



Southwest Energy Efficiency Project
Saving Money and Reducing Pollution through Energy Conservation

PRESS RELEASE

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NEVADA LEGISLATURE PASSES OMNIBUS ENERGY EFFICIENCY AND RENEWABLE ENERGY BILL Governor's Desk is Next Step AB 03 Will Save Consumers and Businesses Money, Reduce Water Use

(Boulder, CO) – In a special session held on June 7, the Nevada State Legislature adopted Assembly Bill 03, a wide-ranging bill that, among its provisions, allows electricity providers to receive credits towards the state's energy portfolio standard for energy savings from certain energy efficiency measures; encourages greater energy efficiency in new or renovated state buildings as well as in buildings constructed by the private sector; and updates the state's building energy code.

“Through AB 03, Nevada is once again taking a leadership position and demonstrating its commitment to energy efficiency,” stated Howard Geller, Executive Director of the Southwest Energy Efficiency Project (SWEEP), a public interest organization advocating for greater energy efficiency across the Southwest.

Of particular note is the opportunity the bill provides to the state's electricity providers to meet a portion of Nevada's clean energy portfolio requirement through energy savings. The portfolio standard, which currently ramps up to 15% of electricity sales by 2013, is increased to 20% of sales by 2015 in AB 03. The bill allows utilities to meet the standard through either renewable energy generation or credits, or energy savings from efficiency measures that the utilities provide financial support for. The contribution from energy efficiency measures is capped at one-quarter of the total standard in any particular year.

“This policy is very innovative. It gives the utilities more flexibility as to how they meet the state's clean energy requirements, and we expect the utilities will significantly expand their energy efficiency programs if AB 03 is signed into law,” said Geller. The portfolio standards apply to Nevada Power Co. and Sierra Pacific Power Co., the state's two investor-owned electric utilities. SWEEP estimates that consumers and businesses in Nevada could save over \$600 million net as a result of utility energy efficiency programs implemented during 2005-2015 in response to AB 03. In addition, these efficiency programs could reduce water consumption in power plants by 7 billion gallons or more during 2005-2015.

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AB 03 also establishes policies that will lead to the construction of more energy-efficient buildings by both the public and private sectors. All new construction or major retrofits by state agencies are required to meet the standards of the United States Green Building Council's Leadership in Energy and Environmental Design (LEED™) program or an equivalent standard. The legislation also establishes partial exemption from property taxes for privately owned buildings that are certified at the LEED silver level or higher. "Reducing the energy footprint of public sector buildings will not only save precious tax dollars, but will also benefit Nevada's environment," commented Jon Wellinghoff, Nevada representative for Western Resource Advocates. "And the energy performance of new privately owned buildings could be significantly improved as a result of the tax incentive."

In addition, AB 03 updates the statewide building energy code for portions of the state without local energy codes, and it directs the Nevada State Office of Energy to prepare a report for the legislature on model appliance efficiency standards that have been adopted by other states. Several states, including California, Connecticut, New Jersey, Maryland, and Arizona, have adopted energy efficiency standards for appliances that are not currently covered by the federal standards.

SWEEP assisted with the development and advocacy of the energy efficiency provisions in AB 03, in particular the modification of the state's clean energy portfolio standard. This proposal was included in the *Nevada Energy Efficiency Strategy*, a report prepared by SWEEP that was issued in January 2005. The report can be viewed online at www.swenergy.org/pubs/Nevada_Energy_Efficiency_Strategy.pdf.

"Assembly Bill 03 is a win-win proposition for consumers, businesses, and the environment," added Geller. "We applaud the legislature for passing the bill, and we urge Governor Guinn to sign it into law."

Read more about Assembly Bill 03 at www.swenergy.org/legislative/nevada/index.html.

About SWEEP: The Southwest Energy Efficiency Project (SWEEP) is a public interest organization dedicated to advancing energy efficiency in Arizona, Colorado, Nevada, New Mexico, Utah, and Wyoming. For more information, visit the SWEEP website at www.swenergy.org.