



FOR IMMEDIATE RELEASE

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## **NV Energy and Great Basin Transmission to Pursue Jointly-Owned Transmission Line**

LAS VEGAS – NV Energy (NYSE:NVE) and Great Basin Transmission, LLC, an affiliate of LS Power, have signed a Memorandum of Understanding to jointly own a 500 kilovolt transmission line in Nevada. NV Energy would purchase Great Basin’s share of capacity on the jointly owned line under a long term agreement.

The transmission line would provide access to isolated renewable energy resources in parts of northern and eastern Nevada. Additionally, it would connect NV Energy’s northern service area with its service area in southern Nevada, which will enhance overall energy-sharing efficiencies and renewable energy utilization.

Both companies have been developing separate lines in the same Southwest Intertie Project (SWIP) corridor that spans 235 miles from north of Las Vegas to near Ely, Nevada. Great Basin has obtained the major federal, state, and local approvals required to construct the line, and both companies are seeking a financing agreement with Western Area Power Administration pursuant to federal borrowing authority granted under the American Reinvestment and Recovery Act of 2009.

Michael Yackira, President and Chief Executive Officer for NV Energy, commented on the announcement, “Transmission infrastructure is essential for bringing renewable resources to market, and with as much yet-to-be-developed geothermal and wind energy that we have in the northern part of the state, a single transmission line connecting the north to the south brings enormous opportunity for future renewable development”

“This project is a great example of how the local utility, an independent energy project developer and the Federal Government can work together to deliver a project that is superior to the alternatives. It will enable transmission access for renewable energy projects that were otherwise isolated from the market and provide reliability, efficiency and other benefits to the transmission system,” said Mike Segal, Chairman and Chief Executive Officer for LS Power.

The joint ownership of the project is contingent upon the execution of final agreements and would require the approval of the Public Utilities Commission of Nevada and the Federal Energy Regulatory Commission. NV Energy will include the joint ownership proposal as its preferred

alternative in its upcoming Integrated Resource Plan filing with the commission, which will be filed by February 1, 2010.

Great Basin is currently developing expansions of the SWIP to the north and to the south to provide access to additional renewable energy resources and markets and additional reliability benefits for Nevadans. Under the arrangement, NV Energy will have rights to capacity on these expansions at no additional cost to Nevada ratepayers. Additional capacity will remain available for sale to third parties.

Construction of the jointly owned line is planned to begin this year resulting in approximately 400 jobs and millions of dollars in sales and use tax and property tax payments for Nevada counties and schools. The line will also enable hundreds of additional jobs as it will provide market access to spur the development of new renewable energy generation projects.

#### **About Great Basin Transmission, LLC**

Great Basin is a single-purpose company formed to develop, finance, construct, own, and operate the Southwest Intertie Project. Great Basin is wholly owned by LS Power, a power generation and transmission group. For more information, visit [www.LSPower.com](http://www.LSPower.com).

#### **About NV Energy, Inc.**

Headquartered in Las Vegas, Nevada, NV Energy, Inc. is a holding company with principal subsidiaries, Nevada Power Company and Sierra Pacific Power Company, doing business as NV Energy. Serving a combined 54,500-square-mile service territory, NV Energy provides a wide range of energy services and products to approximately 2.4 million citizens of Nevada and nearly 40 million tourists annually. For more information, visit [www.NVEnergy.com](http://www.NVEnergy.com).

#### **Forward-Looking Statements Disclosure**

*This press release may contain forward-looking statements regarding the future performance of Sierra Pacific Power Company d/b/a NV Energy within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are subject to a variety of risks and uncertainties that could cause actual results to differ materially from current expectations. These risks and uncertainties include, but are not limited to, the negotiation of a definitive agreement between the parties and obtaining necessary regulatory approvals.*

*Additional cautionary statements regarding other risk factors that could have an effect on the future performance of Sierra Pacific Power Company are contained in NV Energy Inc.'s and Sierra Pacific Power Company's Annual Reports on Form 10-K for the year ended December 31, 2008 and Quarterly Reports on Form 10-Q for the quarters ended March 31, 2009, June 30, 2009 and September 30, 2009, as filed with the Securities and Exchange Commission. NV Energy, Inc. and Sierra Pacific Power Company undertake no obligation to release publicly the result of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.*

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