



# The Economic Benefits of a Western RTO

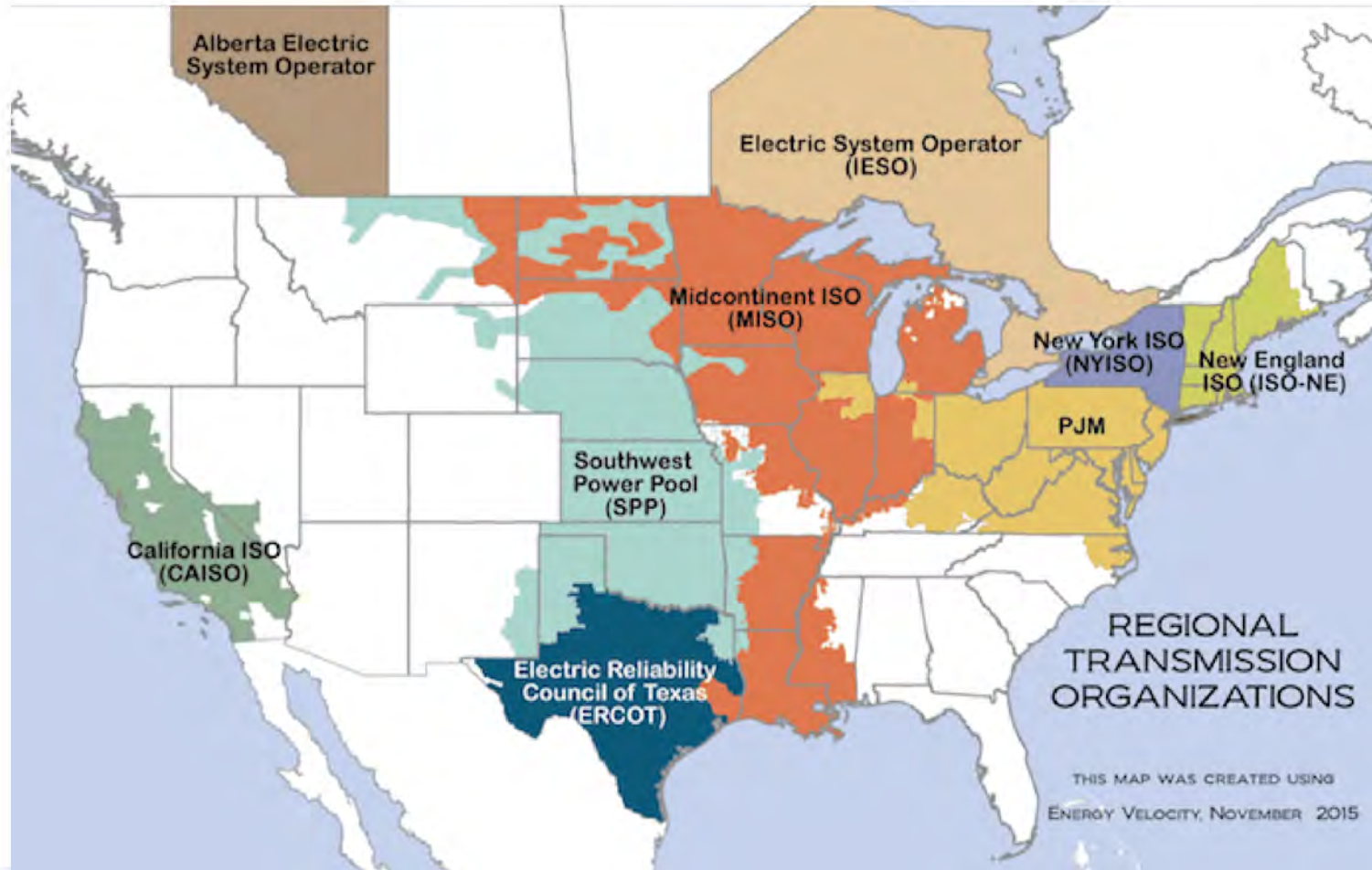
## Advanced Energy Economy

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# A western regional grid will deliver benefits for Nevada



**Embracing competitive market forces across a wide geographic region through a wholesale energy market will unlock grid efficiencies, drive energy costs down, and increase grid reliability.**

Benefits include:

- Transmission and generation jobs to support the export of Nevada's home-grown and abundant renewable resources
- More competitive and cost-effective integration of advanced energy technologies
- A more attractive Nevada for large commercial and industrial customers who want lower-cost renewable energy and options to meet corporate sustainability goals



# An RTO saves Nevada money

- According to the DOE-funded State-Led Market Study, which included participation by the Nevada Public Utilities Commission and the Office of Energy:
  - The gross benefits of a west-wide RTO are forecasted to increase from \$1.2 billion per year in 2020 to \$2 billion per year by 2030 relative to the status quo
  - A west-wide RTO caused a reduction in curtailments of 2.9 TWh, dropping system-wide unused available energy from 2.9% to 1.6%
  - **Nevada will save \$45 million annually**

Significant investment is needed to achieve Nevada's state energy policy goals. An RTO is key to achieving these goals in a cost-effective, affordable, and reliable way.



# An RTO makes Nevada energy more reliable



- Access to more geographically diverse generation resources
- Mitigation of resource adequacy risk
- Mitigation of fuel risk (price and availability)
- Improved ability to access and integrate flexible, quick ramping resources and other grid reliability services

# An RTO makes Nevada an attractive place to do business

## ADVANCED ENERGY BUYERS ARE ACCELERATING THE CLEAN ENERGY TRANSITION

A growing number of leading companies have announced sustainability goals, including goals to meet a higher portion of their energy needs with clean, advanced energy like renewable energy, energy efficiency, demand response, and energy storage. To meet these targets, as of 2020, companies across the U.S. had signed agreements facilitating more than

**24 GW**

of new, voluntary renewable energy investment.

**RTOs GIVE COMPANIES MORE OPTIONS TO  
MEET THEIR SUSTAINABILITY GOALS.**



# The business and environmental communities support an RTO in the West

Support for RTO provisions in SB448 (2021) came from:

- Nevada businesses
- Clean energy trade associations
- Clean energy developers
- Large energy users
- Environmental groups



# Nevada can lead the West to design an RTO for the Future

- **SB448 (2021) requires electric transmission providers to join an RTO by 2030**
- The Regional Coordination Task Force will advise the Governor and the Legislature on:
  - Potential costs and benefits of a joining an RTO
  - Policies to accommodate entrance by transmission providers into an RTO by 2030
  - Policies to help site transmission necessary for clean energy and economic development goals
  - Potential areas of growth in demand for electricity or renewable generation
  - Businesses and industries that could locate in Nevada as a result of the state's participation in an RTO

- Other regional progress:
  - Colorado SB72 (2021) to mandate transmission utilities to join an RTO by 2030
  - Oregon Department of Energy report that more regional coordination would be beneficial to the state and region
  - Ongoing conversations among western state utilities
  - Conversations at the Western Governor's Association about the Grid of the Future
  - Support from the Federal Energy Regulatory Commission



Rich Glick  
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The time has finally come for the West to establish one or more Regional #Transmission Organizations - enabling the region's utilities to work together to ensure resources meet demand, integrate intermittent generation into the grid, & produce significant consumer savings. 7/8

12:10 PM · Dec 10, 2021 · Twitter Web App



Allison Clements  
@ClementsFERC

60 wildfires now burning across 10 Western states—that is a big deal. 130 degree temperatures—that is a big deal.

The American public deserves a viable solution in the face of this striking new normal, and simply limiting home energy usage is not enough.

9:55 AM · Jul 15, 2021 · Twitter Web App



Allison Clements  
@ClementsFERC

FERC, as are Western stakeholders, are still working hard. But more must be done, and fast. An RTO, designed by Westerners for Westerners, will go a long way towards addressing the region's long-term needs.

9:55 AM · Jul 15, 2021 · Twitter Web App

