

Renewable Energy Development in Nevada

March 15, 2024

Company Overview



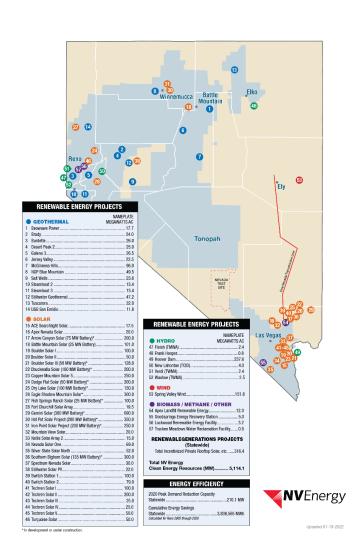
- Service area covers nearly 46,000 square miles throughout Nevada and about 90 percent of the state's population
- We serve more than 1.5 million customers and a typical state tourist population of more than 54 million annually
- 2,485 employees statewide
 - Average tenure is 14 years
 - · Half of our workforce represented by the IBEW
 - Local 396 in southern Nevada
 - Local 1245 in northern Nevada



Renewable Energy Profile



- Our company has long understood the benefits of renewable energy and signed its first geothermal contract in 1987 – a decade before our state's Renewable Portfolio standard was established
- NV Energy achieved a Renewable Portfolio Standard of 36.7 percent and exceeded the renewable energy requirement in 2022 by nearly eight percent
- We are well on our way to meeting Nevada's renewable portfolio standard requirement of 50% by 2030 and its net zero carbon reduction goal by 2050
- Our current portfolio consists of 59 large-scale geothermal, solar, solar plus storage, hydro, wind, biomass and supported private solar projects in service and under development



Nevada Renewables Overview



Renewable growth in Nevada is being driven by several factors

- Federal, state and local policies and mandates
 - Ex. Renewable Portfolio Standards
 - Inflation Reduction Act
- Load growth mainly from data centers
- Customer demands
- Open capacity

Available options within the state

- Mostly utility scale or distributed solar and battery
- Some geothermal
- Very little wind

Nevada Solar



Nevada is a prime state to develop solar for several reasons

- High irradiance
- Available land*

Challenges

- Available transmission capacity
- Large land requirements
- Saturate the market with the same type of resource

Opportunities

- Improved community Engagement
- Improved long term planning
- Clear policies, rules and regulations

Renewables Outlook



- Renewables primarily solar and battery will continue play a significant role in our transition to clean energy within the state
- Need to provide resource diversification
 - Building interstate transmission for more efficient markets
 - Evaluate newer technologies for 24/7 renewable resources
- Short-term: hedge existing resources for safe and reliable system
- Long-term: renewable development and investments should keep pace with technological advancements

Development Process Flow



5+ Years Prior

4 - 5 Years
Prior

3 Years Prior

2 Years Prior

Commercial Operations

Site & Project Identification

- Site identification
- Distance from interconnection location (1)
- Basic project specifications
- Preliminary community, natural and cultural resource assessments
- (1) Transmission costs roughly \$2 3 million per mile. Generally gen-ties greater than 10 miles are cost prohibitive

Site Development

- Land control / leasing
- Site surveys / data collection / permitting
- Grid interconnection process
 - Facilities Study
 - System Impact Study
- National Environmental Policy Act
- Preliminary engineering

"Advanced Development"

- Finalize key equipment deals
- Negotiate power offtake agreement
- Seek financing (2)
- Development agreement
- Secure county, building, special use, and grading permits
- (2) Without an executed offtake agreement, it is unlikely project funding will be secured

Construction

- Secure Utility
 Environmental
 Protection Act
 Permit
- Key Equipment delivery
- Balance of Plant equipment delivery
- Close financing
- Access construction loans
- Heavy equipment moved onsite
- Onsite crews mobilized

Commissioning

- Onsite engineers, construction team and lawyers certify project meets all warranties, state and county permits, plus utility and/or ISO specs and standard
- ISO/utilities/ permitting bodies accepts certification



