



**OFFICE OF THE GOVERNOR
NEVADA STATE OFFICE OF ENERGY**

NSOE Business Summary

Introduction

In addition to the programs provided through statute and those that help to meet the mission of the office, the NSOE staff has grown to accommodate the 2009 American Recovery and Reinvestment Act ("ARRA") programs that are being implemented to support job creation, reduction of carbon emissions, and promotion of renewable and energy efficiency projects. The U.S. Department of Energy has, on several occasions, complimented the NSOE for distinguishing itself as one of the leading states in ARRA implementation. In addition to ensuring the ARRA dollars are put to work quickly, the NSOE has launched the Nevada Home Energy Fitness Campaign, the Statewide Renewable Energy Project, a successful Revolving Loan Program, the Nevada Rooftop Solar Initiative, absorbed the duties of the Energy Commissioner and Renewable Energy and Energy Efficiency Authority, and is working to improve legislation and initiatives related to energy efficiency and boosting the state's renewable energy applications.

Mission

The mission of the NSOE is to ensure the wise development of the state's energy resources in harmony with local community economic needs and Nevada's natural resources by leading the nation in renewable energy production, energy efficiency and conservation, and exportation. The NSOE strives for this by facilitating cooperation between key stakeholders, leading initiatives to stimulate economic development and attracting every energy-related business venue including energy education, retrofitting, manufacturing, site development, generation and production, interstate and intrastate transmission.

Staff

The NSOE is a small, but effective team with a proven track record of initiating and driving cutting edge energy programs to stimulate Nevada's energy economy. The NSOE is staffed by Director Stacey Crowley; Deputy Director Brita Tryggvi; Energy Program Managers Pete Konesky and Robert Nellis; Energy Project Manager Kevin Hill; Fiscal Manager Stephanie Brooks, Management Analysts Emily Nunez, Kevin Johnson, Lorayn Walser, and Suzanne Martens; Grants and Projects Analyst Richard Wiggins; Energy Assurance Intern James Pitcher, and Administrative Assistant Ana Broderson. Under the leadership of Director Crowley, the NSOE operates effectively with a lean, but capable staff. The majority of the NSOE's funding is from federal grants and is just now starting to see the interest earned on loans granted through the Revolving Loan Program.

Statewide Renewable Energy Program

The NSOE initiated the Statewide Renewable Energy Program to stimulate economic development of renewable energy projects on public properties. The National Guard Super Solar project involved three sites that constructed solar shaded parking structures within a year to produce power at a fixed rate over a 20-year period. The NSOE used a similar model to launch its Statewide Renewable Energy Program that was composed of 10 state agencies, including the City of Las Vegas. A total of 55 sites were included in the RFP attracting vendors from all over the nation. Eight proposals were received and a contract has been awarded and approved by the Nevada Board of Examiners. The awarded vendor is now able to organize the construction of multiple sites at once, reducing construction costs for a net savings that will be passed on to the agencies receiving the power produced by the systems. It is estimated this RFP will drive over \$250 million worth of private sector capital into Nevada's economy; employ over 300 Nevadans over the term of the contract; and result in over \$30 million in Nevada tax and fee based revenues. This is in addition to the long-term energy savings benefits that directly help reduce the general fund expenditures on power costs.

Nevada Home Energy Fitness Campaign

The NSOE received a \$5 million grant for the Nevada Home Energy Fitness Campaign (formerly the Nevada Retrofit Initiative or NRI) which will strengthen Nevada's residential building retrofit market with the goal of implementing Home Performance with Energy Star (HPwES) and ultimately retrofit at least five percent of all single family residences in Nevada by 2021. Home Fit will focus on the major metropolitan areas of Clark and Washoe counties; however, this model can be used throughout the state. Home Fit will enable Nevada to demonstrate innovative and impactful project models that are highly transferable, both statewide and nationally. Assembled participants include the University of Nevada Las Vegas, the University of Nevada Reno, Truckee Meadows Community College, Home Free Nevada, the City of Las Vegas, and the NSOE. This program is built on a foundation of a public-private partnership that will make home retrofits an attractive option for many Nevadans and will result in a profound economic and market transformation for the state.

Stimulus Programs

The NSOE received four awards under the provisions of the ARRA which included \$34.7 million in energy stimulus funds to accelerate energy efficiency and renewable energy projects in Nevada. The NSOE was also awarded with a \$9.6 million Energy Efficiency & Conservation Block Grant (EECBG). Summaries of the major programs and their current status follow. Read the Milestone Minder at www.energy.state.nv.us/ for more information.

- **State Buildings** - \$7.9 million for energy efficiency & renewable energy upgrades at state-owned buildings, 124 lighting retrofits as well as solar PV installations, some complete, others in process
- **Schools** - \$10.5 million for energy efficiency & renewable energy upgrades for 16 school districts, mainly solar installations, some complete, others in process
- **Engineering Feasibility** - \$1.5 million for feasibility studies to help accelerate energy projects in Nevada, contract with Nevada Energy Assistance Corporation, projects initiated
- **Appliance Rebates** - \$2.5 million that allowed Nevadans to receive rebates when purchasing Energy Star appliances, 12,000 old appliances replaced, all funds allocated
- **Street Lights & Traffic Signals** - \$1.7 million to replace existing lighting with energy efficient LED lights, many projects complete, others in process
- **Energy Related Codes** - \$1.35 million to secure adoption of more energy efficient 2009 International Building Codes in Nevada cities & counties, 2009 IECC has been adopted
- **Energy Assurance** - \$438,573 to implement plan for monitoring energy supply & demand in Nevada, Energy Supply Disruption Tracking Plan approved, contingency center being configured
- **Alternative Fuels** - \$170,000 to replace a fuel tank at the Nevada State Motor Pool in Las Vegas with a dual capacity ethanol tank, project complete
- **EECBG** - \$9.6 million for energy efficiency projects in Nevada cities & counties, emergency vehicle idle reduction devices, energy monitoring for state buildings, and traffic signals & street lights, 96% of funds expended

Renewable Energy Authority and Energy Efficiency Authority

To help streamline programs that support and implement energy efficiency and renewable energy in Nevada, Governor Brian Sandoval signed Senate Bill 426 into law which repealed the position of Nevada Energy Commissioner and the Renewable Energy Authority and Energy Efficiency Authority ("REEEA") and required the NSOE and its director to assume the following duties of those entities:

- Adopting the current version of the International Energy Conservation Code ("IECC")
- Granting partial property sales and use tax abatements to qualifying renewable energy and transmission facilities
- Managing the New Energy Industry Task Force and Local Government Panel on renewable energy and energy efficiency
- Adopting regulations for energy efficiency of light bulbs sold in the state

Revolving Loans

The purpose of the \$11 million Revolving Loan Program is to provide low interest loans to applicants for the construction of new renewable energy systems or the expansion of existing renewable energy systems within Nevada. The program fills a market niche in a very tight lending market enabling applicants to develop renewable energy systems in Nevada that would otherwise not be built. The development of these systems is a key component to building a new energy economy sector within Nevada, providing jobs in the severely depressed construction economy and opening the door of opportunity to bring manufacturing jobs to Nevada. The NSOE's role in infusing capital toward the development of renewable energy resources leads to an increase in state revenues. To ensure future growth and ongoing success of the program, a "suite" of loan programs will be developed and funded. For instance, the residential market is the largest market for energy efficiency and loan programs are in the process of being developed to meet the needs of this market. Additionally, private capital will be leveraged to expand the program's reach as funds "revolve" back in to the program. Developing new programs and negotiating agreements with major financial institutions will be a high priority of the NSOE in 2011 to meet this growing market need.

The NSOE has successfully utilized the Revolving Loan Program as a marketing tool to attract potential energy manufacturers to Nevada. One company is utilizing loan funds to install three bio-digesters on dairy farms in northern Nevada. This California-based company is now looking to locate a bio-digester manufacturing plant in Nevada that could bring up to 200 manufacturing jobs. Another company located in New Mexico has been interested in moving to Nevada for some time, but needed capital to assist in relocation. While Nevada is currently unable, unlike many other states, to offer land or cash to companies desiring to relocate to our State, the NSOE has been able to leverage its resources through the Revolving Loan Program as an incentive to attract this company to Nevada. As a result of being awarded revolving loan funds for a demonstration project, they now intend to locate a heat recapturing manufacturing plant that may employ as many as 200 Nevadans. Nevada's ability to attract manufacturers can be a key tipping point in creating the inertia the state needs to see more energy technology development and manufacturing businesses re-locating in Nevada.

Nevada is the first state in the nation to fully allocate the first phase of their program. Applications are now being accepted for the second phase.

Fuel/Biomass

Fuel is one of the critical energy issues in Nevada. To address this critical issue, the NSOE has created an energy emergency plan with a fuel rationing section to address fuel issues if there is a shortage. Monthly webinars are conducted with the California Energy Commission and other states to address fuel use, supply, markets and peripheral fuel related issues. The NSOE reports state fleet compliance with the Energy Policy Act that requires 75 percent of the new vehicle purchase to be alternative fueled vehicles. The NSOE also supports two regional Clean Cities Coalitions (one in the north and one in the south that are supported by the DOE) that promote the reduced use of fossil fuels and greater use of alternative fuels. Since Nevada does not produce its own fuel and its citizens would prefer domestically supplied fuels, the NSOE has been allied with the U.S. Department of Agriculture and Environmental Protection Agency to promote bio-fuels that could be produced in Nevada.