Media Briefing: NV Energy's 2026 IRP, Phase II

Docket 26-05007 | Phase II Hearing Begins: October 26, 2026 at 10:00 AM

Intervenors in NV Energy's 2026 Integrated Resource Plan (IRP) filed Phase II testimony, and NV Energy filed rebuttal on October 6.

WHY PHASE II MATTERS

NV Energy's 2026 Integrated Resource Plan is examining how the utility will meet extraordinary projected electricity demand, driven largely by data centers and other large customers. Much of the public attention has focused on how much new generation Nevada may need, including renewable energy, storage, and gas.

But Phase II is focused on another major piece of the equation: how Nevada can better manage demand and use resources already available in homes and businesses, while establishing rules for the large customers driving much of the growth.

The Commission is considering customer energy programs, demand response, distributed batteries and other technologies, virtual power plants (VPPs), new financing approaches, and policies governing large-load customers. These decisions could affect how much electricity Nevada ultimately needs to produce, what customers pay, and how much new generation is required.

This is an important part of the IRP for reporters to follow. The central question isn't just how much new generation Nevada needs, but whether investments in existing energy resources and customer programs can improve reliability, lower customer costs, and reduce the amount of new generation needed as demand grows.

KEY ISSUES TO WATCH

Virtual Power Plants (VPPs): A VPP program coordinates customer resources, such as batteries, smart thermostats, EVs, and water heaters, so they can reduce demand or provide power together when the grid needs it.

- What's proposed: NV Energy's plan proposes a demand reduction goal of 171 MW for 2027–2029. Intervenors argue a formal VPP program could readily meet or exceed that goal by coordinating customer resources at scale. Testimony also recommends increasing NV Energy's residential battery target from 700 to 5,000 batteries to achieve greater demand reductions.
- Key details: Intervenors argue Nevada needs a defined VPP program with clear targets, participation pathways, fair compensation, and greater scale. NV Energy maintains that its existing demand-response programs, proposed grid-service tariffs, and planned distributed energy resource management system already provide the foundation for a VPP. However, participation remains limited, with only 40 customers enrolled in its

existing battery program and a proposed target of just 700, despite approximately 3,750 residential solar-plus-storage customers who could participate.
- What to watch: Whether the Commission directs NV Energy to establish a formal VPP program and sets specific targets or instead relies on the utility's existing and proposed programs.

Large Customer Offsite Demand-Side Management (DSM): This approach would allow large energy users to pay for energy-saving improvements elsewhere on the grid, reducing demand instead of meeting their new load with additional generation.

- What's proposed: Google, supported by AEU and SWEEP, has proposed a program allowing large customers to fund energy-efficiency and demand-side improvements for low- and moderate-income customers, and to receive bill credits reflecting the resulting demand reductions.
- Key details: Funding could support efficiency improvements and address barriers that currently prevent some homes from participating in weatherization programs. The program is proposed to begin in 2027.
- What to watch: Whether the Commission moves the program forward at a meaningful scale or allows it to remain a small pilot with key details left for later. The underlying tension is important: NV Energy can earn a return on utility investments such as new generation, including gas plants, while energy efficiency can reduce the need for those investments. NV Energy's response favors a more incremental approach, and Commission Staff has also expressed caution about moving quickly on a new and less familiar model. Intervenors argue the program should begin in 2027, scale quickly, and improve as it goes.

Tariffed On-Bill Financing (TOB): TOB would allow customers to make energy upgrades without paying the full cost upfront or relying only on traditional financing.

- What's proposed: NV Energy included a tariffed on-bill financing concept in its initial filing, and the Nevada Clean Energy Fund (NCEF) has advocated for expanding the approach to increase access to weatherization, efficiency, batteries, and other upgrades. NCEF could potentially serve as an independent administrator, connecting customers with financing, grants, contractors, and other resources.
- Key details: In rebuttal testimony, NV Energy directly identified NCEF as a potential independent administrator, a positive development. However, NV Energy also proposed an Enhanced Tariffed On-Bill Financing Pilot that merges its original TOB proposal with the separately proposed Large Customer Offsite DSM program, arguing that running two pilots simultaneously would be too difficult. The merger would combine two distinct programs and leave key implementation details for future discussions.
- What to watch: Whether the Commission advances TOB as a standalone program with NCEF on a fast, clear path to implementation, rather than combining it with Offsite DSM or delaying key decisions to future discussions.

Serving Large-Load: The Commission is also deciding how NV Energy should serve large new customers, particularly data centers, and how the cost and risks of serving that demand should be allocated.

- What's proposed: NV Energy has proposed a Large Load Energy Supply Agreement (LLESA) as one approach for serving large customers. Other parties have proposed or discussed different structures, including large-load tariffs.
- Key details: Testimony reflects significant disagreement over the terminology, structure, cost protections, and overall approach. PUCN Staff and the Bureau of Consumer Protection oppose the LLESA as filed, and several parties have indicated that large-load policy may warrant additional consideration in a separate proceeding.
- What to watch: Whether the Commission acts on the LLESA in this IRP or moves the broader issue into another proceeding, and what protections ultimately govern customer costs, clean energy investment, and the resources built to serve large-load growth.

WHAT HAPPENS NEXT

Phase II is now moving forward quickly. The evidentiary hearing begins October 26 at 10 AM and could last multiple days. Expert testimony will take place in Carson City, with participation available from Las Vegas and through Microsoft Teams.

The Phase II hearing will give the Commission an opportunity to examine whether these programs should move forward, at what scale, and on what timeline. For reporters covering Nevada's growing electricity demand, data centers, affordability, or new generation, Phase II is where many of the alternatives to simply building more supply are being debated.

Phase III, which focuses on supply-side resources and the load forecast, is also beginning: direct testimony was due on October 16, NV Energy rebuttal is due November 2, and the Phase III hearing begins November 16.

AVAILABLE SPOKESPERSON

Available for on-the-record interviews:

Consumer Affordability / Broader IRP Context:

- Christi Cabrera-Georgeson, Nevada Conservation League (NCL) — Available on-the-record

EXPERTS AVAILABLE ON BACKGROUND

The following experts are available to provide technical expertise, explain testimony, and offer additional context on key Phase II issues:

Virtual Power Plants / Distributed Batteries:

- Julia Hubbard and Shannon Anderson, Solar United Neighbors (SUN) — Available on background
- Brian Turner and Emma Hibbard, Advanced Energy United (United) — Available on background

Large Customer Offsite DSM:

- Courtney Fieldman, Southwest Energy Efficiency Project (SWEEP) — Available on background
- [Google spokesperson, if confirmed]

Large-Load LSSEA/LLT:

- George Cavros, Western Resource Advocates (WRA) — Available on background

Please contact Flerine to coordinate.

Media contact:
Flerine Cruz
flerine@nevadaconservationleague.org (919)257-8818