

Question 3 is a Constitutional Amendment on Nevada's statewide ballot this November. If passed, this deeply flawed measure would dismantle Nevada's existing electricity system – one of the most reliable and affordable in the nation – and replace it with a new, unknown system established by the legislature and the courts. Question 3 would cost Nevada consumers and taxpayers billions, cause the loss of thousands of good-paying jobs, and disrupt Nevada's progress toward a renewable energy future.

Question 3 locks a risky experiment into Nevada's Constitution

Many states – including Nevada in the late 1990s – tried unsuccessfully to deregulate their electricity systems. California's attempt in the early 2000s led to skyrocketing rates, rolling blackouts, and over \$40 billion in added costs for consumers and taxpayers. Today, it's been nearly 20 years since any U.S. state tried to deregulate its electricity system because the process has proven to be so unsuccessful.

Given this history, Question 3's approach to deregulation is especially risky because it's a Constitutional Amendment, so when things go wrong, it would take at least four years to repeal Question 3 and begin to undo the damage this measure would cause. No U.S. state has ever used a Constitutional Amendment to deregulate its electricity system.

Question 3 leaves implementation to the legislature and courts

Question 3's extremely vague wording doesn't provide clear instructions or any details on how the new electricity system would be set up or how it would function. Instead, implementation would be left to the state legislature and ultimately the courts. Question 3 would result in years of complicated lawsuits, yielding unpredictable results and costing Nevada taxpayers millions.

Promoters of Question 3 have said Nevada's legislature should pass laws modeling our new electricity system after Texas' partially deregulated

system. But Texas has experienced rolling blackout problems over the last decade, and consumer complaints there spiked 8-fold in the years following electricity deregulation. Furthermore, a recent study found that consumers there paid \$25 billion more for electricity over a 12-year period than consumers in nearby regulated areas.



Question 3 could force Nevada to join California's electricity grid

If Question 3 passes, Nevada would become the first state to decide to deregulate without having a wholesale electricity market in place. Proponents have attempted to address this flaw in the measure by proposing that Nevada join California's system, known as the "California ISO." This would cause Nevada to lose control of its energy future and increase our reliance on out-of-state energy providers.

Forcing Nevada to rely on California's electricity system instead of Nevada-based electricity sources is very risky given California's turbulent

energy history, and the fact that California's current electricity rates are nearly double Nevada's. This approach would also force Nevada to turn over many governance and oversight duties for its electricity system to California politicians and the federal government's Federal Energy Regulatory Commission (FERC).

Question 3 would cost Nevada consumers and taxpayers billions

Dismantling Nevada's existing electricity system would cost billions of dollars due to Question 3's requirement that NV Energy sell its power plants and terminate long-term energy agreements. There would also be major costs involved in establishing a new deregulated electricity system. These costs would be paid for by all Nevadans in the form of higher electricity rates and higher taxes.

Even Question 3's proponents have admitted in recent Public Utilities Commission hearings that the measure doesn't guarantee lower electricity prices. Under Nevada's current electricity system, electricity rates have already decreased 15% over the past decade, and are among the lowest in the country. In fact, Nevada's average electricity rates are lower than rates in every deregulated state.



[Question 3] doesn't say that it guarantees reduced prices ... I want to be careful that we're realistic about what can happen."

—Texas-based energy marketer & Question 3 supporter

Testimony before Nevada's Public Utilities Commission, 1/16/18

Question 3 disrupts Nevada's progress toward a renewable energy future

Nevada is a leader in providing renewable energy, ranking 2nd in the nation for renewables like geothermal and 4th for solar power. NV Energy is on track to double its renewable electricity generation by 2023.

But Question 3 would be very damaging to Nevada's renewable energy future. It would result in the cancellation of dozens of existing and future clean energy projects across the state, and increase our dependence on fossil fuel energy sources.



Join the Coalition to Defeat Question 3

A bipartisan coalition of concerned citizens from across Nevada is coming together to make sure voters get the facts about Question 3 and defeat this damaging measure.

To learn more and join our growing coalition, please visit our website: **NOon3.com**

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