



NEVADA RURAL ELECTRIC
ASSOCIATION

***Representing Nevada's Rural Electric Cooperatives,
Power Districts, and Municipal Utilities.***

Prepared for the Nevada Sagebrush Ecosystem Council

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NEVADA RURAL ELECTRIC ASSOCIATION



- Founded in 1974 to represent the collective interests of Nevada's rural electric distribution systems not being served by the I.O.U.
- NREA Advocates for consumers with national and state legislators, agencies, local governments and like-minded Associations about the importance of the services our utility members provide.
- NREA members are not-for-profit distributors of electric service:
 - One municipal utility
 - Six rural electric cooperatives
 - Two power districts.

Governance



- Each NREDA member is an individual *Association* of people with a purpose to purchase and distribute electricity to the members of their Association.
- Local, democratically elected boards are at the center of each member's utility system with a common mission to:
 - Provide safe, reliable, and low-cost electric service for their *owner-member/consumers*.
- PUCN oversight is limited as prescribed in various NRS enabling statutes relative to the Association's entities:
Electric Cooperatives --- Power Districts --- Municipalities.

NREA Utility Members Do Not Have “Customers”



- Net revenues are allocated back to the Owner/Members as *capital credits*... Either refunded by check or utility bill credit on a pro-rata basis. (*Cooperatives*)
- For Public Utility Districts and Municipalities, net revenues are returned to the consumer manifested in lower rates or lower taxes.
- Local Boards set strategic direction for their own utilities:

Total Utility Plant Investment	Total Annual Revenue	Total Employees	Total Annual Payroll
\$293,852,330	\$184,353,076	266	\$12,345,678

STRATEGIC PLANNING



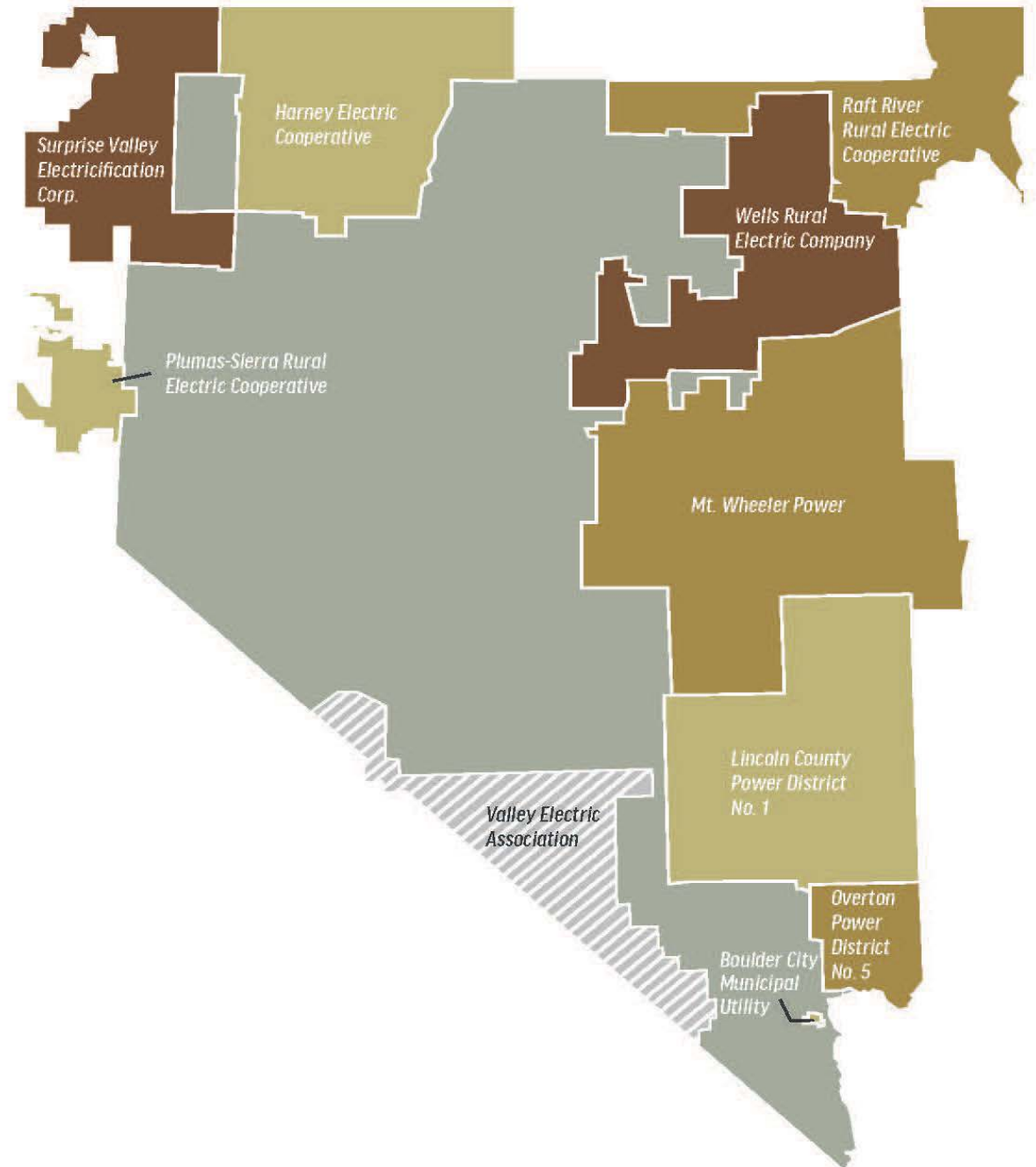
- **The democratic structure** of NREA member Boards
 - Enable each utility's Board to make progressive changes to their own energy policies only if their owner-members/consumers want change.
- Acquire and distribute economically sensible **renewable/carbon-free generation resources**
 - To meet local service area needs as they arise.
- NREA utility members have **no excess profit component** when setting rates.
Rate components = Energy + Demand + Cost of Business

NREA UTILITY MEMBERS



- Harney Electric Cooperative, *Hines, OR*
- Lincoln County Power District No. 1, *Pioche, NV*
- Mt. Wheeler Power, *Ely, NV*
- Overton Power District #5, *Overton, NV*
- Raft River Rural Electric, *Malta, ID*
- Wells Rural Electric Company, *Wells, NV*
- Boulder City Electric Utility, *Boulder City, NV*
- Surprise Valley Electrification Corp, *Alturas, CA*
- Plumas-Sierra Rural Electric Co-op, *Portola, CA*

LOCATION OF NEVADA'S RURAL ELECTRIC UTILITIES



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NEVADA'S RURAL UTILITIES



- Provide electricity over ~50% of the land and serve ~10% of the Nevada's population.
- NREA utility members serve an average 5.2 consumers per mile of distribution power line, compared to over 34 consumers per mile.
- Nevada's rural utilities operate *distribution* systems and seek to acquire and distribute least-cost renewable/carbon-free generation resources to meet their local needs as they arise.

Accounts in Nevada	NV Service Area Sq. Mi.	MWh Sold/2015	Peak Load MW	Miles of Distribution	Miles of Transmission
41,562	48,216	2,731,475	503	12,248	1,664

Summary by the Numbers



- **Utility Members:** 9
- **Renewable/Carbon-Free Portfolio:** ~65%
- **Nevada Consumers:** 41,562
- **Owner-Member/Consumers per mile of distribution line :** 5.2
- **Nevada Service Territory:** 48,216 square miles
- **Employees:** 266
- **Combined Load:** 2,731,475 MWh - **Peak Load:** 502 MW (CY2015)
- **Elected Owner-Member/Consumer Directors:** 68

NREA's Sage Grouse Conservation Accomplishments:



- WREC – Pine Valley Feeder distribution line upgrade (2013).
 - 16 mile distribution upgrade from single phase to three phase.
 - BLM permitting required five stipulations on the proposed project to reduce potential impacts to greater sage-grouse.
 - BLM and WREC amicably agreed to modified stipulations for perch discouragers and bird flight diverters based on an exchange of best available science.
- WREC – Distribution line upgrade and extension (2015).
 - January 2015 WREC met with BLM and WREC Owner/Member (Mine) to discuss greater sage-grouse impacts from the distribution line and extension.
 - April 2015 WREC and BLM compromised regarding perch deterrents. WREC completed a site visit and line-of-sight analysis from known lek to distribution pole locations. Results of line-of-sight analysis were used to determine which structures would receive perch deterrents.
- NREA – Construction and right-of-way renewals (ongoing)
 - NREA utility members proactively apply avoidance and minimization measures to construction activities and existing right-of-way renewals to reduce impacts to greater sage-grouse.
 - Examples include seasonal restrictions on field activities, raven nest removal, and application of perch deterrents.

NREA's Sage Grouse Conservation Accomplishments: (Continued)



- NREA - Draft Land Use Plan Amendment/Draft Environmental Impact Statement (LUPA/DEIS) review (2015).
 - NREA reviewed and provided comment on the LUPA/DEIS for management of greater sage-grouse during development of that document.
 - NREA completed a review of portions of the LUPA/DEIS which may impact their member's infrastructure and operations.
- NREA - Nevada Sagebrush Landscape Conservation and Economic Development Act
 - 2014 NREA reviewed and provided comment on the Act, a bill developed by Nevada Senators Harry Reid and Dustin Heller.
- NREA - Greater Sage-Grouse Bi-State Distinct Population Segment (BSSG) Forest Plan Amendment/Final Environmental Impact Statement (FEIS) review (2015)
 - NREA reviewed and provided comment on the FEIS for management of the greater sage-grouse bi-state population during development of that document.

NREA's Sage Grouse Conservation Accomplishments: (Continued)



- HEC - *Oregon Sub-Regional Greater Sage-Grouse Draft Resource Management Plan Amendment/Draft Environmental Impact Statement (DEIS) review (2014).*
 - HEC reviewed and provided comment on the LUPA/DEIS for management of greater sage-grouse during development of that document.
 - HEC completed a review of portions of the LUPA/DEIS which may impact their infrastructure and operations.
- NREA – Greater Sage-Grouse Focal Point at annual meetings.
 - 2013 - NREA hosted biologists from consulting firm POWER Engineers at their annual conference to provide information regarding greater sage-grouse, desert tortoise, golden eagle, and other biological constraints potentially encountered by NREA members.
 - 2014 - NREA hosted biologists from consulting firm POWER Engineers at their annual conference to specifically educate members on the changing landscape of greater sage-grouse regulation and management.
 - 2016 – NREA hosted Kelly McGowan as a keynote speaker to inform and educate NREA Leadership about SEC- CCS.
 - 2017 – Kelly McGowan and the TAT has been invited to provide a CCS update and to determine possible collaboration efforts going forward.

Environmental Challenges Facing Nevada's Rural Electric Power



- Avian Management Plans
 - Primary Conservation-focus on *Predator Deterrence*
 - Federal and State ESA-EPA compliance
 - Structure type variation
 - Height of poles (Distribution = 35' to 45') (Transmission = 65'– 100'+)
 - Armless construction design
 - 60" standard phase separation
 - Fiberglass insulated links for guy-wires
 - Raven Control Program
 - Depredation permits are not keeping up with population increase
 - ~\$400,000 for NREA's not-for-profit distribution systems (not including rangeland wildfire suppression)
- CCS Concerns
 - Primary Conservation-Focus on Sage Grouse *habitat protection*
 - The Utility as a Buyer vs. Developer Role Confusion - with owner/member
 - Up to 30-year Commitment preventing power line changes
 - Conflicting standard between BLM and SEC - "6-Kilometer Rule"
(Anti-perch on entire line vs. Line of sight)

The Future: NREA & SEC Working Together



- NREA utility member policies are set to achieve equitable, environmentally responsible, sustainable livelihood for all owner-member/consumers.
 - We stand together as an Association of independent not-for-profit electric distribution systems... ready, willing, and able to assist the SEC enhance the sagebrush ecosystem with “net-benefit” to Sage Grouse habitat; and,
- To ensure the availability of safe, reliable, low-cost electric service to rural Nevadans.
 - Technical advisors are available from each NREA utility member to partner with the SEC-TAT to facilitate and contribute to responsible on-going research and data collection.



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