Meeting Minutes
Nevada Fuel Resiliency Committee

Attendance		
	DATE	Thursday, April 30, 2026
	TIME	9:00 AM
	METHOD	Zoom
	RECORDER	Loren Borst

Appointed Voting Member Attendance

Member Name	Present	Member Name	Present	Member Name	Present
Brett Compston	X	Dr. Kristopher Sanchez	ABS	Marilyn Kirkpatrick	X
Cathy Reheis-Boyd	X	Nathan P. Bouvet	X	Lindsay Anderson	X
Jae Pullen	ABS	J.J. Goicoechea	X	Assemblyman Bert Gurr	X
James Humm	X	Robert Ghiglieri	X	Senator Rochelle Nguyen	X
Stephanie Mullen	X	Jennifer Carr	X	Assemblyman Max Carter	X
Brian O'Neal	X	Senator Robin L. Titus	X		

Appointed Non-Voting Member Attendance

Drew Spence	X	Casey Sullivan	X	Allison Robinson	X
Allen Fore	X	Joseph Biscardi	X	Jodie Muller	X
Chris Adams	X	Miranda Hoover	X	Christopher Pelligreen	X
Steve Lesher	ABS	Paul J. Enos	X		
Tiffany K. Roberts	X	Jeffrey Glasgow	ABS		

Legal/Administrative Support Attendance

Representative	Entity	Present
Samantha Ladich – Senior Deputy Attorney General	Office of the Nevada Attorney General	X
Loren Borst – Administrative Assistant	Nevada Office of Emergency Management	X
Gracie Garrett	Governor's Policy Advisor on Natural Resources	X
Rick Perdomo	Advisor to NDEP Administrator	X
Davis Dazlich	Governor's Office State Infrastructure Coordinator	X

1. Call to Order and Roll Call

Chair Brett Compston, Administrator Office of Emergency Management and Homeland Security (OEM/HS), called the meeting to order. Loren Borst, OEM/HS performed the roll call. A quorum was established for the meeting.

2. Public Comment

Chair Brett Compston, OEM/HS, opened the first period of public comment.

He noted they received one written comment provided to the members from Jeff Church at Reno Tax Revolt. The comment is included at the end of the minutes.

Chair Compston closed the first period of public comment.

3. Introduction of New Members

Chair Compston introduced the new members of the Committee. They were Commissioner Marilyn Kirkpatrick, Executive Director of the Nevada Association of Counties (NACO), Director James Humm, Governor's Office of Energy, and David Dazlich, acting in a support staff role from the Governor's Office of State Infrastructure.

Chair Compston welcomed the members and moved on to the next agenda item.

4. Approval of Minutes

Chair Compston, OEM/HS made a motion to approve the redacted meeting minutes from the January 13,2026 meeting. Vice-Chair Cathy Reheis-Boyd, Sadhana Solutions, motioned to approve the minutes. Senator Robin Titus, Nevada Legislator, seconded the motion. All were in favor.

Chair Compston made a motion to approve the redacted meeting minutes from the March 5,2026 meeting. Director J.J. Goicoechea, Nevada Department of Agriculture, made two corrections to the minutes. Vice-Chair Reheis-Boyd moved to approve the minutes with the proposed changes. Director Goicoechea seconded. All were in favor.

5. Presentation on Air Quality

Chair Compston, OEM/HS, introduced Andrew Tucker, from the Nevada Division of Environmental Protection (NDEP); Jodie Bechtel, from Clark County Environment and Sustainability; and Francisco Vega, from the Northern Nevada Health District, who would be doing the presentation on how changes to fuel quantities impact air quality and how EPA emission standards can influence fuel options.

Mr. Tucker told the members that the Nevada Division of Environmental Protection, Clark County Department of Environmental Sustainability, and Northern Nevada Public Health are the three agencies delegated for implementation of the federal Clean Air Act within Nevada. He showed a slide depicting jurisdiction of each agency. He stated each agency was responsible for developing and implementing plans to manage air quality resources in Nevada.

Mr. Tucker stated, the Clean Air Act sets national standards for seven common air pollutants, such as carbon monoxide, lead, nitrogen dioxide, particulate matter, and others. This is to ensure air is clean enough for sensitive groups, such as children, young adults, and those with asthma. He then explained that fuel impacts air quality in two ways: combustion of fuels, and through the transport or transfer between trucks and facilities. He indicated the Clean Air Act gives state and local agencies certain authorities to regulate emissions from stationary sources of pollution. It also obligates them to maintain air quality at levels at or below the ambient air quality standards.

Mr. Tucker continued his presentation by stating there are some limitations on these authorities. He gave an example of emissions from mobile sources, such as cars and heavy equipment. These are regulated at the federal level, with some limited exceptions, and authority is not delegated to the state or local levels. Therefore, opportunities to reduce emissions from these sources are fairly limited to things like inspection and maintenance programs, which are aimed at making sure vehicles are operating with good, air pollution control manners.

Mr. Tucker explained that, in areas where concentrations of one or more pollutants exceed air quality standards, they can be designated as non-attainment. This triggers requirements for air quality agencies to implement more stringent emission control strategies to improve air quality. These strategies can affect businesses through increased permitting requirements and requiring expensive air pollution control devices.

Paul Enos, Nevada Trucking Association, asked if there were any non-attainment areas in the state besides Washoe and Clark Counties. Mr. Tucker responded that there are not.

Mr. Tucker continued his presentation by moving on to ozone. He indicated there were specific challenges with ozone, stating it is a complicated pollutant to manage, as it has unique characteristics. He told the members that ozone concentrations are affected by a wide range of things, from anthropogenic emissions to emulated emissions, to natural events. He indicated even geography and topography can affect ozone levels. Ozone, and the compounds that can form ozone, can move across state lines and internationally, from many sources. Therefore, knowing how emission reductions in certain areas will affect ozone concentrations can be challenging.

Mr. Tucker indicated required analyses to help identify how emissions can be effectively reduced but noted they can be very complicated and expensive, atmospheric chemistry models demand lots of information and a lot of resources. There are also a few other items that make this challenging, such as limited authority for air quality agencies to regulate or manage emissions. One of these is with mobile sources, which account for about 50% of the nitrogen oxides emitted from anthropogenic sources. Additionally, if an area goes into non-attainment, oftentimes, the methods in which emission reductions must happen are through air pollution control devices on stationary sources, such as power plants or industrial facilities, which can be quite expensive, upwards of multiple millions of dollars.

Mr. Tucker then moved to the question posed by Mr. Enos regarding areas within NDEP's jurisdiction. Mr. Tucker stated all of these areas are currently in attainment for all quality standards. However, for ozone, the areas of Carson City, Fallon, and Fernley, over the past few years, have shown concentrations at the higher end, sometimes between 87-96% of the year. He then indicated, with careful management, these areas can be kept in attainment, but it is a challenge ahead, for everyone.

Miranda Hoover, Energy and Convenience Association of Nevada (ECAN), asked, when looking at Carson City, Fallon, and Fernley, is there data that has shown, or is it just assumed, that these areas are increasing in ozone, because of population growth. Mr. Tucker stated that the longer trends do fluctuate, but there are ways to look at the data, such as looking at wildfires for purposes of attainment, and designations to remove certain data for certain categories.

Mr. Tucker stated that in northern Nevada, such as in Carson City, one of the larger driving factors is wildfires in that area, but in the past, ozone has been more of a problem in northern Nevada. However, through emission reduction strategies, it has backed down a little bit, but in his opinion, not in a safe area, largely because of the geography and other things that contribute to the formation of ozone. Therefore, as things, such as population growth occur, it is expected to continue to creep up, to some extent. It is difficult to say exactly how much, though.

Senator Robin Titus, Nevada Legislature, asked where other monitoring stations were. She asked if they had increased in number and if they're usually in urban areas. She specifically mentioned driving down Highway 50, getting out of Eureka, wondering if that corridor was stable. She wondered if that kind of data was available to share, indicating she felt it would be helpful. Mr. Tucker stated that the data is available from monitors, as well as the monitors that are operated by Clark County and Washoe.

Chair Compston asked Loren Borst, OEM/HS, to add Senator Titus' request to their list of items to collect and distribute after the meeting.

Jodi Bechtel, Deputy Director of Clark County's Department of Environment and Sustainability (DES), then provided more details on the problem of ozone, particularly in Clark County, which is in serious non-attainment of the 2015 EPA ozone standard. She stated there are six levels of attainment that the EPA labels areas with: attainment, marginal, moderate, serious, severe, or extreme. She then informed the members that Clark County is in maintenance for carbon monoxide particulate matter 10, which are the course, fine particulates, according to the 1997 ozone standard, explaining that sometime in the past, this was at non-attainment, but has since been upgraded through implemented improvement programs.

Francisco Vega, Director of Northern Nevada Public Health Air Quality Management Division, Northern Nevada Health District, reiterated that Washoe County is in maintenance for carbon monoxide and particulate matter. Regarding this category, he stated that the primary pollutant of concern, when talking about combustion of fuels, is ozone. He then directed member attention to a slide, which laid out detailed data regarding NDEP's jurisdiction. Addressing a previous question, he stated wildfires have an impact on ozone pollution, stating that it is currently exceeding the standard.

Mr. Vega then provided an example of the 2019 calendar year for Washoe County, stating it was a pretty clean year, from a wildfire perspective, whereas 2020, 2021, and 2022, were significantly more active for wildfires. That being said, he indicated that they are still at the 0.070 standard, pointing out that actions taken at the local level are still impacting ozone pollution, one of those being transportation, again stating that combustion of fuels is the biggest contributor to ozone pollution.

Ms. Bechtel then brought up a pie chart showing an emission breakdown for Clark County, with categories for road emissions, non-road emissions, point source, and non-point source. She indicated there is a large portion of this that is uncontrolled emissions, but there are also small portions, such as non-road, road emissions, point source and non-point source, which are under the control of the state.

Ms. Bechtel then moved on to a table that showed an increase in vehicle registrations, which logically explains the increase in vehicle emissions. She stated this is a concern, as this is the state's largest emission source, which is a category that is in serious non-attainment and also at risk of being moved up to the next level of severe non-attainment. There are several challenges ahead to improve in this category, but stated they are doing several things to try and show the EPA the areas that are out of the state's control, but simultaneously, showing the EPA that the state is doing all it can to control things under its purview in areas such as internal combustion engines.

Ms. Bechtel then elaborated that emissions need to decline, despite the state's population growth and increased vehicle activity. This is further complicated by recent actions at the federal level to relax vehicle emission standards. She stated the federal government is also pursuing some deregulation in the industry, possibly complicating this issue further.

Ms. Bechtel then made the members aware of constraints that are currently in place. There are multiple fuel markets that have been created, due to the constraints related to fuels and air quality, such as specific gasoline blends for summer and winter. She pointed out that lower reed vapor pressure (RVP) requirements in summer prevent excessive evaporative emissions. These RVP requirements change, depending on the attainment standard. She explained that in winter, Clark and Washoe Counties both use oxygenated gasoline requirements. Clark County does have a cleaner burning gasoline (CBG) program, in their code, though it is currently suspended, but may be activated again, as a requirement in addressing emission problems for ozone. She then stated that if moved up to severe non-attainment, they will be required to implement a reformulated gasoline, which is a requirement at that level of non-attainment, creating another constraint in the fuel market.

Ms. Bechtel continued by speaking on supply challenges to consider. She mentioned multiple seasonal fuel types, which reduce the ability to shift fuel between regions or quickly respond to supply disruptions. Dual supply chains can also create some structural vulnerabilities, but if there is an emergency, there are waivers that could be obtained. These would be obtained from the EPA and the Governor of Nevada. Despite this, if there was an emergency, the waivers would give some relief.

Ms. Bechtel then elaborated on what it would look like if an emission reduction plan wasn't put into place on fleets and fuels. This could result in a requirement to implement reformulated gasoline for Clark County, making a more complex and less flexible fuel supply. This would be difficult and expensive. Fleet requirements could also be implemented as well as alternative fuel composition in fleets. She indicated the latter was something that has been reviewed in the moderate and serious non-attainment categories. They've been able to avoid it, thus far, but may have to implement it if bumped to a higher category, where stricter requirements are applicable, across the board, whether it be tailpipe emissions, smoke stacks, etc. All industries will be impacted by the stricter constraints if the air quality is not improved.

Ms. Bechtel then reviewed resiliency implications, stating increased fuel specialization and a reduced supply of flexibility, causes higher costs and infrastructure needs and greater dependence on alternative fuels. She voiced a need for ongoing conversations and questions to the members.

Ms. Hoover then referenced the Nevada vehicles on the road side. She asked, when talking about state registrations, if the data is being pulled apart between vehicles that are 100% fuel, versus hybrid, versus electric. Ms. Bechtel stated the referenced graphic did not do that, but clarified that they do look at that data, stating review of gasoline, versus diesel, versus alternative fuel on the road. Ms. Bechtel stated she just wanted to show the members an increase in vehicle registrations to illustrate population growth.

Ms. Hoover then stated she would like to see data from 2020 to the present on how many 100% gasoline vehicles, versus hybrid vehicles, are included in the illustrated number, just from an air quality standard, so the data is reflected if and when they go up in non-attainment areas. She wanted to ensure that it's not assumed in the total number of these registrations what the particular fuels being used when comparing ozone levels and non-attainment category, etc. are. Ms. Bechtel voiced her understanding and stated she would get Ms. Hoover more DMV data on the makeup of vehicles on the road.

Senator Rochelle Nguyen, Nevada Legislator, wanted to know if Ms. Bechtel currently quantified the impact of internal combustion engines associated with things like tourism. Ms. Bechtel then asked Ted Landis from Clark County DES, to speak to this inquiry. Ms. Bechtel did indicate they do emission modeling and look at on-road data and vehicle miles traveled, which a lot of this can be contributed to by tourism travel, as well as trucking along the I-15, 95, and 93 corridors.

Ted Landis, Clark County DES, stated they do consider all vehicle miles traveled in the area, in combination with those that come from California and other areas. He indicated it is possible to know exactly how much is coming over the border, but for their purposes, the main focus is what the total vehicle miles traveled is, irrespective of whether they're coming from outside areas. He did indicate that information could be extracted, if it is being specifically asked for.

Senator Nguyen then stated that if vehicle miles traveled from non-Nevada vehicles is not available, how can that information be retrieved. Mr. Landis stated they use models prepared at the federal level, including a model called MOVES. Within these models they have data that is developed for each region that includes both local travel and travel from other areas. Senator Nguyen stated that Nevada's situation is unique, due to the large amount of travel related to tourism, which isn't reflective of the actual population of Nevada residents. She also wondered if other states were facing similar issues, as everyone must deal with growing tourism and populations. Ms. Bechtel then stated that the entire southwestern United States is facing the same challenges with ozone, with this area being particularly high.

Marilyn Kirkpatrick, NACO, asked if when the current label of non-attainment was given by the EPA, a discussion was had with them about this, and that no matter the reasons that were given, especially those beyond their control, the EPA indicated that this didn't matter. Ms. Bechtel stated that this was correct, for Clark County. She stated when the label was given, they put together something called "exceptional events", which is a section within the Clean Air Act allowing an argument to be put forth that other things are influencing the air quality. This was done related to the numerous wildfires in the area. Unfortunately, the EPA declined the exceptional event packages put together.

Ms. Bechtel then stated they moved into trying provisions of the Clean Air Act, 179B, which allows for an argument and justification of outside influences that have an impact. This approach

is also being worked on by Maricopa County.

Ms. Kirkpatrick then asked if there was a way to look for pre-2010 vehicles, which are pre-Clean Air Act emission standards. She felt seeking these vehicles out and maybe offering them incentive packages to improve their vehicle emissions would help in preventing them being moved to a more stringent non-attainment category.

Chair Compston stated that he will take that and coordinate with NDEP to see if they can pull the appropriate DMV information.

Chief Brian O'Neal, Clark County Emergency Manager, asked, as they consider severe non-attainment and what restrictions might have to be put in place, whether there is an estimation of the economic impact of any measures needed to be implemented. Ms. Bechtel stated that, at this time, they do not. She indicated their goal is to maintain the current non-attainment status and go no further. She anticipates 2027 is when they will know if they will be bumped to a higher level, stating there is still time to improve air quality and prove to the EPA there are issues out of their control.

Vice-Chair Reheis-Boyd, thanked Mr. Vega, Mr. Tucker, and Ms. Bechtel for their presentations, as she felt this was a really important topic for everyone on the committee.

6. Long-Term Strategic Storage Options

Dan Meyers, Co-Chief Executive Officer, Sawtooth Caverns, introduced Sawtooth Caverns and what services and facilities they provide. He brought up an overview map of the facilities. He stated they opened in 2014 and are the largest salt cavern storage facility in the Western United States. He referenced the facility's location relative to main railroad lines and highway routes. He indicated there is a world-class lab on site that tests all product that goes in and out of the facility. There are currently five caverns that have a storage capacity of about 7.5 million barrels, which is about 315 million gallons.

Mr. Meyers explained that they can handle gasoline, diesel, propane, and butane at the facility. He indicated they have just over 300 rail car spots, six bays for non-government organization (NGO) product loading and unloading, three refined products, and a truck base, all are currently operational. They have added ethanol and additive blending to their truck racks, enabling finished product to be brought in and sent straight to retail. He then reviewed a Google overview map of the entire facility, explaining what each area of the facility was and what process or facility was provided there.

Mr. Meyers stated that the cavern storage facility was about three miles away from the above-ground facilities in the map, and that everything is piped to and from the underground facilities. He brought up pictures of what the caverns look like, both sonar and from inside the domes. He then explained how the caverns are developed, detailing how they drill down about 4,000 feet, inject fresh water into the salt, dissolving it and becoming brine. Then, the brine is pumped out into brine ponds. They repeat this process until the caverns grow to the desired size. He then stated that when not in use, the caverns are kept full of brine, with no airspace whatsoever inside.

Mr. Myers then intricately detailed how product is pumped into and out of the facility, stating that as product is pumped in, brine is pumped out, reversing the process when product is pumped out, with brine being pumped in. He explained to the members that the product and the brine do not mix, as salt is an ionic compound, which cannot dissolve into a gasoline product, as it is a polar product. The gasoline product floats on top of the brine. He again stated that all product is tested before it goes in and as it is being removed for quality, never having had any quality issues since their facility has been in operation.

Mr. Meyers then detailed advantages of using salt caverns versus above-ground storage tanks. As it applies to gasoline, there is little product degradation of gasoline, which when stored above ground, it is exposed to oxygen, which deteriorates gasoline, over time, requiring something called “turning the tanks”, which is rotating the product several times a year. The old gasoline has to go to market, and new gasoline has to replace it. This doesn’t have to be done nearly as much in salt cavern storage.

Mr. Myers cited another advantage is the low cost of constructing cavern storage facilities for mass quantity storage, stating that once the drilling costs are incurred, that is a one-time expense. Then quantities of 500,000 or more incurs much less expense to store in salt caverns. He also stated it is less expensive to operate, as tank turns aren’t required as often, which would necessitate moving product in and out more frequently, incurring more expenses. Additionally, when moving any product that is held under pressure, there are emissions related to transfer between the storage and transport items. Therefore, the less a product has to be moved, the less emissions are lost, due to transfers.

Mr. Meyers then indicated the last benefit of storing at their facility is they are off any earthquake fault line, they are not on the Wasatch front, avoiding great exposure to terrorism attacks. Additionally, if one doesn’t know what they are looking for, it is difficult to even know where the underground portion of their facility is. Therefore, their facilities are quite safe and secure.

Aaron Aldape, Vice President of Business Development, Sawtooth Caverns, reiterated what Mr. Meyers spoke about. He then explained that they work with refiners and marketers, such as gas station companies. They move product from one region to another, for example a customer who is buying in the Gulf Coast and bringing them to their area. They work with companies across the country. They store several products for long-term and for short-term. When a customer needs their product, they send it out when asked. Mr. Aldape stated that they are a very flexible facility, able to accommodate onboarding a product via railcar and subsequently offloading it via truck, or vice versa.

Mr. Aldape also stated they work with many different companies that provide many different services, such as rail car storage, transportation, products, etc. He also indicated that with their facility they’re able to store large quantities of product, this creates a complexity in the area of financial liability. If there’s a small business, and their company doesn’t have the working capital to take on financial liability for the quantity of product they store, he gives the customer contact information for entities that can handle that financial risk for them. Mr. Aldape then stated they do not take a position in the products they store, only providing storage services. They do not buy or sell the product.

Mr. Aldape then moved on to growth potential versus current facilities. As stated, they have five caverns with 7.5 million barrels of storage currently. Each cavern is permitted for 2 million barrels, each of storage. They can grow to 10 million barrels of storage, stating they have permits for five additional caverns, with ready-to-go permits for up to 200,000 barrels of tankage. This tankage storage is if a customer wants storage above ground, which facilities smaller capacity storage customer opportunities.

Mr. Aldape then gave a brief overview of their physical facilities and what their moving capacity per day is, citing 150 trucks a day, with work being done to facilitate more capacity moving forward. He indicated it takes about 20 minutes for a truck to be loaded. They also have butane blending on site, through their NGL business, they're also looking at adding butane blending at the truck rack. He then cited the RVP issue for Washoe County, stating they could blend butane up to 9 RVP, then ship to regions that don't need 7.8 RVP. This way, it helps multiply the volume versus only gasoline, and gasoline plus butane.

Mr. Meyers pointed out that this can be blended up as it's being loaded into the rail car or truck. It can be stored at 7.8, but volumes going to market can go out at 9.

Mr. Aldape stated they have potential to add another 100 rail car spots to a full loop track, instead of just a "J", which helps customers reduce rail costs by 30-40%. This would help bring volume to a lower rate. He indicated they are roughly four miles away from UNEV, which runs from Salt Lake City to Las Vegas. They have all the permits and right of way needed for this connection.

Mr. Aldape explained they do have challenges. With five caverns, they can store five unique products, without the ability to segregate within the caverns for different products. Each cavern is dedicated to one product, but co-mingling different customers in each cavern. The company starts the year looking at what opportunities exist to utilize their caverns for the coming year: propane, butane, gasoline diesel, etc. They have to look at a lot of information and data to decide what to store underground, above ground, how much, how long, etc., as well as what services to offer, such as butane blending.

Mr. Aldape stated they are always working on showing real data from their labs, educating customers on salt cavern storage being safe and convenient, as well as cost effective. They always work with many different modes of transportation: rail, trucking, pipeline; attempting to find the most cost-effective method for their customers. He also indicated that, since most of the product they store is refined product, they ensure that they have a transportation method that matches what the customer wants and needs, ensuring the right relationships are established between customer and transportation provider.

Vice-Chair Reheis-Boyd stated she had visited Sawtooth before and was impressed with their site. She indicated the facility had increased from 7.5 to 10 million barrels, with the potential for five new caverns. She asked if this meant a potential for 20, in total. Mr. Aldape confirmed this was correct.

Senator Titus asked how long it would take to drill and expand to those additional storage capacities. Mr. Meyers stated about 12-18 months to put in a new cavern. Senator Titus then asked how long their lease from the State of Utah was, and was it in any jeopardy of being

withdrawn, for any reason. Mr. Meyers stated it is renewable, without being able to state the exact terms. He stated they have successive, 20-year leases in place, enabling them to lease for many more years.

Senator Titus then asked about the planned expansion to the rail loop. She asked if that would be based on the willingness of the railing company to expand it at their expense. Mr. Aldape indicated it is really based on customer demand and how many rail cars they need to get out and how quickly. If they had to move a single product out, at a high volume, then a train unit capability would make more sense. But again, it is really based on customer demand. They would have to have a project with the necessary capital to make it happen would be paid for by a demand to buy it.

Senator Titus then stated there had been previous talk of rail cars being owned by their producers, with concern related to availability of additional cars and their access. She wanted to know if Mr. Aldape saw that as an issue holding this back. Mr. Aldape stated that rail-car availability can be a challenge, with short-term rail car rental being expensive. But, if something is set up that is a consistent supply chain, rail cars are much more available. Senator Titus asked if Sawtooth has permits in place for the additional track, the loop. Mr. Meyers indicated they do have the permits. They just need the capital for the project. He then elaborated that they're having current discussions with Union Pacific about rail car room and availability and what that would look like. He indicated that they are willing to work with Sawtooth for short-term storage needs if and when necessary.

Paul Enos, Nevada Trucking Association, asked if a rail car's storage capability is 30,000 gallons. Mr. Meyers confirmed that this was correct. Mr. Enos then stated that a train unit to Las Vegas, from the caverns, would take care of the fuel needs of Las Vegas for a day. Mr. Meyers, stated this was correct, necessitating a turnaround of a train unit every day. He stated that since this is a more mature area of their business, being at least 14, they have the ability to get out over 100 rail cars per day for NGL, indicating they could supply Las Vegas for a day, every day.

Director J.J. Goicoechea, Department of Agriculture asked if the four miles from Sawtooth to UNEV ran across BLM ground and what that looked like, permitting wise, as an option. Mr. Meyers stated he thought that was mostly CITLA at this point, but that they do have all the right of way in place.

7. State Energy Security Plan

Director James Humm, Department of Energy, gave a high-level overview of what the energy security plan is, what it offers, and what it is able to withstand and recover from. He indicated it is critical for public safety, economic stability, and infrastructure. Ultimately, it means, if the energy system fails, it can quickly become a public safety issue, but it will need to be responded to. He stated the main purpose of the plan is to guide how Nevada responds to energy shortages.

Director Humm explained that a shortage doesn't just mean running out of energy. It can also mean sudden price spikes or supply disruptions caused by natural disasters or human-related events. It is designed to be flexible, able to handle many different types of emergencies. Based on federal law, it was amended by the Bipartisan Infrastructure Law of 2021, requiring states to develop and submit state energy security plans to the DOE to receive specific formula funding. These plans must also address all energy sources and providers, featuring an energy risk

assessment, mitigation strategies, and a comprehensive state energy profile.

Director Humm explained that it is organized into seven different sections and appendices. Emergency response structure: operations, procedures, energy system baseline, risks, and mitigation. It's designed for both planning and real-time response. It separates those planning operations and technical information. The structure also helps ensure the plan is both easy to follow and useful during real-time emergencies. Nevada's energy profile – this section looks at Nevada's energy system under normal conditions, including data on supply, demand, and infrastructure. This is important, as it helps to recognize when something is wrong, helps them to adapt, manage, and know when there is a problem. It also supports long-term planning and investment decisions.

Director Humm continued with the seven sections, moving to key threats and risks – this addresses natural hazards, as well as human causes and threats. Nevada faces a variety of risks to its energy systems, with Director Humm pointing out the ever-increasing threat from cyber-attacks as applies to energy systems becoming more advanced and interconnected. The emergency response framework explains how agencies work together during an emergency, clearly defining roles and responsibilities. It is based on national systems like NIMS, which ensure consistency with federal response effort. It also provides legal authority needed to take action.

Director Humm elaborated more on the seven sections. Energy emergency phases – the plan uses different response phases, depending on how severe the situation is. In early situations, the focus is on monitoring and information sharing. As the situation worsens, more actions can be taken by conservation programs or economic assistance. This phased approach prevents overreacting, while still allowing risk escalation, if needed. Director Humm indicated all these phases depend on the severity level. They can't plan for everything, but they try to build out as many contingencies as they can, given the current structure and what's been looked at before.

Director Humm continued on the seven sections. Government's role during shortages, specific to Nevada – at the beginning of a shortage, government mainly monitors situation and shares information, with the goal of letting the energy market respond naturally. If the situation does worsen, state steps in to support energy providers and coordinate efforts. In severe cases, government may implement conservation measures or other interventions, with the goal of maintaining stability while coordinating with responsible agencies to provide interconnection with others. Operations during an emergency – the Governor's Office of Energy plays a central role in managing operations, coordinating with other agencies, and analyzing the situation, as well as communicate with the public, as necessary, helping to implement conservation strategies, if necessary. If needed, it can support economic relief efforts related to energy disruptions.

Director Humm continued, Communication and Coordination efforts – GOE acts as a main source of accurate information, a facilitator among agencies, they coordinate with the Governor's Office, Emergency Management, and Utilities among others. As situations escalate communication increases efforts to keep everyone informed. Prevention and Mitigation – this section identifies risks and vulnerabilities, focuses on grid reliability, energy resilience, includes long-term planning, partner collaboration. This extends to the agency in general, not specifically to the state energy security plan. This plan focuses on reducing risks before emergencies happen, including identifying vulnerabilities and strengthening infrastructure. It also emphasizes long-term planning and working with partners. The goal is to improve resiliency so future disruptions have less

impact. Plan, Update, and Refinement – The plan is non-static, being reviewed and updated regularly. The state is looking to refine the plan in many ways, once people are placed at the agency, diligent work will begin, going through it in detail to look at everything, from potential consolidations, direct communications, etc. There will be constant updates, as it is a living document, enabling it to stay in line with new risks, new technologies, and any policies that come from the Governor or Legislature. At a minimum, it will be updated annually.

Chair Compston re-emphasized what Director Humm had explained. He stated that between the Director of Agriculture, the Director at GOE, and OEM/HS, they have talked extensively about this. They have some siloed plans, with their intent, over the next 12 months, while the FRC is working concurrently, to align the three items: the Governor's Office of Energy's security Plan, the Department of Agriculture's Fuel Disruption Plan, and the Fuel and Energy Disruption Annex, to the State Emergency Operation Plan. All three of these will be the exact same document, just placed in different places, so they are doing the same thing across state government, reducing anything that's not aligned. This is currently happening. Therefore, when recommendations are made for updates, the plans should be well established.

There were no member questions or comments.

8. Presidential Energy Emergency Declaration

Samantha Swing, Cassidy and Associates, spoke on Section 303 of the Defense Production Act (DPA), and the President's recent determination regarding fuel infrastructure. Last year, the President signed Executive Order 14156, which declared a national energy emergency, which has been continued for an additional year. This was related to ongoing threats to grid reliability and security, recognizing the inadequacies of domestic energy and critical mineral identification, leasing, development, production, transportation, refining, and generation capacity. The Order establishes that an affordable and reliable domestic supply of energy is fundamental for national and economic security, drawing specific attention to the West Coast, as well as northeast state and local policies that are jeopardizing defense and security needs.

Ms. Swing indicated it directs heads of federal agencies, secretaries of the interior, energy, war, etc., to identify and exercise lawful emergency authorities to facilitate the identification, leasing, siting, production, transportation, refining, and generation of domestic energy resources, including but not limited to, on federal lands. Additionally, the secretaries are directed to assess and expedite infrastructure, energy, environmental, and natural resource projects to boost national energy supply.

Ms. Swing spoke to the DPA, Section 303, which has recently been utilized during COVID, related to PPE, battery materials, etc. The DPA of 1950 provides broad authority, under Title 50 of the U.S. Code, to enable the executive branch to prioritize, expand, and protect industrial capacity deemed essential to national defense. Essentially, this is a way to determine what is critical or in the interest of national defense, stating certain requirements can be waived so that the nation can expeditiously meet its goals.

Ms. Swing stated the reason for her presentation today was that on April 20, 2026, the President issued five determinations, pursuant to Section 303, of the DPA. The one of primary interest to this committee was the determination on domestic petroleum production, refining, and logistics capacity. All five of the determinations significantly expand the scope of the DPA's eligible

investments in energy infrastructure and supply chains. The expanded authorities create a pathway for federal investment to qualify projects, through multiple execution mechanisms, which include Title III investments. This would include direct capital support for scaling domestic production capacity in designated sectors. Consortia based execution is another, where funding may be developed through an industry consortium, using other transactions authority, enabling streamlined contracting and flexible collaboration structures.

Ms. Swing indicated this would include traditional funding mechanisms that a lot more members might be familiar with through organizations like Air Force Research Laboratories. She stated that defense industrial based consortium regularly invites industry and participants to submit white papers, also called quad charts, which are evaluated by subject matter experts and program offices to determine technical merit and alignment with these national priorities. Given the energy focus of the President's recent determinations, the US DOE is expected to establish a similar consortium kind of construct for energy sector investments.

Ms. Swing stated that, although not yet confirmed, they have seen DOE do this more recently with their operation DPA supported consortium for nuclear energy projects that is responsible for implementing the newly issued Section 708 voluntary agreements and plans of actions. They anticipate the consortia-based model will play a critical role in project selection and execution with energy determinations. She told the members that early positioning, through white papers, interested party engagement, and alignment with priority sectors is going to be critical to accessing these funds.

She stated that, in addition to annual funding, which can fluctuate, year over year, as a result of congressional appropriations, there have also been other funding mechanisms. She gave an example of the 'traditional bucket', which had annual appropriations and a request from the Department of War for $266 million for FY '26. However, Congress had previously provided an additional $1 billion in DPA funding through the One Big Beautiful Bill Act, which still remains available through September 2027.

Furthermore, while the allocations of these resources remains unclear, this funding is likely to, at least in part, support investments aligned with these newly designated energy sector priorities. She stated that as Cassidy and Associates learns more, they will keep the Committee informed. She also recommended beginning consideration, should the Committee decide to pursue any of the opportunities.

Chair Compston indicated he asked Ms. Swing to speak to industry partners about how the State of Nevada is able and willing to assist in helping them invest in making things more resilient for Nevadans, through diversification, through increasing capacities, and giving an additional option. He stated that this is a mechanism, at a point in time, when the committee exists, where the committee may be able to utilize some of the federal decisions and declarations that have been made to do this holistically, as a whole of government. He asked the committee how they can remove the barriers and help with access to the federal funding opportunities for industry partners to invest here and make life better.

Senator Titus thanked Ms. Swing for her presentation and agreed. She asked if the majority of this funding is mostly around defense components. Ms. Swing stated that the defense component is the primary mechanism for the funding stream. She indicated that establishing this

is a national security, national energy need, at the core. That being said, some funding opportunities don't have to have a direct tie to a military base or something along those lines. There is a bit more flexibility, as long as it is aimed at meeting national priorities, national goals, domestic production, domestic supply chain, staying consistent with some of the aforementioned determinations and executive order, focusing on a national need.

Senator Titus stated that Nevada has a significant number of military bases in the state and that the bases certainly need additional funding support. She asked for clarification on whether it is strictly defense or part of more global emergency planning.

Chair Compston stated that Naval Air Station in Fallon and Nelson Air Force Base and the DOE facilities north of Las Vegas are all critical in any wartime effort. Therefore, should Nevada be part of a nation-state conflict, those facilities are critical in the continuity of any large-scale conflict. Any large-scale conflict that happens, there would be additional training of aviators in those areas. Therefore, with the Kinder Morgan lines that come from California to Nevada, essentially terminating in those DOD aviation facilities is absolutely part of a huge opportunity for the federal government to help, whereby benefiting Nevada.

Marilyn Kirkpatrick, NACO, stated the bases encompass six counties across Nevada, which is a leverage point for the state. She then asked why wouldn't they bring the military partners in, like the UMC hospital component, which let them help carry the water and carry the bulk of the money to ensure infrastructure to the rural areas. Chair Compston said he invited the Defense Logistics Agency to be a member of the committee, but they did not accept. At this point, it is coordination, but the invitation to be on the committee is still open. Ms. Kirkpatrick stated she would make some calls and plans for them to be at the next meeting.

Ms. Swing stated a lot of the projects have been historically industry driven. That being said, that doesn't mean state and local partners aren't working and collaborating with industry partners. She indicated consortium members do set it up so that folks can come in with project ideas and work through it with defense partners to try and point people in the right direction and see the willingness to participate in discussions.

Chief Brian O'Neal, Clark County Emergency Manager, asked who the sub-recipients of the federal funding are intended to be, industry or government enacting programs. He then stated, at the local government level, they are less involved in national than civil defense for maintaining law and order in communities. He wanted to know would programs that enable that to continue in a shortage be an eligible item. Ms. Swing indicated she would have to speak with her colleagues about this to know for sure, but she understood that this is primarily industry based. She elaborated that they are more project funds, looking at big investments to move the needle and meet some major priorities. She stated she would need to check on local law enforcement, rapid response in an emergency, etc., but didn't think that would be a primary focus of the funds.

There were no further comments or questions.

9. Update on Fuel Analysis Project

Vice-Chair Reheis-Boyd, Sadhana Solutions, began by stating the upcoming one-on-one conversations with stakeholders, under NDAs. These will be discussions with each stakeholder

about how to make sure confidentiality is protected. She stated there is one item left on the contract before going to the Director to be issued. She indicated they are making good progress, but is hoping to get it kicked off between now and the end of July. These will help drive conversation for recommendations on opportunities to secure additional funding for some stakeholders and what part the state could have to assist.

Vice-Chair Reheis-Boyd then stated in August, they will be doing a lot of work on getting options identified to address the vulnerabilities on the fuel side and emergency preparedness side. They hope to have it together by the middle to end of September, so that beginning in October, they can begin to talk about what the recommendations will look like. She indicated they are trying to align their timelines with legislative timelines, for ease and convenience for everyone. They hope to have a final report by mid-to-late October.

Chair Compston stated that when the FRC was started, they were not given a deadline or timelines and that in discussions with Vice-Chair Reheis-Boyd, the target date of late September, early October was driven by preparing for the legislative cycle, because some of it will be state government and some will be industry willingness to invest in their projects and signal what the state can give to them. He stated it was very helpful to have four members of the Committee that were from the legislative process, ensuring the timelines and schedules fit together.

Chair Compston stated that the committee is watching developments, at the federal level, for any implications. They don't see a massive disruption, but they are watching indicators and triggers. If any are seen as significant, which may cause a crisis mode, they will see what effect it has on any refineries that end in Nevada. He wanted to indicate that there is nothing Nevada can do to alter the changing times right now but wanted the public to know there are going to be some near-term difficult times, depending on how and when things come to a conclusion.

10. Friction Points and Barriers to Fuel Resiliency

Paul Enos, Nevada Trucking Association, stated everyone is feeling the economic pressure right now. He stated that, based on the California price of fuel right now, the average surcharge is over 60%. This means, if a load is $1,000, add an additional $600 to pay for fuel. He has members do a lot of work sourcing fuel from any source that is cheaper – fuel, rail, pipeline. Short-term solutions can be turned on quickly, but not long-term solutions. He again voiced concerns about long-term solutions.

Director Rob Ghiglieri, Department of Minerals, asked if fuel consumption in northeast Nevada for the minerals industry was discussed at the last meeting. Chair Compston indicated it was not. Director Ghiglieri stated he would like to look at and discuss it in the report. He felt this was extremely important in rural Nevada, as in his initial analysis, there is over 300,000 gallons of daily fuel used by the minerals industry. In speaking with mining engineers, he indicated that, for them, everything comes down to diesel costs and how far they can move material before it becomes unaffordable. Director Goicoechea stated he has a monthly breakdown of consumption, but they're not separated by County.

Senator Titus asked if there were any updates on fuel storage for critical industries, like the mineral industry or EMS services. Vice-Chair Reheis-Boyd and Chair Compston stated it is in the process and being worked on.

Senator Nguyen asked if Kinder Morgan and Phillips 66's planned pipeline would advance across the Country and if the planned reversal of the old pipelines, specifically between Watson Station and Los Angeles and Colton station had any updates. She wanted to know how this would impact the state. Vice-Chair Reheis-Boyd stated she thought these pipelines were critical to Las Vegas, but not much to Reno, but deferred a more detailed answer to Allen Fore from Kinder Morgan.

Allen Fore, Kinder Morgan, stated that last week they announced advancement of the project to the final approval stages. He indicated that Phillips 66 and Kinder Morgan have received sufficient customer interest to pursue the project and the last pieces of finalizing the agreements of the joint venture and project management are happening. He then stated the Las Vegas line they were talking about reversing isn't for Las Vegas. This line is for Phoenix, Arizona.

Mr. Fore stated the value of the project to Arizona, Nevada, and California is providing additional barrels, in excess of what is currently available, but more importantly, it is from a different source. He indicated they won't be waterborne barrels from California, but barrels by pipe from the Midwest and Gulf. He elaborated that, because the delivery point is into Colton, there will be the ability for CAL-NEV to pick up supply from Colton to Las Vegas. He reiterated that they won't be reversing the Las Vegas line, but that this project's real value is access to product that is not California based.

Mr. Fore stated there are initial discussions on expansions to this project, as well. But none of this project has an impact on the current supply. He indicated this offers access to supplies from the Midwest and the Gulf, which is not currently available in Las Vegas. The current interest in expansion would enable more product to be sent to Las Vegas. This is a project that is positive for Arizona, southern Nevada, and California. He stated a final decision will be made this summer, but a big hurdle in developing such large, billion-dollar projects is customer interest. They want to ensure they have shipper support to carry enough product to their destinations. They are confident they have it, at this point. Senator Nguyen indicated her question was answered but would talk to Mr. Fore at a later time for more detailed information.

Assemblyman Bert Gurr, Nevada Assembly, wanted to know if the western project had any impact on rural Nevada, the mining industry in particular, as that is a critical industry to rural areas in Nevada.

Director Goicoechea stated that is something that the Department of Agriculture is looking at. He pointed out the significant problem of the current pipeline out of California, like if that line is halted for any reason, such as an earthquake, no fuel product is coming to Las Vegas. Therefore, he is looking at building resilience into the fuel supply for the state, it is critically important, which would include another pathway into the state.

Allison Robinson, U.S. Energy, stated one of her biggest concerns is California becoming more reliant on cargo imports, especially for gasoline and jet fuel, which is starting to show some effect in areas like volume from areas such as Asia. She felt the primary focus of today's meeting was long-term implications and solutions. She reminded the members that U.S. Energy is an operator of a rail facility in North Las Vegas, which is currently permitted for diesel right now. Over the last few months, they have been bringing in diesel from the Midwest, Gulf Coast, and other locations. She indicated that if there is any way U.S. Energy can help in facilitating short-term, emergency,

air permit waiver for gasoline or jet fuel, their facility is ready to go for receiving those products, operationally. It is only a restriction from an air permit perspective.

Vice-Chair Reheis-Boyd, thanked Ms. Robinson for her offer, stating she would be talking to her about this. Vice-Chair Reheis-Boyd did note the Jones Act was extended to the end of August, as it allows flexibility in shipping traffic from the Gulf and other places, to California, which will be very important. They are also watching refining production rates to see if there is any trigger and anything they should be concerned about. As the Southwest is a net importer of jet fuel, that is one thing to watch, but also gasoline.

Assemblyman Max Carter, Nevada Assembly Majority Leader, asked with the new pipeline, what will happen when there are disruptions. He indicated that they are inheriting on the other side, the possible implications of disruptions coming from the East, impacting flow into southern Nevada.

Chair Compston indicated that in discussions with Allen Fore on the Westgate pipeline, it is really about diversification and cost and access to the central United States fuel. Chair Compston didn't feel it changed the emergency management risk, which affects both the north and south pipeline. Any disruption to those pipelines will have to be suffered through and survived. Depending on the length, short- or long-term strategic options will have to be explored, such as the previous presentation by Sawtooth, to get through it. If it's a catastrophic event, it could last weeks or months, Nevada will be in a very tough position. Chair Compston indicated he does not know of a current plan to mitigate that risk for Nevada right now.

Jennifer Carr, NDEP, stated that Allison Robinson did approach her with the offer from U.S. Energy. She also stated that discussions have been happening at the Governor's Office about the complexity of this issue and looking for ways to mitigate this risk. Many agencies have come together and many topics and suggestions have been discussed. It is currently a topic and subject in active discussion among many agencies.

There were no further questions or comments.

11. Public Comment

Chair Compston opened the second period of public comment.

There was no public comment.

12. Adjournment

Chair Compston, OEM/HS, called for a motion to adjourn.

Director J.J. Goicoechea, Department of Agriculture, motioned to adjourn. Vice-Chair Cathy Reheis-Boyd, Sadhana Solutions, seconded the motion. All were in favor with no opposition. Motion passed. Meeting adjourned at 11:11 AM.

Public Comment Nevada Fuel Resiliency Committee
From: Jeff Church, www.RenoTaxRevolt.com RenoTaxRevolt@Sbcglobal.net 775 544-RENO (7366)

A few comments please:
Two Obvious Solutions: Increase supply, reduce demand
1) FYI there are a couple rail studies in progress that could impact fuel issues.

2) Support EVs and Charging Stations: Nevada seems to be trying to do everything it can to outlaw EVs. EVs and plug in hybrids reduce demand and help clean air. Currently EV charging stations ae almost non existent in rural Nevada. Those that exist are broken and vandalized. Believe me I know!

3) Untax and support E85. Fewer vehicles run on it but California subsidizes E85, NV taxes it to the max.
-- Pass a resolution encouraging the production of E85 vehicles

4) Yes 100% on pipelines from the east to Southern and Northern Nevada.

5) FYI: Washoe County has the Highest Gas Taxes in the Nation! Prove me wrong! Clark is not far behind. State Taxes coupled with County Taxes make up #1. The RTC5 gas tax is 47 cents and goes up every July (about 3 cents expected in 2026). Total gas tax in Washoe $1.08 (RTC says $1.05).

6) Outside our control but via resolution, encourage the Department of Defense, Department of Energy and President to support research into a refinery on California coastal US Military property (i.e. Camp Pendleton) for the production solely of military grade fuel for DoD purposes. The West Coast DoD is a major user of oil and that would take some pressure off the supply-demand with a new refinery likely outside state restrictions. There is also military coast land in the Ventura area.