

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

Nevada Power Company                    )  
Sierra Pacific Power Company         )

Docket No. EL22-73-000

**MOTION TO INTERVENE AND PROTEST  
OF MGM RESORTS INTERNATIONAL AND CAESARS ENTERPRISE SERVICES,  
LLC**

Pursuant to Rules 211, 212, and 214 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission” or “FERC”),<sup>1</sup> and the Commission’s Combined Notice of Filings #1 issued July 7, 2022, MGM Resorts International and Caesars Enterprise Services, LLC (“MGM/Caesars”)<sup>2</sup> hereby jointly move to intervene in the above-captioned proceeding. MGM/Caesars also protests Nevada Power Company d/b/a NV Energy (“Nevada Power”) and Sierra Pacific Power Company d/b/a/ NV Energy (“Sierra Pacific” and together the “Companies” or “NV Energy”) Petition for Declaratory Order requesting certain financial incentives in transmission rate treatments for the Greenlink Nevada Transmission Project (“Greenlink Nevada” or the “Project”) because, as described in more detail below, NV Energy has failed to meet its burden to demonstrate those incentives are appropriate for Greenlink Nevada pursuant to Order No. 679<sup>3</sup> and approval of the incentives will result in unjust and unreasonable rates.

**I. COMMUNICATIONS**

All service and correspondence with regard to this proceeding should be sent to:

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<sup>1</sup> 18 C.F.R. §§ 385.211, 385.212, and 385.214.

<sup>2</sup> Commission Rule 214(a)(3) permits a “person” to file a motion to intervene and Commission Rule 102 (18 C.F.R. §(d)) includes in the definition of person “an organized group of persons, whether incorporated or not.”

<sup>3</sup> *Promoting Transmission Investment through Pricing Reform*, Order No. 679, Stats. & Regs. ¶ 31,222 (2006), order on reh’g, Order No. 679-A, FERC Stats & Regs. ¶ 31,236 (2006), order on reh’g, 119 FERC ¶ 61,062 (2007).

Abigail Briggerman<sup>4</sup>  
Laura Granier  
Austin Rueschhoff  
Holland & Hart LLP  
555 Seventeenth Street, Suite 3200  
Denver, CO 80202  
Telephone: (303) 295-8000  
acbriggerman@hollandhart.com  
lkgranier@hollandhart.com  
darueschhoff@hollandhart.com

## **II. DESCRIPTION OF THE MOVANTS**

MGM and Caesars are two of the largest electric users in Nevada. MGM and Caesars have transitioned much of their eligible load in Nevada Power's and Sierra Pacific's service territories to unbundled electric service pursuant to NRS Chapter 704B. Thus, MGM and Caesars receive electric service from NV Energy pursuant to various Public Utilities Commission of Nevada ("PUCN") tariffs as well NV Energy's FERC-jurisdictional Open Access Transmission Tariff ("OATT").

## **III. BASIS FOR INTERVENTION**

MGM/Caesars receive electric service in the Companies' service territories and are NV Energy OATT transmission customers on NV Energy's transmission system. Accordingly, they will be directly affected by the Commission's actions on the proposed transmission incentive rate treatments. Other parties participating in this proceeding may take positions on the issues that support their specific interests, but no other party can adequately represent MGM/Caesars or protect their particular interests.

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<sup>4</sup> MGM/Caesars respectfully request that the Commission waive Rule 203(b)(3) and permit these additional persons to be added to the official service list in this proceeding.

#### IV. PROTEST

Through its Petition seeking transmission incentive rate treatment for the Greenlink Nevada Project pursuant to Section 219 of the Federal Power Act (“FPA”) and Commission Order No. 679, NV Energy seeks an Abandoned Plant Incentive, Regulatory Asset Incentive, and CWIP Incentive.<sup>5</sup> As the Companies recognize, Greenlink Nevada is the largest transmission investment in NV Energy’s history, at an estimated cost of \$2.5 billion, representing nearly four times NV Energy’s average annual capital spending.<sup>6</sup> NV Energy asserts in the Petition that following a comprehensive review process, “the Public Utilities Commission of Nevada (“PUCN”), has granted construction approval of all components of Greenlink Nevada . . .” But, the Companies omit that after what they describe as “a comprehensive regulatory review” the PUCN denied the Companies’ request for approval to construct Greenlink North, finding that NV Energy should seek approval of construction in a future IRP “when there is more certainty regarding when the line is needed” and approved only the construction of Greenlink West along with permitting, conceptual design and land acquisition only for Greenlink North.<sup>7</sup> Moreover, the PUCN rejected

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<sup>5</sup> Petition, p. 3.

<sup>6</sup> Exh. No. NVE-0006, Direct Testimony of Michael Cole, p. 3.

<sup>7</sup> Exh. No. NVE-0003, PUCN Order, Docket No. 20-07023, p. 2 (granting in part and denying in part NV Energy’s Amended Application for approval of Greenlink Nevada, consisting of Greenlink West and Greenlink North); p. 4 (rejecting construction of the segment from Northwest Substation to Harry Allen Substation and limiting approval to the conceptual design, permitting and land acquisition activities for the line); p.5 (conditionally approving only conceptual design, permitting, and land acquisition of the transmission line from Fort Churchill Substation to Robinson Substation (GL-N) with the finding that there is no presumption of the need, scope, and construction of the 525 kV configuration; same for Fort Churchill Substation to Comstock Meadows Substation); pp.5-6 (NV Energy should request approval for construction of the 525 kV line from Northwest Substation to Harry Allen in a future IRP action plan *when there is more certainty regarding when the line is needed*). The Regulatory Operations Staff for the PUCN supported Greenlink West but not Greenlink north expressing concerns about Greenlink North “having ratepayers take on the risk that other regional transmission projects go forward and the speculative benefits of Nevada creating a major trading hub or becoming a major energy exporter). *Id.* at 133, ¶ 286.

NV Energy's request for critical facility treatment of Greenlink Nevada Phase I to provide future opportunities to include in rates CWIP associated with Greenlink Nevada, Phase I.<sup>8</sup>

After the PUCN rejected the Companies' request for approval of Greenlink North, NV Energy lobbied the Nevada Legislature to direct the Companies to build all of Greenlink Nevada. Investment in Greenlink Nevada will put upward pressure on NV Energy customer rates, a fact that cannot be ignored as NV Energy attempts to shift Greenlink Nevada project risk from the Companies to customers through its proposed incentives which will add unnecessary significant costs for customers.

The Commission should reject NV Energy's proposed incentives. Greenlink Nevada project history shows that NV Energy was the primary proponent of the project and therefore incentives are unnecessary to encourage NV Energy to invest in Greenlink Nevada. Additionally, NV Energy's Petition fails to meet its burden to demonstrate a nexus between the incentives requested and the proposed investment, and how the incentives are tailored to address the risks and challenges that the project faces. Also, NV Energy has failed to provide sufficient explanation and support for its proposed incentives. Each of these reasons to reject NV Energy's proposed incentives and require NV Energy to provide transparency for the Commission's consideration of the impacts such incentives would have on ratepayers are discussed in further detail below.

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<sup>8</sup> *Id.* at 6; 287-288 (in Paragraph 631, the PUCN declined to grant critical facility treatment and noted NV Energy "has stated that it would go forward with GL-W without the critical facility designation" and noting the new import capacity and access to renewable energy zones are "instances of normal utility planning under Nevada law, or the type of planning NV Energy is required to develop triennially and update accordingly.")

**a. Incentives are unreasonable and unnecessary to encourage NV Energy to build Greenlink Nevada.**

Order No. 679 states that the purpose of transmission investment incentives is to “**benefit** customers by providing real incentives to **encourage** new infrastructure, not simply increasing rates in a manner that has no correlation to encouraging new investment.”<sup>9</sup> The Greenlink Nevada project history demonstrates that NV Energy has been a driving force and primary proponent of Greenlink Nevada and does not need encouragement or unreasonable and superfluous incentives to invest in Greenlink Nevada. Indeed, the Companies’ request for such incentives is contrary to its representations made to the Nevada Legislature to convince the State that Greenlink Nevada should be constructed (following the PUCN’s denial of the Companies’ request for approval to construct Greenlink North – deferring consideration to a future IRP when there is more certainty about when the line is needed).

The Greenlink Nevada project history demonstrates that NV Energy has pushed to build the project without the need for additional incentives. Greenlink Nevada was a significant aspect of NV Energy’s 2018 Joint Integrated Resource Plan (“IRP”). On March 22, 2021, in a PUCN docket to consider NV Energy’s fourth amendment to its 2018 IRP, the PUCN approved the construction of the first sub-segment of Greenlink West, but only approved design, permitting, and land acquisition activities for Greenlink North and the second sub-segment of Greenlink West.<sup>10</sup> Shortly thereafter, the Companies went to the Nevada legislature and convinced that body, in May 2021, to pass Senate Bill 448 which, among other things, granted NV Energy’s request to construct Greenlink North and the second sub-segment of Greenlink West (which the PUCN had denied) and to accelerate their construction. SB 448 Section 21 directed the electric utilities to file an

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<sup>9</sup> Order No. 679, ¶ 6 (emphasis added).

<sup>10</sup> Direct Testimony of Shahzad Lateef, p. 10; Exh. No. NVE-0003.

amendment to its most recent resource plan to incorporate a Transmission Infrastructure for a Clean Energy Economy Plan (“TICEEP”) that sets forth a plan for the construction of Greenlink Nevada -- high voltage transmission infrastructure to be placed into service not later than December 31, 2028.<sup>11</sup> SB 448 also required the PUCN approve the TICEEP so long as the application included all of the information components identified in the legislation for the application and, therefore, the PUCN had no jurisdiction or authority to review the prudence of Greenlink North or discretion to deny any portion of it. Therefore, Greenlink Nevada does not qualify for the rebuttable presumption to satisfy the requirements of FPA Section 219 because Greenlink North never “received construction approval from an appropriate state commission or state siting authority” as required under Order No. 679. When the PUCN had jurisdiction to make that determination, it denied construction approval for Greenlink North and the second sub-section of Greenlink West. The stipulation and order approving the TICEEP followed the Nevada Legislature’s having granted NV Energy’s request to be directed to build Greenlink North.

The SB 448 legislative history very clearly shows that NV Energy strongly lobbied the Nevada Legislature to pass the legislation. Indeed, NV Energy, through its CEO Doug Cannon co-presented in the bill sponsor’s presentation. Mr. Cannon stated that NV Energy “is coming forward with private money and saying we are prepared to fund \$2.5 billion into the State. Shareholders do not recover on that money until that asset goes into service . . . . We will bring \$2.5 billion to the table . . . and Nevadans will not be asked to pay for this investment until at least five to six years down the road.”<sup>12</sup> Responding to the question by the Chair of the Senate Committee in which the bill was introduced as to what “the utility [was] willing to put forward to

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<sup>11</sup> Petition, p. 8.

<sup>12</sup> Testimony of Doug Cannon, NV Energy CEO, Nevada Legislature Senate Committee on Growth and Infrastructure (May 17, 2021) at 32.

assure ratepayers will not end up holding the bag if things do not work out” NVE Energy’s CEO responded that the \$2.5 billion in “private money” NV Energy is “coming forward with” would not be recovered by shareholders “until that asset goes into service” and only then “through a contested proceeding with the PUCN . . . [that] sets how much of the investment we can recover and the rate we can earn on that asset.”<sup>13</sup>

On September 1, 2021, in compliance with SB448, NV Energy submitted its TICEEP for the PUCN’s approval.<sup>14</sup> The TICEEP included NV Energy’s proposal to construct Greenlink North and the second sub-segment of Greenlink West, actions that were specifically deferred in the PUCN’s Order just months prior but that as NV Energy requested, the Nevada Legislature directed be built.<sup>15</sup> On January 5, 2022, NV Energy and other parties submitted a stipulation relating to NV Energy’s TICEEP filing, which was approved by the PUCN on January 24, 2022.<sup>16</sup> The Stipulation approved the construction of Greenlink North and the second sub-segment of Greenlink West but, as SB 448 had done, specifically reserved the issue of any financial incentives to the PUCN’s discretion and required NV Energy in any request for such incentives to provide specific financial modeling of the impacts to customer rates by customer class.<sup>17</sup> This Commission should accept no less transparency here with respect to the projected rate impacts to customers from NV Energy’s proposed incentives, if the Commission does not outright deny the request.

This history demonstrates that rather than needing encouragement to invest in Greenlink Nevada, as contemplated by Order No. 679, NV Energy actively lobbied the Nevada legislature to direct it to construct Greenlink Nevada. The Companies demonstrated through their aggressive

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<sup>13</sup> *Id.*

<sup>14</sup> Petition, p. 9.

<sup>15</sup> Direct Testimony of Shahzad Lateef, p. 22; Exh. No. NVE-0004.

<sup>16</sup> *Id.* at p. 22-23; Exh. No. NVE-0005.

<sup>17</sup> *Id.*

and unrelenting efforts to gain approval to build Greenlink Nevada that the unprecedented \$2.5 billion capital investment and return that NV Energy will earn on the investment was incentive enough for NV Energy to actively advocate for Greenlink Nevada for years. It would be unjust and unreasonable for the Companies to now, inconsistent with its representations to the Nevada Legislature to get SB 448 approval, create additional and unnecessary costs for customers to bear in NV Energy's proposed incentives.

**b. NV Energy has not met its burden to demonstrate a nexus between the incentives sought and the investment made.**

Order No. 679 established a “nexus test,” which requires applicants to demonstrate a connection between the incentives requested and the proposed investment, and that the incentives are proposed to address the risks and challenges that a project faces.<sup>18</sup> The Commission requires applicants seeking incentives “to demonstrate how the total package of incentives required is tailored to address demonstrable risks and challenges,” and that applicants “must provide **sufficient explanation** and support to allow the Commission to evaluate each element of the package and the interrelationship of all elements of the package.”<sup>19</sup> Commission rules require that a petition such as NV Energy's seeking incentives include a **detailed explanation** of how the proposed rate treatment complies with the requirements of Section 219 and a **demonstration** that the proposed rate treatment is just, reasonable, and not unduly discriminatory or preferential.<sup>20</sup>

NV Energy's Petition and supporting testimony are wholly inadequate to explain or demonstrate how its proposed incentives are just and reasonable or what the impact of its proposed incentives will be on customer rates. Rather, NV Energy provides a scant 11 pages of testimony

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<sup>18</sup> *Promoting Transmission Investment Through Pricing Reform*, 141 FERC ¶ 61,129, P 4 (2012) (“2012 Policy Statement”).

<sup>19</sup> *Id.* at ¶ 10 (emphasis added).

<sup>20</sup> 18 C.F.R. 35.35(d) (emphasis added).

from NV Energy Chief Financial Officer and Treasurer Mr. Michael Cole providing broad and vague assertions about potential risks involved with the project, with very little analysis or data to back up such assertions and no projections of rate impacts for customers. For example, Mr. Cole states that Greenlink Nevada will “strain the Companies’ cash flow, liquidity and credit metrics” and that Greenlink Nevada will create “financial stress on NV Energy’s cash flows without support of the transmission incentives.”<sup>21</sup> Mr. Cole also states “assurance of recovery of prudently incurred development costs is necessary for NV Energy to attract capital necessary to develop the project” while omitting that the IRP approval of Greenlink West and SB 448 provide precisely such assurances.<sup>22</sup> He states that the CWIP incentive will help alleviate financial “pressures” on NV Energy’s existing credit metrics, help mitigate risk of a “potential” credit rating downgrade, and help raise equity and debt capital from investors who “may” be discouraged by the delays in the recovery of debt and equity carrying costs during the construction period.<sup>23</sup> His mere speculation unsupported by any evidence or even details leave no basis for approval of the required incentives that will significantly increase the cost and risk to ratepayers.

Mr. Cole’s broad assertions fail the Commission’s requirement to provide “sufficient explanation and support” to allow the Commission to evaluate the proposed incentives. What exactly does it mean, and what exactly are the consequences of NV Energy experiencing “financial stress?” How realistic is NV Energy’s assertion of a “potential” credit rating downgrade and upon what evidence do the Companies rely in asserting this? Most importantly, how do these potential risks compare to the risk of customers’ paying for plant that is never used and useful if the project is abandoned? How do NV Energy’s asserted risks compare to the certain rate impacts of

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<sup>21</sup> Direct Testimony of Michael Cole, p. 5.

<sup>22</sup> *Id.* at p. 7. Exh. No. NVE-0003, pp. 236-239; N.R.S. §§ 704.79871 to 704.7988

<sup>23</sup> *Id.* at p. 8.

regulatory asset recovery and, what is the range of those rate impacts? These questions are all unanswered by NV Energy's Petition and testimony, requiring the Commission to weigh a potential shift of significant risk and unnecessary cost to customers based merely on NV Energy's vague assertions and conclusory statements. NV Energy's threats of financial harm are especially questionable in the face of evidence demonstrating NV Energy's strong advocacy for Greenlink Nevada and the fact that NV Energy's financial data show Nevada Power Company has been overearning its return on equity in Nevada and the Companies have not filed a transmission rate case since 2013.<sup>24</sup>

While almost anything is *possible*, including that the Greenlink project could result in financial strain on NV Energy, NV Energy's Petition does not support those assertions with data or analysis that the Commission could evaluate to make an informed decision on the proposed incentives. As NV Energy states, the Greenlink Project is an extremely significant investment, the largest in NV Energy's history which the Companies well knew when they were aggressively advocating for approval to build the project – first to the PUCN (which rejected the request, in part) and then to the Nevada Legislature. It is concerning, and contrary to the Commission's rules, that NV Energy would propose incentives creating significant and potentially unnecessary costs to customers with such weak "support" lacking any data or analysis to bear out its conclusory speculations.

Because NV Energy's Petition is void of sufficient data or analysis on which the Commission can rely, its request for incentives fails to meet the standard of Order No. 679 and should be denied.

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<sup>24</sup> See PUCN Docket No. 22-03001, Nevada Power's annual deferred energy adjustment application, Exhibit F (March 1, 2022). See Docket No. ER13-1605-000.

**c. NV Energy’s Proposed Incentives are duplicative and unreasonable.**

Even if the Commission determined *some* incentive is appropriate for Greenlink Nevada, NV Energy’s proposed suite of incentives are duplicative and would result in a significant potential unnecessary increase in risk and costs for customers. Order No. 679-A requires the Commission to look at whether the “total package” of incentives is rationally tailored to the risks and challenges of constructing new transmission.<sup>25</sup> Notably, NV Energy’s Petition cites to examples of the Commission awarding other utilities incentives as justification for approval of NV Energy’s proposed suite of incentives. However, closer examination of those cited cases often demonstrates that in those cases the Commission approved only one or two incentives and not the duplicative suite of incentives NV Energy proposes here.

For example, in support of the Abandoned Plant Incentive, NV Energy cites to the Commission granting Niagara Mohawk Power Corp. an abandoned plant incentive.<sup>26</sup> However, in that case, the Abandoned Plant Incentive was the *only* incentive requested by Niagara Mohawk and approved by the Commission.<sup>27</sup> Additionally, NV Energy cites to the Commission granting Tucson Electric Power Co. the CWIP incentive but in that case TEP requested and was granted only the Abandoned Plant Incentive and the CWIP Incentive, not the Regulatory Asset Incentive as proposed by NV Energy. While it is true that NV Energy could have requested additional incentives, and the Commission has granted additional incentives in some cases, NV Energy’s proposed suite of incentives are especially duplicative and unreasonable in light of the significant

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<sup>25</sup> Order No. 679-A, FERC Stats. & Regs. ¶ 31,236 at P 27. *See also* 18 C.F.R. § 35.35(d) (2006) (“Incentive-based rate treatments for transmission infrastructure investment. . . . The applicant must demonstrate that the facilities for which it seeks incentives either ensure reliability or reduce the cost of delivered power by reducing transmission congestion consistent with the requirements of section 219, that the total package of incentives is tailored to address the demonstrable risks or challenges faced by the applicant in undertaking the project, and that resulting rates are just and reasonable....”).

<sup>26</sup> Petition, p. 25.

<sup>27</sup> *Niagara Mohawk Power Corp.* 178 FERC ¶ 61173 at P 30 (2022).

dearth of analysis or evidence supporting its proposal as discussed above. Even if the Commission finds that *some* incentives may be appropriate here, it should require NV Energy to provide additional data and analysis establishing a nexus for each incentive, as discussed above, and narrow the incentives in a manner that appropriately balances NV Energy's and consumers' interests as required by Order No. 679. Such an analysis also requires transparency regarding the potential rate impact for customers of the same kind NV Energy has committed to provide the PUCN for its consideration of any state level incentives the Companies seek.<sup>28</sup>

**d. Each of NV Energy's proposed incentives is unreasonable when considered individually.**

NV Energy must demonstrate that each of its proposed incentives individually as well as the total package of incentives is reasonable and meets the nexus test. Here, even if one ignores NV Energy doggedly pursued approval to build Greenlink Nevada and its lack of evidence supporting its proposed incentives, each of the proposed incentives is unreasonable on its own and the package of incentives even more so. MGM/Caesars' specific concerns with each incentive are further discussed below.

i. Abandoned Plant Incentive

The Abandoned Plant Incentive violates the fundamental utility ratemaking principal that rates must be based on plant that is "used and useful." Obviously, abandoned transmission projects are not used and useful for NV Energy customers. In approving the Abandoned Plant Incentive in Order No. 679, the Commission affirmed that it will evaluate the Abandoned Plant Incentive proposals on a case-by-case basis.<sup>29</sup> The particular facts of Greenlink Nevada demonstrate that the Abandoned Plant Incentive is inappropriate here when NV Energy was a primary proponent of

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<sup>28</sup> Exh. No. NVE-0005, ¶ 3.

<sup>29</sup> Order No. 679, P 164.

Greenlink Nevada and does not need to be “encouraged” with incentives to build Greenlink Nevada. Despite promoting Greenlink Nevada first to the PUCN which rejected the proposal to build Greenlink North, and then to the Nevada Legislature, NV Energy wants to increase the cost of the Greenlink Nevada Project through its proposed incentives and place risk of project abandonment on customers, who, unlike NV Energy, are unable to manage the risk of cancelled plant and, during PUCN proceedings advocated against NV Energy putting the risks of such an immense project on customers alongside other parties including the Regulatory Operations Staff of the PUCN and the Bureau of Consumer Protection.<sup>30</sup> The specific facts of Greenlink Nevada show that the Abandoned Plant Incentive is inappropriate here.

If, despite MGM/Caesars’ protest, the Commission approves the Abandoned Plant Incentive, it should clarify that, consistent with Commission precedent, the incentive is limited to recovery of 50% of costs prudently incurred for project abandonment that occurs for reasons entirely (not just partially) outside of NV Energy’s control prior to an order being issued in this case.<sup>31</sup> In addition, NV Energy should be required to submit financial modeling to the Commission of the rate impact to customers of its proposed incentive prior to an order being issued in this case.

ii. Regulatory Asset Incentive

NV Energy has not established that the Regulatory Asset Incentive balances its interests with those of consumers and, therefore, it should be denied. Indeed, NV Energy’s request for a Regulatory Asset Incentive is particularly lacking in evidence and data with only one page of testimony<sup>32</sup> addressing the request. NV Energy does not describe what costs are included in “pre-construction costs” or provide an estimate of those costs. NV Energy does not represent that it is

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<sup>30</sup> See Exh. No. NVE-0003, pp. 17-47.

<sup>31</sup> *Pac. Gas & Elec. Co.*, 160 F.E.R.C. ¶ 61,018, P 73 (2017).

<sup>32</sup> See Direct Testimony of Michael Cole, p. 7.

not already recovering those costs in currently set rates even though it has not been in for a FERC rate case since 2013 (which suggests it is happy with what's being recovered under current rates).<sup>33</sup> Nor does NV Energy describe or quantify the rate impact that will result from a regulatory asset. Further, NV Energy requests a five year amortization period and to accrue carrying charges on the regulatory balance of its FERC-authorized cost of capital, but does not provide any explanation or analysis regarding why five years is an appropriate time frame for recovery, why a carrying charge is appropriate, or why the cost of capital is an appropriate carrying charge as opposed to a smaller carrying charge such as cost of debt that will have less impact on ratepayers. Such a perfunctory and inadequate presentation by NV Energy cannot reasonably support or justify what would amount to a significant and unnecessary increase in cost for customers imposed without any real understanding or evidence of the purported need for such an “incentive” to build something NV Energy aggressively pursued over the objection of many customers.

Without this vital information the Commission cannot approve the Regulatory Asset Incentive while also ensuring it maintains just and reasonable rates, consistent with Section 219 of the FPA.<sup>34</sup> The Commission should be wary of creating such dangerous precedent of imposing unreasonable and unnecessary costs on customers without adequate information, justification, or transparency.

### iii. CWIP Incentive

In Order No. 679, the Commission acknowledged that the CWIP Incentive was a departure from the existing ratemaking doctrine that rates should be based on plant costs that are “used and useful.”<sup>35</sup> However, the Commission clarified that “the Commission can depart from the norm as

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<sup>33</sup> See Docket No. ER13-1605-000.

<sup>34</sup> 2012 Policy Statement, ¶ 1; Federal Power Act Section 219(d).

<sup>35</sup> Order No. 679, P 116.

long as it reasonably balances consumers' interest in fair rates against investors' interest in maintaining financial integrity and access to capital markets."<sup>36</sup>

The evidence in this case fails to demonstrate that departure from the norm in this instance "reasonably balances consumers' interest." As discussed above, NV Energy is leading a proponent of Greenlink Nevada, represented it would bring \$2.5 billion of private money to build the project, and will earn a significant return on its investment. NV Energy does not need to be "encouraged" to build Greenlink Nevada. Moreover, NV Energy has failed to provide the Commission any evidence to evaluate whether there is any reasonable balance where, as here, it does not provide any analysis or projections of how its proposed incentives will impact customers rates. With such a dearth of information the Commission cannot make a determination regarding whether the CWIP Incentive reasonably balances customers interests and, therefore, should be denied.

Additionally, the Commission is currently considering reforms to the CWIP Incentive in multiple rulemakings.<sup>37</sup> The Commission should allow these processes to unfold before granting NV Energy a CWIP Incentive unsupported by evidence.

## **V. CONCLUSION**

Wherefore, for the foregoing reasons, MGM/Caesars respectfully request that the Commission grant this Motion to Intervene and Protest, making it a party of record in this proceeding. MGM/Caesars reserve their right to raise additional issues that may arise if this proposal is set for hearing.

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<sup>36</sup> *Id.* at P 117.

<sup>37</sup> *See* Commission Docket Nos. RM20-10-000 and RM21-17-000.

Dated: August 1, 2022

Respectfully Submitted,

/s/ Abigail Briggerman

Abigail Briggerman

Laura Granier

Austin Rueschhoff

Holland & Hart LLP

555 Seventeenth Street, Suite 3200

Denver, CO 80202

Telephone: (303) 295-8000

acbriggerman@hollandhart.com

lkgranier@hollandhart.com

darueschhoff@hollandhart.com

**ATTORNEYS FOR MGM RESORTS  
INTERNATIONAL AND CAESARS  
ENTERPRISE SERVICES, LLC**

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day caused the foregoing document to be served upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Denver, CO on August 1, 2022.

*/s/ Abigail Briggerman*  
Abigail Briggerman  
Holland & Hart LLP  
555 Seventeenth Street, Suite 3200  
Denver, CO 80202  
Telephone: (303) 295-8000

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