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Filed For: Sierra Pacific Power Company

In accordance with NRS Chapter 719,
this filing has been electronically signed and filed
by: /s Llilanya Davidson

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Sierra Pacific Power Company

FILED WITH THE PUBLIC UTILITIES COMMISSION OF NEVADA - 9/4/2026

NVEnergy

September 4, 2026

ADVICE LETTER NO. 568

Ms. Trisha Osborne, Assistant Commission Secretary
Public Utilities Commission of Nevada
Capitol Plaza
1150 East William Street
Carson City, Nevada 89701-3109

Dear Ms. Osborne:

Nevada Power Company d/b/a/ NV Energy ("Nevada Power") hereby submits for filing with the Public Utilities Commission of Nevada ("Commission") proposed revisions to Electric Tariff No. 1-B – PUCN Sheet No. 83AZ(13) related to Rule No. 9, Electric Line Extensions, and proposes a new Schedule No. CIAC (Contributions in Aid of Construction).

By this filing, Nevada Power hereby revises Electric Rule No. 9 and establishes Schedule No. CIAC to reflect the following:

(1) Relocation of the current Contributions in Aid of Construction (CIAC) Tax Gross-up rates applicable to Rule 9 projects from Electric Rule No. 9 to Schedule No. CIAC;
(2) The establishment of a Generation CIAC Tax Gross-up rate applicable to depreciable generation property; and
(3) Consolidation of the applicable CIAC Tax Gross-up rates for Rule 9 and Generation projects on Schedule No. CIAC.

PUCN SHEET NO.	TITLE OF SHEET	CANCELLING PUCN SHEET NO.
3A 30th Revised	Table of Contents	3A 29th Revised
36G 2nd Revised	CIAC, Contributions in Aid of Construction	36G 1st Revised
83AZ(13) 14th Revised	Rule No. 9, Electric Line Extensions	83AZ(13) 13th Revised

Nevada Power will file revised Tax Gross-up rates annually in December to reflect the applicable rates calculated in accordance with Nevada Administrative Code section 704.6532.

The associated workpapers detailing the calculation supporting the proposed Generation CIAC Tax Gross-up rate applicable to depreciable generation property are attached to this letter as Attachment 1.

Correspondence relating to this filing should be addressed to:

Roman Borisov
Senior Attorney
NV Energy
P.O. Box 10100
6100 Neil Road, M/S S4A35
Reno, NV 89520
Phone: (775) 834-3470
E-mail:roman.borisov@nvenergy.com

and

Trevor Dillard
Director, Regulatory Services
NV Energy
P.O. Box 10100
6100 Neil Road, M/S S4A50
Reno, NV 89520
Phone: (775) 834-5823
E-mail: regulatory@nvenergy.com

Nevada Power respectfully requests that the Commission accept the enclosed tariffs and have them stamped effective January 1, 2027.

If you have any questions, please contact me at (775) 834-3470 or roman.borisov@nvenergy.com.

Sincerely,

/s/ Roman Borisov
Roman Borisov
Senior Attorney

Enclosures

DRAFT NOTICE

PUBLIC UTILITIES COMMISSION OF NEVADA
DRAFT NOTICE
(Applications, Tariff Filings, Complaints, and Petitions)

Pursuant to Nevada Administrative Code ("NAC") 703.162, the Commission requires that a draft notice be included with all applications, tariff filings, complaints, and petitions. Please complete and include **ONE COPY** of this form with your filing. (Completion of this form may require the use of more than one page.)

A title that generally describes the relief requested (see NAC 703.160(5)(a)):

> **Notice of Advice Letter No. 568 to revise Rule No. 9 PUCN Sheet No. 83AZ(13), Electric Line Extensions and propose a new Schedule No. CIAC (Contributions in Aid of Construction).**

The name of the applicant, complainant, petitioner, or the name of the agent for the applicant, complainant or petitioner (see NAC 703.160(5)(b)):

> **Nevada Power Company d/b/a NV Energy.**

A brief description of the purpose of the filing or proceeding, including, without limitation, a clear and concise introductory statement that summarizes the relief requested or the type of proceeding scheduled (see NAC 703.160(5)(c)):

> **This advice letter is being filed to revise Electric Rule No. 9 and establish Schedule No. CIAC to consolidate the applicable CIAC Tax Gross-up rates for Rule 9 and Generation projects, including the establishment of a rate applicable to depreciable generation property.**

A statement indicating whether a consumer session is required to be held pursuant to Nevada Revised Statute ("NRS") 704.069(1)[1]:

> **No. A consumer session is not required by NRS § 704.069.**

[1] NRS 704.069 states in pertinent part:

> 1. The Commission shall conduct a consumer session to solicit comments from the public in any matter pending before the Commission pursuant to NRS 704.061 to 704.110 inclusive, in which:
> (a) A public utility has filed a general rate application, an application to recover the increased cost of purchased fuel, purchased power, or natural gas purchased for resale or an application to clear its deferred accounts; and
> (b) The changes proposed in the application will result in an increase in annual gross operating revenue, as certified by the applicant, in an amount that will exceed $50,000 or 10 percent of the applicant's annual gross operating revenue, whichever is less.

If the draft notice pertains to a tariff filing, please include the tariff number **AND** the section number(s) or schedule number(s) being revised.

PUCN SHEET NO.	TITLE OF SHEET	CANCELLING PUCN SHEET NO.
3A 30th Revised	Table of Contents	3A 29th Revised
36G 2nd Revised	CIAC, Contributions in Aid of Construction	36G 1st Revised
83AZ(13) 14th Revised	Rule No. 9, Electric Line Extensions	83AZ(13) 13th Revised

TARIFFS

Table of Contents
SCHEDULE OF RATES
(Continued)

PUCN Schedule No.	Title of Sheet	Sheet No.	
NDPP	Natural Disaster Protection Plan	33D(6)	
NMR-A	Net Metering Rider-A – Residential and Small General Service	33E – 33G(5)	
NMR-B	Net Metering Rider-B – Non-Residential and Non-Small General Service	33G(6) – 33G(15)	
NMR-G	Net Metering Rider-G – Residential and Small General Service - Grandfathered	33G(16) – 33G(25)	
NMR-405	Net Metering Rider-405	33G(26) – 33G(36)	
SSR	Small Standby Service Rider	33H – 33S	
LSR	Large Standby Service Rider	33T – 33AH	
DOS	Distribution-only Service Rider	34 – 34R	
OFP	Optional Flexible Payment	35 – 36F	
CIAC	Contributions in Aid of Construction	36G	(N)
RPE	Retail Power Exchange	36T	
Hoover-D	Hoover-D Service Rider	36T(1) – 36T(4)	
WCS	Wireless Communication Service	36U – 36W	
EDRR	Economic Development Rate Rider	36X – 36Z(9)(b)	
NGR	NV GreenEnergy Rider	36Z(10) – 36Z(12)(b)	
MPE	Market Price Energy	36Z(13) – 36Z(16)	
LCMPE	Large Customer Market Price Energy	36Z(17) – 36Z(20)(a)	
ESER	Expanded Solar Energy Rate	36Z(21) – 36Z(22)	
ESAP	Expanded Solar Access Program Rate	36Z(23)	
NVEVCN	NV Energy Electric Vehicle Charging Network	36Z(24) – 36Z(26)	
ESB-V2G	Electric School Bus Vehicle-to-Grid Trial	36Z(27) – 36Z(29)	
CPST	Customer Pricing Stability Tariff	36AA – 36AD	

(Continued)

(N)

Schedule No. CIAC
CONTRIBUTIONS IN AID OF CONSTRUCTION

NEVADA POWER COMPANY

TAXABILITY OF CONTRIBUTIONS IN AID OF CONSTRUCTION – TAX GROSS-UP RATES

The current Contributions in Aid of Construction (CIAC) Tax Gross-up rates applicable to Rule 9 projects and Generation projects are set forth below. These rates are calculated in accordance with NAC 704.6532.

Property Type	Tax Gross-Up Rate
Depreciable distribution or transmission property of less than 69 kV	13.6%
Depreciable distribution or transmission property equal to or greater than 69 kV	10.7%
Depreciable generation property	10.7%
Non-depreciable property	26.6%

(N)

Rule No. 9
ELECTRIC LINE EXTENSIONS
(Continued)

ATTACHMENT 2 – RULE 9 OF NEVADA POWER COMPANY

TAXABILITY OF ADVANCES FOR LINE EXTENSIONS – TAX GROSS-UP RATE

The current Contributions in Aid of Construction (CIAC) Tax Gross-up rates are set forth in Schedule CIAC, PUCN Sheet No. 36G. (N) (N) (D)

If the U.S. Government changes the depreciation rate for public utility line extension assets through Bonus Depreciation on a retroactive basis to an earlier date than the date of enactment, and where

(1) a Rule 9 Project is a Large Project, a MPC Project, a Relocation and Removal Project, or a Substation and HVD Project, and

(2) the effective date of the Tax Gross-up rate for such Project, as provided in Section A.18.b, falls within the enacted Bonus Depreciation period,

then as part of the Total Cost True-up of such Project pursuant to Section A.31, the Utility shall calculate the Tax Gross-up rate applicable to such Project utilizing the methodology mandated by NAC 704.6532 and applying thereto the depreciation rate that applies to Utility on the effective date of the Tax Gross-up rate for such Project pursuant to Section A.18.b.

Utility will use that calculated Tax Gross-up rate in the Cost True-up of such Project.

(Continued)

ATTACHMENT 1

NEVADA POWER COMPANY
CALCULATION OF GROSS UP PERCENTAGE
BASED ON $1,000 CONTRIBUTION
Generation Property
ELECTRIC

LINE NO.	YEAR	BEGINNING TAX PAYMENT BALANCE	YEARLY TAX BENEFIT	ENDING TAX PAYMENT BALANCE	CURRENT AUTHORIZED PRETAX RETURN* 8.81% RETURN	CURRENT CUSTOMER DEPOSIT RATE* 3.635% PV FACTOR	PRESENT VALUE
1	1	210.00	10.50	199.50	17.58	0.9823	17.260
2	2	199.50	19.95	179.55	15.82	0.9479	14.990
3	3	179.55	17.96	161.60	14.24	0.9146	13.020
4	4	161.60	16.17	145.43	12.81	0.8825	11.310
5	5	145.43	14.55	130.87	11.53	0.8516	9.820
6	6	130.87	13.08	117.79	10.38	0.8217	8.530
7	7	117.79	12.39	105.40	9.29	0.7929	7.360
8	8	105.40	12.39	93.01	8.19	0.7651	6.270
9	9	93.01	12.41	80.60	7.10	0.7382	5.240
10	10	80.60	12.39	68.21	6.01	0.7123	4.280
11	11	68.21	12.41	55.80	4.92	0.6874	3.380
12	12	55.80	12.39	43.41	3.82	0.6632	2.540
13	13	43.41	12.41	31.00	2.73	0.6400	1.750
14	14	31.00	12.39	18.61	1.64	0.6175	1.010
15	15	18.61	12.41	6.20	0.55	0.5959	0.330
16	16	6.20	6.20	0.00	0.00	0.5750	-
17	17	0.00	-	0.00	0.00	0.5548	-
18	18	0.00	-	0.00	0.00	0.5353	-
19	19	0.00	-	0.00	0.00	0.5166	-
20	20	0.00	-	0.00	0.00	0.4985	-
21	21	0.00	-	0.00	0.00	0.4810	-
22	TOTAL		210.00				107.09
23							
24		CONVERSION TO PERCENTAGE PER DOLLAR OF CONTRIBUTION					10.71%

	TAX SAVINGS CALCULATION					
YEAR	TAX BASE	MACRS TAX DEPRECIATION RATE	ANNUAL TAX DEPRECIATION	ANNUAL TAX SAVINGS AT 21% RATE	LINE NO.
1	1,000	5.000%	50.00	10.50	1
2	1,000	9.500%	95.00	19.95	2
3	1,000	8.550%	85.50	17.96	3
4	1,000	7.700%	77.00	16.17	4
5	1,000	6.930%	69.30	14.55	5
6	1,000	6.230%	62.30	13.08	6
7	1,000	5.900%	59.00	12.39	7
8	1,000	5.900%	59.00	12.39	8
9	1,000	5.910%	59.10	12.41	9
10	1,000	5.900%	59.00	12.39	10
11	1,000	5.910%	59.10	12.41	11
12	1,000	5.900%	59.00	12.39	12
13	1,000	5.910%	59.10	12.41	13
14	1,000	5.900%	59.00	12.39	14
15	1,000	5.910%	59.10	12.41	15
16	1,000	2.950%	29.50	6.20	16
17	1,000		0.00	-	17
18	1,000		0.00	-	18
19	1,000		0.00	-	19
20	1,000		0.00	-	20
21	1,000		0.00	-	21
TOTAL		100.00%		210.00	22
					23
					24

NEVADA POWER COMPANY
CALCULATION OF GROSS UP PERCENTAGE
BASED ON $1,000 CONTRIBUTION

ASSUMPTIONS

LINE NO.					LINE NO.
1	FEDERAL INCOME TAX RATE OF	21%	Effective 1/1/2018		1
2					2
3	CUSTOMER DEPOSIT RATE	3.635%	PER PUCN LETTER 12-02-25		3
4					4
5					5
6	AUTHORIZED RATE OF RETURN				6
7					7
8		ELECTRIC*			8
9	DEBT*	2.48%			9
10	EQUITY*	5.00%			10
11	TOTAL	7.48%			11
12	GROSS UP FOR TAX	1.33%	COMPUTED ON EQUITY PORTION ONLY		12
13	PRETAX RETURN	8.81%			13
14					14
15	*DKT. 25-02016				15
16					16
17					17
18	INCOME TAX GROSSUP FACTOR FOR NON-DEPRECIABLE ASSETS	1.2658	EQUALS (1/(1-TAX RATE))	(PER NRS 704.6532 section 5)	18
19					19
20	AVERAGE RATE BASE USED				20
21					21
22	MID YEAR SELECTED FOR PRESENT VALUE CALCULATION				22

CERTIFICATION

CERTIFICATION

Application For Tariff Approval Filed Under An Advice Letter

Public Utilities Commission of Nevada

1150 E. William Street
Carson City, NV 89701-3109
Ph: (775) 684-6101 / Fax: (775) 684-6110

9075 W. Diablo Drive, Suite 250
Las Vegas, NV 89148-7674
Ph: (702) 486-7210 / Fax: (702) 486-7206

www.puc.nv.gov

Trevor Dillard, hereby certifies as follows:

1. I am an authorized representative of Nevada Power Company d/b/a NV Energy (utility name).

2. Pursuant to NRS 704.100(1)(f), I attest that to the best of my knowledge, information, and belief, formed after a reasonable inquiry, the proposed change in schedule does not change any rate or result in an increase in the annual gross operating revenue of Nevada Power Company d/b/a NV Energy (utility name) in an amount that exceeds $15,000.

I certify that the foregoing statements are true.

September 4, 2026
Date

Signature

Trevor Dillard
Printed Name

CERTIFICATE OF SERVICE

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing filing of **NEVADA POWER COMPANY D/B/A NV ENERGY** in Docket No. 26-XXXXX upon the persons listed below by electronic mail:

Donald Lomoljo
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1150 E. William Street
Carson City, NV 89701-3109
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8945 W. Russell Road, Suite 204
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bcpserv@ag.nv.gov

DATED this 4th day of September, 2026.

/s/ *Llilanya Davidson*
Llilanya Davidson
Regulatory Operations Analyst
Sierra Pacific Power Company
Nevada Power Company