

## **Is NV Energy Misappropriating One Million Dollars in Federal Funding For Consumer Confidence?**

NV Energy (NVE), on Recovery.gov, "*which is the U.S. government's official website that provides easy access to data related to Recovery Act spending*", stated: "*The DOE approved additional funding of \$1 million above the previously approved \$137.8 million for work NV Energy will undertake for Consumer Confidence activities.*" [1]

In their 2010, third quarter report, "*In conjunction with discussions during the quarter with the DOE, NV Energy submitted a Consumer Confidence Plan and Proposal to the DOE for additional funding of \$1 million. The DOE approved the plan and proposal. NV Energy will match the \$1 million and spend a total of \$2 million on activities to assure consumer confidence in this Smart Grid Investment and Dynamic Pricing Trial*" [2]

According to their 2012, first quarter report, "*79,586 meters were deployed in the qtr in NVE's southern service territory; totaling 774,889 smart meters installed in southern Nevada as of Mar 31. Mass deployment of smart meters began in Jan in NVE's northern service territory resulting in 21,465 meters deployed during the qtr totaling 21,519 smart meters installed in northern Nevada as of Mar 31, 2012.*" [3]

NVE has admitted installing 796,408, [3] out of 1.45 million meters, whereby, they have spent \$369,599 [6,7,8,9,10,11], on Customer Confidence out of two (2) million dollars.

Where are these customer confidence activities that they received funding for and expensed out?

On January 12, 2012, the PUC ordered that NVE start educating the public on the meters, the postponement list, develop a media plan, etc., and be submitted to the PUC Commission within ten (10) days of Interim Order issuance date. [4]

In their required quarterly reports, they acknowledged the following disbursements associated with either Customer Communication or Customer Confidence. Customers are only mailed a 30 day letter notifying of the smart meter installation, no further information on confidence they are alluding to. [5]

NVE started deployment on September 27, 2010.

### **October 1, 2010 to December 31, 2010**

*Magna Media International Inc. - Marketing Specialist for Customer Communication Materials \$13,874*

*Rain Visual Strategy, Inc. - Marketing Specialist for Customer Communication Materials \$30,155* [6]

**January 1, 2011 to March 31, 2011**

*Magna Media International Inc. - Marketing Specialist for Customer Communication \$ 13,874*

*Rain Visual Strategy, Inc. - Marketing Specialist for Customer Communication Materials \$30,155 [7]*

**April 1, 2011 to June 30, 2011**

*Klas Products Inc. - Consumer Confidence Materials \$26,978*

*Magna Media International Inc. - Marketing Specialist for Customer Communication Materials \$13,874*

*Rain Visual Strategy, Inc. - Marketing Specialist for Customer Communication Materials \$30,155 [8]*

**July 1, 2011 to September 30, 2011**

*Klas Products Inc. - Consumer Confidence Materials \$26,978*

*Magna Media International Inc. - Marketing Specialist for Customer Communication Materials \$13,874*

*Rain Visual Strategy, Inc. - Marketing Specialist for Customer Communication Materials \$30,155 [9]*

**October 1, 2011 to December 31, 2011**

*Klas Products Inc - Consumer Confidence Materials \$26,978*

*Las Vegas Color Graphics, Inc. - Consumer Confidence Materials \$13,834*

*Magna Media International Inc - Marketing Specialist for Customer Communication Materials \$13,874 [10]*

**January 2012-March 2012**

*Klas Products Inc. - Consumer Confidence Materials \$26,978*

*Las Vegas Color Graphics, Inc. - Consumer Confidence Materials \$13,834*

*Magna Media International Inc. – Marketing Specialist for Customer Communication Materials \$13,874*

*Rain Visual Strategy, Inc. - Marketing Specialist for Customer Communication Materials \$30,155 [11]*

NVE offers their customers the option to either receive paper billing or paperless billing. Those who elect to have the paperless billing, NVE provides a link to the inserts that the paper billing customers receive. [12] In the 2.5 years since NVE has received the grant, their concept of Consumer Confidence/Communication, has entailed 5 bill inserts. One in November 2010 [13], November 2011 [14], February 2012 [15], March 2012, [16], April 2012, [17], May 2012, [18], and June 2012 [19]. NVE only started a concerted communication program, after the PUC issued their January 12, 2012 Interim Order, [4] directing them to enact.

With over 50% of the meters installed and expensed out only \$369,599, which is

less than 25% of the allocated two (2) million dollars, who is benefiting from the excess funding?

References:

[1] <http://www.recovery.gov/Transparency/RecipientReportedData/Pages/RecipientProjectSummary508.aspx?AwardIDSUR=80621&qtr=2009Q4>

[2] <http://www.recovery.gov/Transparency/RecipientReportedData/Pages/RecipientProjectSummary508.aspx?AwardIDSUR=80621&qtr=2010Q3>

[3] <http://www.recovery.gov/Transparency/RecipientReportedData/Pages/RecipientProjectSummary508.aspx?AwardIDSUR=80621&qtr=2012Q1#vendorawards>

[4] <http://www.national-toxic-encephalopathy-foundation.org/Jan11th2012order.pdf>

[5] <http://www.national-toxic-encephalopathy-foundation.org/smartmeterletter.JPG>

[6] <http://www.recovery.gov/Transparency/RecipientReportedData/Pages/RecipientProjectSummary508.aspx?AwardIDSUR=80621&qtr=2010Q4#vendorawards>

[7] <http://www.recovery.gov/Transparency/RecipientReportedData/Pages/RecipientProjectSummary508.aspx?AwardIDSUR=80621&qtr=2011Q1#vendorawards>

[8] <http://www.recovery.gov/Transparency/RecipientReportedData/Pages/RecipientProjectSummary508.aspx?AwardIDSUR=80621&qtr=2011Q2#vendorawards>

[9] <http://www.recovery.gov/Transparency/RecipientReportedData/Pages/RecipientProjectSummary508.aspx?AwardIDSUR=80621&qtr=2011Q3#vendorawards>

[10] <http://www.recovery.gov/Transparency/RecipientReportedData/Pages/RecipientProjectSummary508.aspx?AwardIDSUR=80621&vendorstart=2&qtr=2011Q4#vendorawards>

[11] <http://www.recovery.gov/Transparency/RecipientReportedData/Pages/RecipientProjectSummary508.aspx?AwardIDSUR=80621&vendorstart=1&qtr=2012Q1#ven>

[dorawards](#)

[12] <http://www.national-toxic-encephalopathy-foundation.org/nve-inserts/>

[13] <http://www.national-toxic-encephalopathy-foundation.org/Nov2010SM.pdf>

[14] <http://www.national-toxic-encephalopathy-foundation.org/Nov2011SM.pdf>

[15] <http://www.national-toxic-encephalopathy-foundation.org/Feb2012SM.pdf>

[16] <http://www.national-toxic-encephalopathy-foundation.org/Mar2012SM.pdf>

[17] <http://www.national-toxic-encephalopathy-foundation.org/Apr2012SM.pdf>

[18] <http://www.national-toxic-encephalopathy-foundation.org/May2012SM.pdf>

[19] <http://www.national-toxic-encephalopathy-foundation.org/Jun2012SM.pdf>