

LAS VEGAS SUN

Energy Choice must be implemented properly

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This year, Nevada voters are going to the ballot box not only to decide the next president, but to decide the state's energy future. Question 3, the Energy Choice Initiative, will ask voters whether electricity markets should be opened up, giving residential and business customers the right to choose their energy provider or generate their own energy starting in 2023.

Poll after poll shows a large majority of Nevadans support rapidly ramping up renewable energy and energy efficiency. To ensure that Nevada's progress on clean energy continues, we need to implement Energy Choice in a thoughtful way. That means all suppliers should contribute equally to achieving clear, aggressive clean energy goals by rapidly reducing use of fossil fuels in the electric sector and replacing them with renewable energy and energy efficiency.

If done right, Energy Choice would give our state the opportunity to use the state's abundant natural resources to increase consumer choice, develop our promising clean energy economy, and create thousands of jobs. However, with all changes can come challenges, which is why it is important to identify and stick to key concepts to guide the design of Energy Choice.

The most important thing Energy Choice can do is break the gridlock on rapidly moving to more clean energy in Nevada. Businesses and consumers alike want more renewable energy and efficiency, which can create thousands of jobs and prevent the importing dirty coal and gas from other states. Cleaner Nevada energy would improve our air quality and our families' health. It also would save precious clean water resources.

Energy Choice should also make the grid more flexible and customer friendly, including ensuring that adding rooftop solar and insulating homes and businesses, instead of building costly fossil fuel plants, is cost effective for everyone. Smart meters, and appliances that can be automatically turned down or off when energy demands are high, should be used to help reduce energy demand during times when the load on the system is greatest.

As we build a grid that better accommodates clean energy and customers' needs, we must also fairly address "stranded assets" that were acquired with the expectation of future need. Nevada customers should not have to pick up the bill for power plants that are no longer economically feasible, such as the Valmy coal plant. However, NV Energy should be reasonably compensated for some existing assets if appropriate. But it's critical that the burden for addressing these issues does not fall on low and fixed-income customers with the least ability to pay.

Energy Choice should also provide a transition plan for NV Energy workers. A fair and just transition plan could maximize public and private investments in economic development, provide workforce training,

and create lasting, good jobs with benefits that strengthen the economy and sustain working families. Fortunately, if done right, there will be many new jobs related to clean energy, energy efficiency and climate resilient infrastructure.

A new “wires only” NV Energy would still require oversight as a regulated monopoly. As a large percentage of customers’ electric bills may go toward transmission and distribution services provided by a monopoly utility, the nature and extent of this regulation must be carefully addressed in designing a restructured energy market. The current Public Utilities Commission makeup and procedures may need significant revision to address this change.

In the end, we must work toward an Energy Choice program that opens up the huge potential in using Nevada’s own natural renewable resources. If we do this right, it will be an all-around win for our environment, our economy, residents and businesses alike.

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