SMART METER FAQs - RESIDENTIAL

NORTHERN NEVADA

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1. WHAT ARE SMART METERS?

Smart meters are digital devices that collect energy use data and, unlike traditional meters, transmit and receive data, too. For example, NV Energy's smart meters record the amount of energy used every 15 minutes, providing a detailed view of daily energy usage patterns. Customers can access information about their energy use via the MyAccount web tool on www.nvenergy.com, or through NV Energy's automated voicemail system, the day after the energy usage occurs. NV Energy's customers in northern Nevada have similar access to data regarding their natural gas use.

2. ARE SMART METERS ACCURATE?

Because smart meters are digital meters, they are generally less likely to provide "slow reads" than analog meters. As with many things, as any utility meter ages it may require maintenance and repair in order to continue to accurately record usage. All types of utility meters are subject to testing. NV Energy uses a two-phased process to test the accuracy of its smart meters:

- The manufacturer conducts meter testing.
- NV Energy tests the meters again in its meter shop.

3. ARE SMART METERS SECURE FROM HACKING?

Smart meters transmit data via the same technology used to transmit data between cell phones. Various measures may be taken by a utility installing smart meters to ensure that data is protected. For example, NV Energy is addressing security and privacy concerns associated with such transmissions by protecting its networks through:

- The use of best-in-industry technology and software.
- The use of an encrypted radio frequency network from the meters to the networks.
- Isolation of the network from the customer website.
- Isolation of the network that transmits data from the meters to the corporate computer network.

4. WILL MY PERSONAL INFO BE KEPT CONFIDENTIAL?

Yes. Utilities are required to keep customer information confidential regardless of whether a smart meter has been installed or not. The meter only broadcasts your usage information and meter identification number to NV Energy. The following information is NEVER broadcast from NV Energy's smart meters: name, address, driver's license number, social security number, date of birth, personal ID number, or utility account number.

5. WILL MY BILL INCREASE DUE TO SMART METERS?

It's too early to tell what the impacts on customer bills will be. When NV Energy presents the costs and savings due to smart meters to

the PUCN in its next scheduled rate case, the PUCN will examine the evidence in the record and determine how to adjust rates so that they are just and reasonable. Nevada law requires NV Energy to file a general rate case every three years. Contact the PUCN for more information about filing dates.

6. WILL SMART METERS CHANGE TERMINATION OF SERVICE RULES?

No. The same rules regarding termination of service and notice apply. See Nevada Administrative Code 704.350 - 704.380 for more information about the rules gas and electric utilities must follow when terminating a customer's service.

7. IF I HAVE A SMART METER, WILL I BE REQUIRED TO PARTICIPATE IN NV ENERGY'S TIME-OF-USE RATE PROGRAM?

No. Participation in the time-of-use program is voluntary.

8. MAY I OPT OUT OF HAVING A SMART METER INSTALLED AT MY HOME?

Yes. The PUCN issued an order on January 9, 2013, in docket 12-05003, approving a smart meter Trial Opt-Out Program for residential customers. The Trial Opt-Out Program allows NV Energy's residential customers to choose to have refurbished analog meters rather than smart meters installed on their home. The PUCN approved NV Energy's tariff detailing the terms and conditions of the program on February 4, 2013.

9. HOW DO I APPLY TO PARTICIPATE IN THE OPT-OUT?

Call NV Energy's Resolution Center to opt-out:

Southern Nevada: 702-402-4273Northern Nevada: 1-888-559-9744

10. IS THERE A COST TO OPT-OUT?

Yes. There is a one-time installation fee and a monthly recurring fee (see the table below). NV Energy does not offer a payment plan specific to the fees associated with the Trial Opt-Out Program. The full amount of the installation fee and the monthly recurring fee will appear on the customer's first bill following installation of the non-standard meter approved by the PUCN for the opt-out program. The fees will appear on your bill as a "non-standard meter charge."

	So. NV Electric	No. NV Electric Only	No. NV Electric + Gas
Set Up Charge (1-time charge)	\$52.86	\$52.44	\$52.44
Monthly Fee	\$8.82	\$8.72	\$9.26





11. DO I GET TO KEEP MY ANALOG METER IF I PARTICIPATE IN THE TRIAL OPT-OUT PROGRAM?

No. NV Energy will switch out your existing analog meter with a refurbished analog meter. The refurbished analog meter is non-communicating, incapable of storing data, and must be read manually.

12. HOW SOON WILL I RECEIVE THE REFURBISHED METER?

NV Energy will process requests based on the order of receipt. NV Energy's goal is to install the refurbished meter within 20 business days of a customer's request.

13. IF I MOVE, DO I HAVE TO PAY THE SET UP CHARGE AGAIN TO PARTICIPATE IN THE OPT-OUT AT MY NEW RESIDENCE?

Yes.

14. IF I LIVE IN NORTHERN NEVADA AND NV ENERGY PROVIDES BOTH MY NATURAL GAS AND ELECTRIC SERVICE, DO I HAVE TO OPT-OUT FOR BOTH METERS? Yes.

15. CAN I PARTICIPATE IN THE TRIAL OPT-OUT PROGRAM IF I ALREADY HAVE A SMART METER?

Yes. NV Energy will replace your smart meter with a refurbished analog meter.

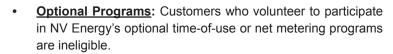
16. CAN I QUIT THE OPT-OUT AT ANY TIME?

Yes. Call (702) 402-4273 in Southern Nevada and 1-888-559-9744 in Northern Nevada to schedule a smart meter installation. There is no additional fee for the smart meter installation. The fees paid toward participation in the Trial Opt-Out Program cover the cost of removing the refurbished analog meter and placing a standard smart meter.

17. ARE THERE ELIGIBILITY CRITERIA?

The following restrictions apply:

- Customers of Record: Only customers of record (the person whose name is on the bill) with NV Energy are authorized to participate. A property owner who is not the official customer of record cannot participate. For example, a landlord cannot choose to participate in the program if the landlord is not the customer of record for the rented property.
- <u>Failure to Make Timely Payments</u>: Customers who have made two late payments in any 12-month period since Feb. 4, 2013, are ineligible. If you become ineligible due to this requirement and then pay on time for 12 consecutive months, you can request to opt out.
- <u>Evidence of Tamper</u>: NV Energy has the discretion to determine that a customer is not eligible for the opt-out program if there is evidence that the customer has tampered with the existing meter at the customer's residence.
- <u>Subject to Availability</u>: Participation in the Trial Opt-Out Program is limited to 12,000 electric customers in Southern Nevada, 4,500 electric customers in Northern Nevada, and 4,500 gas customers in Northern Nevada. Participation is on a first-come, first-served basis.



18. IF I PARTICIPATE IN THE OPT-OUT, CAN NV ENERGY REQUIRE ME TO HAVE A SMART METER IN THE FUTURE?

NV Energy has terms and conditions that must be met in order for a customer to maintain eligibility for the opt-out.

- <u>Failure to Make Timely Payments</u>: Customers who make two late payments in any 12-month period after enrolling in the opt-out will become ineligible for the program.
- Right of Access Denied: Customers who deny NV Energy access to read their refurbished analog meter twice in any 12-month period will become ineligible for the program.
- Evidence of Tamper: A customer's participation in the opt-out may be revoked if there is evidence that the customer attempts to defraud the utility or tampers or interferes with the operation of the refurbished analog meter.

19. WHY IS THE OPT-OUT CALLED A "TRIAL" PROGRAM?

The Trial Opt-Out Program was established as a 4-year program that will end on or about December 31, 2016. During this period of time, the PUCN will assess the viability of the program based on data collected by NV Energy. For the first year of the program, the PUCN requires NV Energy to file quarterly reports identifying the number of program participants and meter installations. Within the first 18 months, the PUCN requires NV Energy to file the cost and rates associated with the program. No later than April 1, 2016, the PUCN requires NV Energy to make a filing to either update the Trial Opt-Out Program or a proposal to end it, with a transition plan. At that time, the PUCN will determine whether or not to continue the program. To view NV Energy's quarterly reports and other compliance filings, access Docket No. 12-05003 on the PUCN's website.

20. WHERE CAN I FIND INFORMATION ABOUT PUCN PROCEEDINGS CONCERNING SMART METERS?

Visit the PUCN's All Dockets web page to view the dockets listed below:

- <u>Docket No. 10-02009</u>: The PUCN approved NV Energy's request to set smart meters as the utility's standard metering option for all classes of customers.
- <u>Docket No. 11-10007</u>: The PUCN issued an order requiring NV Energy to implement a program to allow residential customers to opt-out of the utility's smart meter program.
- <u>Docket 12-05003</u>: The PUCN issued an order requiring NV Energy to implement a Trial Opt-Out Program that would allow participating customers to receive a non-communicating meter incapable of storing data, rather than a smart meter.



