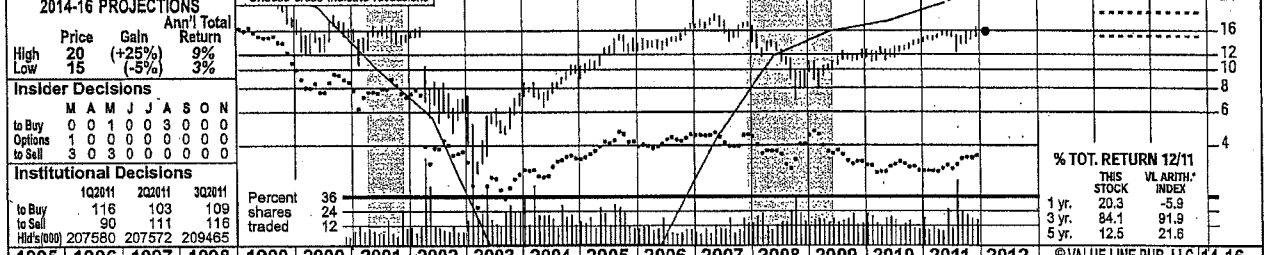


# NV ENERGY, INC. NYSE-NVE

<b>TIMELINESS</b> 3 Lowered 8/12/11	High: 19.4 17.2 16.8 7.5 10.6 15.4 17.5 19.6 17.0 12.8 14.4 16.6	<b>RECENT PRICE</b> 15.98	<b>P/E RATIO</b> 16.1 (Trailing: 18.8 Median: 20.0)	<b>RELATIVE P/E RATIO</b> 1.07	<b>DIV'D YLD</b> 3.3%	<b>VALUE LINE</b>
<b>SAFETY</b> 3 Raised 2/10/06	Low: 12.1 10.6 4.6 2.9 6.4 9.0 12.5 14.1 6.9 8.0 10.9 12.3					
<b>TECHNICAL</b> 3 Raised 1/20/12						
<b>BETA</b> .85 (1.00 = Market)						



<b>2014-16 PROJECTIONS</b>	Price	Gain (+25%)	Ann'l Total Return	9%	3%
High	20				
Low	15				

**Insider Decisions**

to Buy	M	A	M	J	J	A	S	O	N
Options	1	0	0	0	0	0	0	0	0
to Sell	3	0	0	0	0	0	0	0	0

**Institutional Decisions**

to Buy	116	103	109
to Sell	90	111	116

1Q2011 2Q2011 3Q2011  
to Buy 116 103 109  
to Sell 90 111 116  
Hld's(000) 207580 207572 209465

1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Ⓢ VALUE LINE PUB. LLC	14-16
15.94	16.51	15.86	17.04	16.69	29.75	44.94	29.28	23.79	24.04	15.09	15.18	15.41	15.06	15.27	13.94	12.50	13.10	Revenues per sh	14.50
2.93	2.97	3.04	3.12	2.10	1.45	1.94	d1.27	2.75	4.65	2.42	2.89	2.91	2.02	3.45	3.48	3.10	3.45	"Cash Flow" per sh	3.75
1.53	1.58	1.65	1.64	.83	d.63	.34	d3.00	d1.15	.40	.44	1.14	.89	.89	.78	.96	.80	1.10	Earnings per sh A	1.55
1.60	1.60	1.60	1.45	1.17	1.00	.40	.20	--	--	--	--	.16	.34	.41	.45	.49	.53	Div'd Decl'd per sh B	.80
3.80	3.84	4.41	6.31	3.95	4.58	3.28	3.91	3.19	3.68	3.42	4.46	5.12	4.54	3.69	2.79	2.40	2.20	Cap'l Spending per sh	1.75
16.25	16.40	16.54	16.86	18.83	17.33	16.60	12.99	12.24	12.76	10.26	11.86	12.82	13.36	13.73	14.24	14.50	15.05	Book Value per sh C	17.00
47.04	48.79	50.40	51.27	78.43	78.48	102.11	102.18	117.24	117.47	200.79	221.03	233.74	234.32	234.83	235.32	236.00	237.00	Common Shs Outst'g D	240.00
13.6	13.3	12.9	15.2	25.7	--	NMF	--	--	20.9	27.5	12.6	19.1	13.3	13.9	13.0	16.7	--	Avg Ann'l P/E Ratio	12.0
.91	.83	.74	.79	1.46	--	NMF	--	--	1.10	1.46	.68	1.01	.80	.93	.83	1.20	--	Relative P/E Ratio	.80
7.7%	7.7%	7.5%	5.8%	5.6%	6.5%	2.2%	--	--	--	--	--	-.9%	2.9%	3.8%	3.6%	3.3%	--	Avg Ann'l Div'd Yield	4.3%

**CAPITAL STRUCTURE as of 9/30/11**  
Total Debt \$5174.3 mill. Due in 5 Yrs \$1146.6 mill.  
LT Debt \$5038.2 mill. LT Interest \$304.8 mill.  
Incl. 1,940,000 shs. 8.60%, 4,754,860 shs. 8.2%,  
2,800,000 shs. 7.94% mandatorily redeemable trust preferred securities.  
(LT interest earned: 1.9x)  
Leases, Uncapitalized Annual rentals \$22.1 mill.  
Pension Assets-12/10 \$729.9 mill.  
Obilig. \$806.0 mill.

**Pfd Stock None**  
Common Stock 235,999,750 shs.  
as of 11/11/11

**MARKET CAP: \$3.8 billion (Mid Cap)**

ELECTRIC OPERATING STATISTICS				2008	2009	2010
% Change Retail Sales (KWH)		-1.5	-2.7	-1.4		
Avg. Indust. Use (MWH)		NA	NA	NA		
Avg. Indust. Revs. per KWH (¢)		NA	NA	NA		
Capacity at Peak (MW)		NA	NA	NA		
Peak Load, Summer (MW)		7152	7140	7215		
Annual Load Factor (%) <sup>F</sup>		45.0	43.0	43.0		
% Change Customers (yr-end)		+1	+1	+3		

**ANNUAL RATES** Past 10 Yrs. Past 5 Yrs. Est'd '08-'10 of change (per sh)

Revenues	-3.5%	-7.0%	-5%
"Cash Flow"	3.0%	-2.0%	4.0%
Earnings	3.5%	--	10.0%
Dividends	-10.5%	--	12.0%
Book Value	-2.5%	3.0%	3.5%

**QUARTERLY REVENUES (\$ mill.)**

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	805.1	838.8	1118.1	766.1	3528.1
2009	755.3	838.6	1219.0	772.9	3585.8
2010	714.5	782.7	1128.0	855.0	3280.2
2011	641.0	674.9	1017.8	616.3	2950
2012	650	700	1100	650	3100

**EARNINGS PER SHARE A**

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	.10	.15	.84	--	.89
2009	d.09	.08	.78	.01	.78
2010	d.01	.16	.75	.06	.96
2011	.01	.05	.73	.01	.80
2012	.05	.20	.80	.05	1.10

**QUARTERLY DIVIDENDS PAID B**

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	.08	.08	.08	.10	.34
2009	.10	.10	.10	.11	.41
2010	.11	.11	.11	.12	.45
2011	.12	.12	.12	.13	.49
2012					

**BUSINESS:** NV Energy, Inc. (formerly Sierra Pacific Resources) is a holding company formed through the 7/99 merger of Sierra Pacific (now NV Energy North) and Nevada Power (now NV Energy South). Sells electricity in west central & southern Nevada & eastern California; provides gas to Reno & Sparks, NV & environs. Customers: 1.2 mill. elec., 151,000 gas. Elec. rev. breakdown: res't, 45%; comm'l, 25%; ind'l, 27%; other, 3%. Generating sources: gas & oil, 51%; coal, 17%; purchased, 32%. Fuel costs: 52% of revs. '10 reported depr. rates: South, 3.0%; North, 3.0%. Has 2,900 employees. Chairman: Philip G. Satre. President & CEO: Michael W. Yackira. Inc.: NV. Address: 6228 West Sahara Ave., Las Vegas, NV 89146. Tel.: 702-402-5000. Internet: www.nvenergy.com.

**NV Energy's southern utility has been granted a general rate increase.** The rates of NV Energy South were raised by \$158.6 million, based on a return of 10% on a common-equity ratio of 44.38%. The increase is 63% of the \$249.9 million that the utility had requested, and we consider the order reasonable. New tariffs took effect at the start of 2012.

**Earnings are likely to improve considerably in 2012.** In May of 2011, a gas-fired generating plant began commercial operation. However, NV Energy South did not begin to recover the costs associated with the new facility until the aforementioned rate hike took effect. This hurt the company's profits in the last three quarters of 2011. With the rate increase in place, we believe that earnings this year will exceed \$1.00 a share for the first time since 2006.

**Two capital projects are on schedule for completion by yearend.** NV Energy has a 25% stake in a \$560 million transmission line that will connect its northern and southern utilities. Once this project is complete, the company will probably seek regulatory approval to merge the two utilities into one entity. This means that there would be half as many rate cases to litigate, among other benefits. NV Energy is also installing an advanced metering system at an expected cost of \$300 million (including a \$139 million grant from the federal government). We believe that the company can fund these projects with internally generated cash flow.

**The board of directors raised the dividend in the fourth quarter of 2011.** The move came one quarter earlier than we had expected. The board boosted the quarterly disbursement by a cent a share (8.3%). Given that the company's capital budget is declining and the payout ratio is low (although NV Energy has no stated dividend policy), we project a continuation of healthy dividend growth through mid-decade.

**This equity's dividend yield is almost a percentage point below the utility mean.** This is a reflection of NV Energy's above-average dividend growth prospects. For the 3- to 5-year period, however, this issue's total return potential is only average for a utility.

*Paul E. Debbas, CFA* February 3, 2012

(A) Diluted EPS. Excl. gains (losses) from disc. ops.: '00, 8¢; '01, 31¢; '03, (5¢); '04, (3¢); non-rec. gain (loss): '04, (21¢); '06, 20¢. '08 & '09 EPS don't add due to rounding. Next eps. re- port due mid-Feb. (B) Div'd reinstated 7/07. Div'ds historically paid mid-Mar., June, Sept., Dec. ■ Div'd relin. plan avail. (C) Incl. intang. in '10: \$7.81/sh. (D) In mill. (E) Rate base: Net orig. cost. Rate all'd on com. eq. for NV Energy North in '08: 10.6%; NV Energy South in '12: 10%; earned on avg. com. eq.: '10: 6.8%. Reg. Climate: Avg. (F) NV Energy South only.

Company's Financial Strength B  
Stock's Price Stability 90  
Price Growth Persistence 80  
Earnings Predictability 50