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NV Energy Customers to Benefit from Today's PUCN Approval of General Rate Case

Today the Public Utilities Commission (PUCN) of Nevada approved a stipulation agreement filed by NV Energy that results in a zero percent increase in its General Rate Case revenue requirement for its more than 859,000 southern Nevada customers. The agreement was reached by NV Energy, the Staff of the PUCN, the Bureau of Consumer Protection (BCP), the Southern Nevada Hotel Group and the Alliance for Solar Choice.

The agreement was made possible through a combination of significant cost savings achieved by NV Energy in 2014 and reductions in the recovery of capital costs proposed by the company. This is the smallest impact a general rate filing has had on NV Energy's southern Nevada customers in over a decade.

"This agreement reflects NV Energy's commitment to support our customers by holding rates steady at a time when many in our southern Nevada community are rebounding from a tough economic climate," said Paul Caudill, NV Energy President and Chief Executive Officer. "Through the support and hard work of my colleagues at the company, we have been able to reduce our operating costs without employee lay-offs or a decrease in community support. Importantly, through the performance of our power plants and transmission and distribution assets, we continue to provide safe, cost effective, reliable energy that our customers deserve."

The agreement does provide minimal changes in the way NV Energy will bill customers. Because of these changes, a typical single-family residential customer bill of \$152.19 (based on average usage of 1,141 kWh a month) will see an increase of \$0.10, or 0.001 percent, effective January 1, 2015. This change includes a reduction in the rate customers pay per kilowatt hour, which is offset by a \$2.75 increase in the Basic Service Charge.

The Basic Service Charge is a flat fee that reflects NV Energy's investment in 24/7 customer service, billing and accounting systems and meters as well as our investment in, and maintenance of, the infrastructure that is closest to a customer's residence and place of business. These costs do not vary based on the amount of energy used, which is why a flat fee is needed to recover the investment.

"I would like to acknowledge the collaborative work of the other parties, including the Staff at the PUCN and the BCP. We developed a solution that produces a great result for all of our customers," Caudill said. "In its draft order, the Commission recognized the efforts we began in 2008 and continue today to control costs and maintain rate stability. I'm proud that at the same time that we are reducing costs, we are also delivering improved services for customers."

For example, NV Energy has focused on providing more services to customers through its MyAccount web-based services. Through this program, customers receive real-time information on power outages, including the estimated time of restoration, both through nvenergy.com and automated alerts via email or text for MyAccount customers. Customers can also track their daily energy usage, and nearly half of our customers now get weekly billing and usage updates, by signing up for MyAccount.

Today's PUCN decision also approved an increase in NV Energy's northern Nevada revenue requirement that will recover a portion of the costs for the NVEnergize initiative beginning in 2015. By adjusting rates for northern Nevada in 2015 rather than in 2017, customers will avoid the interest costs that would otherwise accumulate.

NV Energy, Inc. provides a wide range of energy services to 1.3 million customers throughout Nevada and nearly 40 million tourists annually. NV Energy is a holding company whose principal subsidiaries, Nevada Power Company and Sierra Pacific Power Company, are doing business as NV Energy. The company is headquartered in Las Vegas, Nevada. Information about NV Energy is available on the company's website, Twitter, Facebook and YouTube pages, which can be accessed via nvenergy.com.

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