

Roth: What happens in Vegas...

By [Jim Roth](#), Director and Chair of the Firm's Clean Energy Practice Group. This column was [originally published in The Journal Record](#) on June 12, 2017.



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What happens in Vegas...

It's been said that "What happens in Vegas, stays in Vegas," yet Las Vegas and Nevada are making news that is worth talking about for Oklahoma and elsewhere.

In this new era of state-led environmental leadership, one state is getting its renewable energy policies back on track – Nevada. Already a longtime environmental leader, Nevada was in the top 20 when *Forbes* published its list of the greenest states back in 2007. In 2016, the Mandalay Bay Convention Center in Las Vegas became the largest rooftop solar installation in the U.S.

This session, Nevada lawmakers voted-in several solar-friendly measures: one that will bring back net-metering at 95 percent of retail rate (net-metering is a mechanism whereby distributed generation customers are paid for the excess power their systems place back on to the grid), and another bill that directs the state's public utility to plan for expansion of electric vehicles and infrastructure, begin accounting for the costs of carbon emissions, and to look into energy storage opportunities.

Nevada made big green news last year when MGM Resorts International and Wynn Resorts, two of the largest customers of the state's public utility – the Berkshire Hathaway-owned NV Energy – were permitted to pay exit fees of more than \$127 million to cease obtaining power from the public utility in order to pursue sourcing power on their own from renewable energies. This opportunity to source power from a third party was the result of a 2001 law that promoted new power generation in the state at that time.

News of the approved exit fees was even more noteworthy since one of the first applications for autonomy from the public utility came from Nevada technology company Switch, but was denied. That company eventually forged a deal whereby NV Energy would provide the 100 percent renewable energy Switch sought to attain.

It is exciting to see successful free-market environmentalism. The bold moves of these giant companies are illustrative of what I discussed last week, which is to say states and businesses, and not the federal government, have the power, influence, and desire to design and construct our energy and environmental landscape. And that is important as much of "corporate America" is moving toward self-styled energy options to control their operating costs and improve their brand's environmental reputation.

Providing some semblance of hope for Oklahoma after a

legislative session that was not kind to our state's renewable energy blessings is that Nevada's bright future comes after a recent dark past. In late 2015, despite a recent report that indicated solar consumers give more to the grid than they cost, the Nevada Public Utility Commission voted unanimously to remove the state's net metering policy, leaving customers who had invested in solar infrastructure no longer being paid for energy they placed onto the grid.

Oklahoma is familiar with the proverbial pulling-the-rug-out laws. The distributed generation surcharge bill – Senate Bill 1456 – was passed in 2014 and created a lot of market uncertainty for Oklahomans and the rooftop solar industry. Since its passage, Oklahoma's regulated utilities have been unsuccessful in their efforts to add a new surcharge as the Oklahoma Corporation Commission has rightly analyzed the evidence and determined that rooftop solar is in fact not being subsidized by non-rooftop customers. In fact, the evidence revealed the opposite. Now it's time for the Oklahoma Legislature to follow the lead of states like Nevada and allow Oklahomans the legal right to earn the true value of the energy they create for the greater grid and the greater good.

Good news for Nevadans: Tesla and solar installer Sunrun indicate these new policies will allow them to resume operations in the state after having recently departed due to industry-threatening policies. Also, you might be interested to know that the iconic Welcome to Fabulous Las Vegas Nevada sign is itself actually powered by solar energy. Now that is welcome news.

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