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FILED WITH THE PUBLIC UTILITIES COMMISSION OF NEVADA - 11/18/2026

— Pepple Moser PC —

November 18, 2026

Trisha Osborne
Assistant Commission Secretary
Public Utilities Commission of Nevada
1150 East William Street
Carson City, Nevada 89701

Re: Joint Application of Nevada Power Company, d/b/a NV Energy and Sierra Pacific Power Company, d/b/a NV Energy for Approval of their 2027-2046 Integrated Resource Plan, 2027-2029 Action Plan, and 2027-2029 Energy Supply Plan.
Docket No. 26-05007

Dear Ms. Osborne,

Please find enclosed the Reply Brief of Microsoft Corporation in the above-referenced docket.

If you have any questions regarding this filing, please do not hesitate to contact me.

Sincerely,

/s/ Anna V. Congdon
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Enclosure

BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

Joint Application of Nevada Power Company, d/b/a NV Energy and Sierra Pacific Power Company, d/b/a NV Energy for Approval of their 2027-2046 Integrated Resource Plan, 2027-2029 Action Plan, and 2027-2029 Energy Supply Plan.	**Docket No. 26-05007**

REPLY BRIEF
OF MICROSOFT CORPORATION

November 18, 2026

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I. INTRODUCTION

Pursuant to Chair Williamson's directive at the October 26, 2026 Phase II hearing in the above-captioned matter, Microsoft submits this Reply Brief on large load issues.[1] The response briefs show that while the range of ideas in this phase of the proceeding is expansive, the path to next steps remains relatively narrow. First, the form LLESA should not be approved in this proceeding. Second, signing an LLESA should not determine whether or when a large load customer receives service. Third, the costs large load customers pay for service and the terms around those payments should be addressed in an expedited tariff investigation dedicated to those topics. Fourth, large load customer commitments can "bridge" the gap before that tariff's approval better than approval of any version of the flawed LLESA.

II. ARGUMENT

A. Parties' arguments that the LLESA may be approved in this proceeding lack merit.

Other parties, including SWEEP, Google, EdgeCore, Fleet, and Tract, agree with Microsoft that the LLESA's rate terms cannot be adopted in this docket, and Staff recommends that the Commission deny the LLESA and open an investigation.[2] NV Energy and Prologis, however, continue to argue that the Commission has the legal authority to approve the LLESA in this IRP proceeding.[3] As Microsoft has already extensively covered, it plainly does not. NV Energy asserts that the LLESA "does 'not make changes in any schedule' of the utility," and "does not alter the tariff."[4] But of course it does. As just one example, the LLESA expressly substitutes the Long-Term Energy Rate ("LTER") for the BTER and DEAA rates in the L/GS-3

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1 Williamson, Tr. Vol. I at 286:5-21; Tr. Vol. IV at 204:15-205:3.

2 SWEEP Response Brief at 6; Google Response Brief at 2; EdgeCore Response Brief at 2-4; Fleet Response Brief at 3; Tract Response Brief at 4-6; and Staff Response Brief at 9.

3 NV Energy Response Brief at 1-2; and Prologis Response Brief at 3-4.

4 NV Energy Response Brief at 2 (*citing* NRS §§ 704.100 & 704.110).

tariff while the generating facility on which the LTER is based is producing.[5] Ms. Wells' own testimony notes that a "core tenet of the Form LLESA is that applicable large-load customers continue to pay all embedded generation and energy resource costs recovered through their otherwise-applicable tariff rates *and* … pay the long-term energy-supply costs caused by their load."[6] Accordingly, customers subject to the LLESA will pay different rates than those paid by other L/GS-3 customers not subject to the LLESA.

NV Energy further claims that the LLESA is merely a form contract, and that the rates customers pay will be memorialized in executed contracts filed with the Commission. This is equally unpersuasive. It contradicts NV Energy's own testimony, which recommends adoption of the LLESA as "a *uniform* service agreement…."[7] While the charges applicable to each LLESA customer would be specific to that customer because they would be based on the resources acquired to serve it, *the manner in which those charges are calculated* is standardized in the LLESA. That is a rate for service. As Microsoft noted in its Response Brief, there is nothing inherently objectionable to establishing a rate whose uniform application results in different charges for different customers. The Commission has approved such rates for NV Energy in the past, such as through the Large Customer Market Price Energy Tariff, and Microsoft's Ratepayer Protection Tariff ("RPT") proposes to do this as well. But these are rates that must be approved through the statutorily required process, not appended to an existing rate schedule at NV Energy's discretion. NV Energy's observation that Microsoft's testimony sought approval of the RPT in this docket changes nothing: as Microsoft's Opening Brief

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5 Exh. 151 (Direct Testimony of Janet Wells), Wells-Direct-2 § 5.2(c).
6 Exh. 160 (Rebuttal Testimony of Janet Wells) at 7:9-13 (emphasis added).
7 *Id.* at 8:23-24.

acknowledged, the RPT cannot be adopted here as a final tariff, which is why Microsoft seeks the statutory process.

For its part, Prologis asserts that Microsoft's argument "elevates formality over substance" and that notice was sufficient because "each of the customers that the LLESA affects has been provided notice of the application" and has intervened in this docket.[8] Microsoft rejects the suggestion that compliance with applicable law is a mere "formality," especially one the Nevada Supreme Court has found necessary to adequately inform the public of the contents of a rate application.[9] Nor does the fact that the customers the LLESA currently affects have intervened demonstrate adequate notice. It was not clear from the Commission's notice of NV Energy's application that the Companies sought to establish new rates for *all* large load customers going forward, not just those NV Energy had contacted before filing this IRP. Customers weighing a move to Nevada could not have known that their energy rates would be set by a new form contract rather than by the published rates in NV Energy's tariffs. And although Staff has raised concerns that the LLESA's rates may not fully protect other customers, no notice of any such impact on other rate schedules was provided. The statutory notice process exists for a reason, and it was not followed with respect to the LLESA.

B. Signing the LLESA should not determine whether or when a large load customer receives service.

Much of the discussion in the response briefs centers on the effect of signing or not signing the LLESA on a party's ability to receive timely electric service from NV Energy. Understandably, parties that signed the LLESA despite their issues with the form want the benefit of their bargain and service on the timelines they desire. But Amazon and NV Energy go

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8 Prologis Response Brief at 3-4.

9 *Nevada Power Co. v. Pub. Serv. Comm'n*, 91 Nev. 816, 820, 544 P.2d 428, 431 (1975).

too far in arguing that signers should be served first because they made financial commitments that a Rule 9 application date does not show.[10] The LLESA is a form the Commission has not approved, and signers reserved its key provisions, so signing is a poor proxy for commitment. Rule 9 applicants, moreover, are not uncommitted: Rule 9 requires these customers to pay advances and contributions in aid of construction for high voltage distribution assets required to serve them.[11] Microsoft therefore continues to support Staff's recommendation to rank large load customers by the date of their original Rule 9 applications, which creates a level playing field.

That ranking is objective, available to every large load, and should delay no one. Nor does it leave NV Energy's other customers unprotected: the bridge contract discussed below would require every large load customer, signer or not, to make enforceable financial commitments before NV Energy incurs costs. Amazon's objection that a partial-service request is "vague" and new is also unavailing.[12] Microsoft proposed this in its Opening Brief, BCP proposes a similar roll-forward of unserved load, and the details can be settled in the queue process the Commission must establish.[13]

C. Given the repeated commitments identified by the parties in this proceeding to pay their share of costs, the simplified commitments Microsoft proposed are sufficient to bridge the gap until a large load tariff is approved.

The large load parties' commitments to pay their own way are not in dispute. Fleet's brief collects record statements from ten parties committing to pay the incremental costs of serving their loads,[14] and Amazon calls the commitment by large-load customers to pay the costs

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10 Amazon Response Brief at 2; NV Energy Response Brief at 5-6.
11 Rule 9 § B.2
12 Amazon Response Brief at 7.
13 Microsoft Opening Brief at 9; BCP Response Brief at 1-5.
14 Fleet Response Brief at 2.

they cause "the only thing in this docket that all parties seem to agree on."[15] NV Energy objects that Microsoft has not reduced its five provisions to a formal contract,[16] but the provisions are simple, can be filed as is in this docket, and can serve as a more effective bridge than picking and choosing aspects of the flawed LLESA, which itself lacks any near-term protections for other customers before a large load customer takes service.[17]

Microsoft's recommended provisions meet the stated need for commitments before a tariff exists: customers pay their pro rata share of prudently incurred costs as NV Energy incurs them, post security, and remain responsible for costs that cannot be mitigated, meeting the cost-causation standard urged in this proceeding.[18] And because those costs will not reach other customers' rates until the resources enter service or the next general rate case, an expedited investigation can be completed before any costs enter rates.

III. CONCLUSION

For the foregoing reasons, Microsoft continues to recommend that the Commission: (1) reject the LLESA in this proceeding; (2) decline to base service priority on LLESA execution and instead rank large load customers by the date of their original Rule 9 applications, at the size originally requested; (3) require NV Energy to file a "bridge" contract as described in Microsoft's Opening Brief; and (4) open an expedited investigation, on a defined schedule, to establish a large load tariff modeled on the principles of the RPT.

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15 Amazon Response Brief at 3.
16 NV Energy Response Brief at 3.
17 Microsoft Opening Brief at 7-8; Wells, Tr. Vol. I at 312:18-313:12 & 338:4-340:15.
18 *See, e.g.*, Amazon Response Brief at 8-9.

RESPECTFULLY SUBMITTED this 18th day of November, 2026.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing **Reply Brief of Microsoft Corporation** upon each of the parties on the attached service list in this proceeding via electronic mail.

DATED this 18th day of November, 2026.

/s Anna V. Congdon
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