

Byproducts from a floral foam manufacturing plant currently disposed of in a landfill may soon be helping fuel Sierra Pacific's Valmy Station Power Plant. Mari Gilbert, a plant engineer at Valmy, displays the foam pellets which are being tested at the plant. Test runs have shown the pellets to be an efficient fuel.



The National Energy Policy Act of 1992 accelerated this process by further encouraging non-utility electric generation companies, and opening the door for open access transmission of electricity to wholesale customers across a wide range of geographic markets. The electric industry stepped up its movement toward eventual open buying at the

retail level. This has already occurred in the natural gas industry, where large customers now regularly contract for gas supplies among competing gas

producers. Gas distribution companies are required to "wheel" or transport this purchased energy to the customers through the distribution company's pipelines.

The exclusive franchise utilities have enjoyed for energy sales is rapidly disappearing. In June, Nevada became the first state to pass legislation authorizing discounted energy purchases and limited retail electric wheeling under certain circumstances. Less restrictive policies are sure to follow in Nevada and other states. Utilities prepared to compete and take advantage of these new opportunities will thrive.

The Fastest Growing State in the U.S.

The outlook for continuing growth in sales of our energy products and services is encouraging because of the robust economic growth in Sierra Pacific's 50,000 square mile service territory. Nevada has regained its position as the state with the fastest growing population in the nation. A study

The number of electric customers served by Sierra Pacific Power Company has increased by 34 percent since 1983. Over the next 10 years, the total is projected to increase by 26 percent compared to 1993.

