

SENATOR SETTELMEYER MOVED TO RECOMMEND THE FULL COMMITTEE AMEND AND DO PASS AS AMENDED <u>S.B. 65</u> WITH PROPOSED AMENDMENT 3375.

SENATOR FARLEY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR SPEARMAN:

I will open the work session on S.B. 145.

SENATE BILL 145: Revises provisions relating to energy. (BDR 58-54)

Ms. Pasi ov Thomas:

<u>Senate Bill 145</u> and its amendment are summarized on pages 2 and 3 of <u>Exhibit C</u>. The five amendments in Proposed Amendment 3415 (<u>Exhibit G</u>) were suggested by Senator Spearman.

SENATOR SETTELMEYER:

This is a major amendment. Could we have NV Energy weigh in on the change in section 1.2, subsection 1, paragraph (b)? I do not know if that means they have remote control of it or how that works.

CHAIR SPEARMAN:

Is your question whether the electric utility would be in control of energy storage systems for which an incentive is awarded?

SENATOR SETTELMEYER:

The question is whether it is actual physical control.

JUDY STOKEY (NV Energy):

I am seeing that language for the first time. My understanding is that it would be similar to what we do with solar generation right now, where it is on the customer's premises. The incentives come from the bucket of money in the solar generations fund, which is \$255 million, and they are adding \$40 million from wind and hydrogen to bring the total to \$295 million.

SENATOR SETTELMEYER:

Is that a new fund, or are we just combining the buckets?

Ms. STOKEY:

We are combining the buckets. We are not increasing the budget at all.

SENATOR SETTELMEYER:

With regard to control, is it something like a relay control, so you can turn it off in case you have a problem on the grid or something?

Ms. STOKEY:

I am not sure. I will find out.

CHAIR SPEARMAN:

I believe this is language given to us by NV Energy.

I want to reiterate that the provisions in this bill are the same ones we talked about during the Task Force and in the report that was given to the Governor. My commitment to the people on the Task Force's Technical Advisory Committees was that if there was legislation that would help advance the Governor's initiative, I would put that in there. What you see here are things people from all sides of the industry requested but which did not find its way into legislation.

SENATOR SETTELMEYER:

On page 3 of Exhibit G, section 1.3, subsection 4 of the amendment says the "The Commission shall not authorize the payment of an incentive pursuant to this section as part of the Solar Program" Are those incentives to be paid to each individual who buys an electric car, or are we talking about those individuals willing to put forth the resources to create refueling stations?

Ms. STOKEY:

This program helps with the financial impact of installing charging stations. It is not to give discounts for electric vehicles.

SENATOR FARLEY MOVED TO RECOMMEND THE FULL COMMITTEE AMEND AND DO PASS AS AMENDED <u>S.B. 145</u> WITH PROPOSED AMENDMENT 3415.

SENATOR SETTELMEYER:

I may be able to support this bill on the Floor, but for now I am going to vote no and reserve my right to change my vote. This is a major amendment, and I would like time to study it.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION PASSED. (SENATOR SETTELMEYER VOTED NO.)

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CHAIR SPEARMAN:

I will open the work session on S.B. 146.

<u>SENATE BILL 146</u>: Requires certain electric utilities to file a distributed resources plan with the Public Utilities Commission of Nevada. (BDR 58-15)

Ms. Paslov Thomas:

<u>Senate Bill 146</u> and its amendment are summarized on page 3 of <u>Exhibit C</u>. The one amendment in Proposed Amendment 3630 (<u>Exhibit H</u>) was suggested by Senator Spearman.

CHAIR SPEARMAN:

This is the amendment we discussed in the bill's hearing to make the timeframe more realistic.

In order for distributed resource planning to be meaningful and effective, it needs to be considered in the context of all planning decisions, whether generation, transmission or energy efficiency. There has been discussion of

creating a new PUCN process for distributed resource planning that is outside of the integrated resource plan (IRP). I understand that in creating a new separate process of the PUCN, additional funds may need to be allocated to incorporate a new process rather than appropriately including it within existing comprehensive processes. The amendment is a clear, uncomplicated solution. The PUCN would have an additional 30 days to process the IRP.

That is pretty straightforward. It is not a new process; it simply adds additional days for them to do what they already do.

SENATOR SETTELMEYER:

There is discussion within the bill about cost benefits. I want to make sure for the record that those cost benefits are tangible numbers. Is that correct?

CHAIR SPEARMAN:

Yes, they are.

SENATOR SETTELMEYER MOVED TO RECOMMEND THE FULL COMMITTEE AMEND AND DO PASS AS AMENDED <u>S.B. 146</u> WITH PROPOSED AMENDMENT 3630.

SENATOR FARLEY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR SPEARMAN:

I will open the work session on S.B. 150.

SENATE BILL 150: Revises provisions related to energy efficiency programs. (BDR 58-568)

Ms. Paslov Thomas:

<u>Senate Bill 150</u> and its amendment are summarized on page 3 of <u>Exhibit C</u>. The five amendments in the proposed amendment (<u>Exhibit I</u>) were suggested by Judy Stokey of NV Energy and Dylan Sullivan of the Natural Resources Defense Council.

CHAIR SPEARMAN:

This is the bill that caused the most heartburn, but I think we finally hit pay dirt. Everybody agreed to the proposed amendments in Exhibit I.

SENATOR FARLEY MOVED TO RECOMMEND THE FULL COMMITTEE AMEND AND DO PASS AS AMENDED <u>S.B. 150</u> WITH THE AMENDMENTS OFFERED BY NV ENERGY AND THE NATURAL RESOURCES DEFENSE COUNCIL.

SENATOR SETTELMEYER SECONDED THE MOTION.

SENATOR SETTELMEYER:

Does the bill still require goals and targets, or has that been removed?

CHAIR SPEARMAN:

The amendment strikes the language about providers of electric service. It is not the same language that would create goals or targets.

Ms. STOKEY:

We worked as a group to get this amendment to one everybody could agree on. The goals that were in the original bill have been stricken. It will now be up to the PUCN to decide what those goals will be.

DYLAN SULLIVAN (Natural Resources Defense Council):

Rather than setting out numerical energy efficiency goals or requirements as the original bill did, in the amendment, the PUCN is instructed to set goals that will be reflected in the every three years IRP that are filed by utilities. The amendment sets out policy guidance to the PUCN to help them set those goals. In addition, NV Energy is going to move forward on an energy-efficiency potential study to quantify the amount of cost-effective savings that are achievable.

Ms. Stokey:

The last time we did a study that extensive was in 2008 or 2009, and it cost us over \$500,000 to do it, so we do not do them all the time. However, we are going to update that study and will use that information to put our plan together for the next IRP.

SENATOR SETTELMEYER:

I will support the bill at this time but reserve the right to vote no on the Floor.

ROSE MCKINNEY-JAMES (Valley Electric Association, Inc.):

I wanted to thank you for the accommodation. Apparently, there was a drafting error so that the original bill included providers of electric service. That has now been eliminated.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR SPEARMAN:

I will open the work session on S.B. 407.

SENATE BILL 407: Creates the Nevada Green Bank Program. (BDR 58-1133)

Ms. Paslov Thomas:

<u>Senate Bill 407</u> and its amendment are summarized on page 5 of <u>Exhibit C</u>. The three amendments in the proposed amendment (<u>Exhibit J</u>) were suggested by Jeffrey Schub of the Coalition for Green Capital.

SENATOR SETTELMEYER:

Major amendments tend to make me ask a lot of questions. Is this fund still within the Governor's Office?

CHAIR SPEARMAN:

It will be in the Governor's Office, and it will be set up as a 501(c)(3) fund. The reason the amendment strikes the entire bill is that we wanted to make sure it was clear to everyone that it does not contain liens or other language that might make people feel their property was put at risk.

SENATOR SETTELMEYER:

With that being said, the issue to me is the concept of setting up something within the Governor's Office without him giving an enthusiastic yes. I worry about separation of powers when that happens. With that in mind, I will vote no on this bill today.

SENATOR FARLEY MOVED TO RECOMMEND THE FULL COMMITTEE AMEND AND DO PASS AS AMENDED S.B. 407.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION PASSED. (SENATOR SETTELMEYER VOTED NO.)

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CHAIR SPEARMAN:

I understand a rumor is going around that I have my head in the clouds. Much of what I say may not be achieved, but they said things like that to the Wright Brothers, so I am in good company. We are moving forward with expanding Nevada's renewable energy industry, and our State will be much better for it. Years from now, those who come after us will thank us for acting on the political will and having the courage to listen to the voice of the people. Some people say that what 73 percent of the people voted for was not what they voted for. My answer to that is that is what they thought they were voting for. That sends us a message that says they are not happy with business as usual. We are going to move forward without fear or trepidation to make sure Nevada lives up to its potential as an energy leader in the world. We can do this, and I believe we should do no less.

Is there any public comment?

RALPH WILLIAMSON (Pastor, First African Methodist Episcopal Church; Faith Organizing Alliance):

I just want to thank the Subcommittee for its work this evening in passing that bill and helping us to understand the value of community solar gardens. It means so much to those who are disenfranchised and who are paying the most on utility bills that these bills are moving forward to become a part of our State. We want to make sure that all of the individuals in Nevada are included in the growth and development of community solar. I just wanted to make that comment for the record.

LEONARD JACKSON (Reverend, Director, Faith Organizing Alliance):

We would like to thank you for bringing this subject matter again to the public. We speak in terms of energy justice. Energy justice is achieved when we apply

justice principles like democracy and equity to energy policy, energy production and energy systems. Let us not put the new wine of clean energy into the old wine skins of an antiquated energy system. Let us pass <u>S.B. 392</u> and create an opportunity for all communities to rally together to create a just energy future for all Nevadans.

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| Senate Committee on Commerce, Labor and Energy |
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| Subcommittee on Energy |
| April 10, 2017 |
| Page 20 |

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Is there any further public comment? Hearing none, I will adjourn the meeting at 7:54 p.m.

| | RESPECTFULLY SUBMITTED: |
|-----------------------------|--|
| | Lynn Hendricks, Committee Secretary |
| APPROVED BY: | |
| Senator Pat Spearman, Chair | _ |
| DATE: | |

| EXHIBIT SUMMARY | | | | | | | | | |
|----------------------------------|--------------|---------------------|-------------------------|-------------------------|--|--|--|--|--|
| Bill | | hibit / f pages | Witness / Entity | Description | | | | | |
| | A 1 | | | Agenda | | | | | |
| | В 3 | | | Attendance Roster | | | | | |
| | С | 5 | Marji Paslov Thomas | Worksheet Document | | | | | |
| S.B. 392 D 12 | | 12 | Senator Moises Denis | Proposed Amendment | | | | | |
| S.B. 392 | S.B. 392 E 1 | | Ernie Adler / IBEW 1245 | Proposed Amendment | | | | | |
| S.B. 65 | F | 4 | Marji Paslov Thomas | Proposed Amendment 3375 | | | | | |
| S.B. 145 | G | 17 | Marji Paslov Thomas | Proposed Amendment 3415 | | | | | |
| S.B. 146 H 4 Marji Paslov Thomas | | Marji Paslov Thomas | Proposed Amendment 3630 | | | | | | |
| S.B. 150 I 5 | | 5 | Marji Paslov Thomas | Proposed Amendment | | | | | |
| S.B. 407 J 5 | | 5 | Marji Paslov Thomas | Proposed Amendment | | | | | |