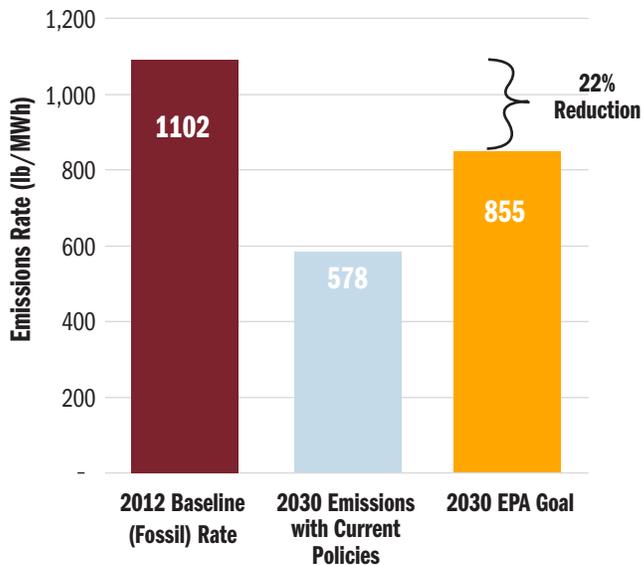


NEVADA IS WELL-POSITIONED TO MEET EPA'S CARBON POLLUTION STANDARDS

NEVADA IS ON TRACK TO ACHIEVE EPA'S CLEAN POWER PLAN EMISSIONS REDUCTIONS



BACKGROUND ON EPA'S CLEAN POWER PLAN TO REDUCE GREENHOUSE GAS EMISSIONS

On August 3, 2015, the Environmental Protection Agency (EPA) released its Clean Power Plan final rule, which will result in reducing greenhouse gas emissions from existing power plants. The rule sets a rate-based target (a lbs/MWh standard) for each state based on the state's mix of coal, oil, and natural gas resources producing in 2012. A state with more coal and oil fueled generation will have a higher target rate than a state with more natural gas. In 2012, Nevada's fossil fuel generation mix was 16% coal and 84% natural gas. How a state meets its target rate is up to each state. Options include improving the efficiency of existing coal plants, retiring coal plants, redispatching from carbon intensive coal plants to natural gas units, increasing renewable energy generation, and increasing energy efficiency savings. In the case of Nevada, much of the carbon reductions will be achieved through the retirement of 818 MW of coal facilities.

THE ENVIRONMENTAL PROTECTION AGENCY (EPA) HAS DEVELOPED CLEAN POWER PLAN STANDARDS THAT WILL REDUCE CARBON POLLUTION FROM EXISTING POWER PLANTS.

The Clean Power Plan moves the U.S. forward by reducing carbon pollution from power plants by 32% from 2005 levels by 2030. Nevada is already experiencing the impacts of climate change, including extreme heat events, ongoing drought in all parts of the state and increasingly destructive wildfires in places like the Spring Mountains and Lake Tahoe Basin. We have an obligation to future generations to take steps to address climate pollution that threatens our communities and our economy.

In order to reduce carbon pollution, states will need to make changes in how electricity is generated and used. The Clean Power Plan will lead to greater use of clean renewable energy and energy efficiency, and less reliance on older, more polluting sources like coal. Fortunately, Nevada has already taken and continues to take steps in this direction.

Nevada has already made important progress reducing carbon pollution from power plants. Our state has been proactive in passing clean energy legislation, such as the Renewable Portfolio Standard that requires Nevada's energy mix to include an increasing amount of renewables; and 2013's Senate Bill 123, which closes the Reid Gardner coal plant by 2017 and ends coal imports by 2019, replacing them with cleaner sources. As a result, Nevada can readily comply with the final Clean Power Plan, which requires a 22% reduction from 2005 levels by 2030.

Western Resource Advocates evaluated Nevada's ability to comply with the EPA standard based on NV Energy's projections of carbon emissions from its power plants. Our analysis demonstrates that the combination of planned coal plant retirements, planned renewable energy resources, and energy efficiency investments will enable Nevada to exceed the EPA standard.

