COMMISSION ON ELECTRIC UTILITY REGULATION

2024 ANNUAL REPORT

TO THE GOVERNOR AND THE GENERAL ASSEMBLY OF VIRGINIA

COMMONWEALTH OF VIRGINIA

Richmond, Virginia

CEUR Commission on Electric Utility Regulation

2025

Code of Virginia

§ 30-201.

The Commission on Electric Utility Restructuring established pursuant to Chapter 885 of the Acts of Assembly of 2003, is continued, effective July 1, 2008, as the Commission on Electric Utility Regulation (the Commission) within the legislative branch of state government. The purpose of the Commission is to monitor the State Corporation Commission's implementation of the Virginia Electric Utility Regulation Act (§ 56-576 et seq.).

§ 30-205.

The Commission shall have the following powers and duties:

- 1. Monitor the work of the State Corporation Commission in implementing Chapter 23 (§ 56-576 et seq.) of Title 56. The Commission shall receive an annual report from the State Corporation Commission by November 1 regarding such implementation and shall receive such other reports as the Commission may be required to make, including reviews, analyses, and impact on consumers of electric utility regulation in other states.
- 2. Examine generation, transmission and distribution systems reliability concerns;
- 3. Establish one or more subcommittees, composed of its membership, persons with expertise in the matters under consideration by the Commission, or both, to meet at the direction of the chairman of the Commission, for any purpose within the scope of the duties prescribed to the Commission by this section, provided that such persons who are not members of the Commission shall serve without compensation but shall be entitled to be reimbursed from funds appropriated or otherwise available to the Commission for reasonable and necessary expenses incurred in the performance of their duties;
- 4. Monitor applications by the Commonwealth for grants and awards for energy projects from the federal government;
- 5. Consider legislation referred to it during any session of the General Assembly or other requests by members of the General Assembly;
- 6. Conduct studies and gather information and data in order to accomplish its purposes set forth in § 30-201 and in connection with the faithful execution of the laws of the Commonwealth;
- 7. Issue ratepayer impact statements pursuant to § 30-205.1; and
- 8. Report annually to the General Assembly and the Governor with such recommendations as may be appropriate for legislative and administrative consideration in order to maintain reliable service in the Commonwealth while preserving the Commonwealth's position as a low-cost electricity market.

Commission on Electric Utility Regulation

Members:

Chair

The Honorable Senator Scott A. Surovell

Vice Chair The Honorable Delegate Terry G. Kilgore

Senate of Virginia

Appointed by Senate Committee on Rules. Appointment coincident with Senate term. Senator L. Louise Lucas Senator Mark D. Obenshain Senator R. Creigh Deeds

Virginia House of Delegates

Appointed by Speaker of the House. Appointment coincident with House term. Speaker Don Scott Delegate Richard C. (Rip) Sullivan Delegate Michael J. Webert Delegate Charniele L. Herring Delegate Candi Mundon King

Citizen Members:

Cassidy Rasnick (appointed by Senate Committee on Rules) Josephus Allmond (appointed by Speaker of the House) Howard Shafferman (appointed by the Governor)

Ex Officio Member:

Meade Browder, Attorney General's Office

<u>Staff</u>:

Carrie Hearne, MBA, Executive Director Jamie Bitz, MPP, Senior Energy Policy Analyst Ana Christina Vivas Thomas, MPP, Energy Policy Analyst

The Commission acknowledges the generous support from leadership and staff at the Senate and House Clerks offices, Division of Legislative Services and Division of Legislative Automated Services.



COMMISSION ON ELECTRIC UTILITY REGULATION

Senator Scott A. Surovell, Chair Delegate Terry G. Kilgore, Vice Chair

January 8, 2025

The Honorable Glenn Youngkin Governor of Virginia Patrick Henry Building, 3rd Floor 1111 East Broad Street Richmond, Virginia 23219

Members of the Virginia General Assembly General Assembly Building Richmond, Virginia 23219

Dear Governor Youngkin and Members of the General Assembly:

Please find enclosed the annual report of the Commission on Electric Utility Regulation. This report summarizes the activities of the Commission in 2024 and legislative recommendations to the General Assembly in advance of the 2025 legislative session and fulfills the requirements of § 30-207 of the Code of Virginia.

This and all other reports and briefings of the Commission on Electric Utility Regulation can be found at <u>dls.virginia.gov/commissions/eur.htm</u>.

Respectfully submitted,

Scott A. Surovell, Chair

Carrie Ella Hearne, MBA, Executive Director – Commission on Electric Utility Regulation – 201 N. 9th St. 4th Floor, Richmond, Virginia 23219

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Mission / Purpose

The purpose of the Commission on Electric Utility Regulation ("CEUR" or "the Commission") is to monitor the State Corporation Commission's implementation of the Virginia Electric Utility Regulation Act (§ 56-576 et seq.).

Authorizing Statute

The Commission is established within the Commonwealth of Virginia's legislative branch of state government in Title 30, Chapter 31 of the Code of Virginia. The full chapter can be viewed in **Appendix A**.

Staffing, Budget and Operations

In the 2023 Special Session Budget Bill, the CEUR was allocated \$345,525 for fiscal year 2024 (FY2024), along with six (6) general fund positions. The 2024 Session Budget Bill allocated \$691,050 for FY2025 and \$691,050 for FY2026. As of December 2024, the available appropriation is \$926,353.92.

CEUR hired Carrie Hearne in June 2024 to serve as its first executive director. Two additional staff members, Jamie Bitz and Ana Vivas Thomas, were hired as senior energy policy analyst and policy analyst positions, respectively, in October 2024. Additional capacity is currently being evaluated in the form of staffing and/or consulting services to deepen the expertise of the team and to fulfill the CEUR purpose and requirements.

The CEUR staff currently hold offices in the General Assembly Building at 201 N. 9th Street in Richmond, Virginia.

Commission Meetings

The CEUR held full Commission meetings on the following dates:

- June 26, 2024
- September 25, 2024
- November 26, 2024

The Energy Facility Permitting and Siting Committee ("Permitting Committee") met on the following dates:

- November 7, 2024
- December 17, 2024 (virtual meeting)

All meeting materials including meeting agendas, recordings, guest and staff presentations, and supporting documents can be found on the CEUR website (<u>here</u>) hosted with the Division of Legislative Services.

CEUR acknowledges and appreciates the following individuals who offered their time and expertise as invited guest presenters during public meetings in 2024:

- State Corporation Commission (SCC) staff: Arlen Bolstad, David Essah, Allison Samuel and Kim Pate
- Dominion Energy Virginia: James Beamer, William Murray and Scott Gaskill
- Appalachian Power Company (APCo): Larry Jackson
- Regulatory Assistance Project (RAP): David Farnsworth
- Southern Environmental Law Center (SELC): Josephus Allmond and Katie Rogers
- University of Virginia, Weldon Cooper Center for Public Service (UVA): Elizabeth Marshall
- Lighthouse Policy and Law: William Cleveland
- Clean Air Task Force (CATF): Nelson Falkenburg
- Chesapeake Bay Foundation: Jay Ford
- Advanced Energy United (AEU): Jim Purekal
- Mid-Atlantic Renewable Energy Coalition (MAREC): Evan Vaughan
- RMI: Tyler Fitch
- Energy Right Virginia: Skyler Zunk
- Virginia Association of Counties (VACo): Joe Lerch

CEUR staff and members of the Commission would also like to thank members of the public for engaging in public meetings and offering verbal and written comments, recommendations and feedback on Commission topic areas and policy proposals.

Referred Bills from 2024

Fifteen (15) bills from the 2024 session of the Virginia General Assembly were ultimately referred to the CEUR for further consideration. Each bill number, patron, summary description, topic area tags and links to bill history can be found in **Appendix B**.

Policy Research, Analysis and Stakeholder Convenings

CEUR staff and member discussions on 2025 policy options began in June 2024. Staff conducted preliminary analysis of 2024 referred bills (as listed above) as well as other energy-related topics and made recommendations to the CEUR members on areas for consideration.

The following policy areas were considered during public meetings and stakeholder convenings:

Making Public Interest Determinations

- Utility Planning: Reforming the Integrated Resource Plan (IRP) Process and Guidelines
- Energy Facility Siting and Permitting: Utility Scale Solar Energy and Energy Storage Permitting
- Scope and Name of the Commission on Electric Utility Regulation

With the input and support from CEUR members, CEUR staff recommended advancing the following two policies for drafting in preparation for the 2025 General Assembly session:

- Utility Planning: Reforming the Integrated Resource Plan (IRP)
- Senergy Facility Siting and Permitting: Utility Scale Solar Energy and Energy Storage

Each of these topic areas received dedicated staff analysis, including independent research and interviews. For gathering input and building stakeholder support, the "Energy Facility Siting and Permitting" topic area included multiple workshop sessions with a variety of stakeholders to seek consensus on a policy proposal.

Utility Planning policy proposal:

CEUR staff reached out to a broad group of stakeholders and engaged with individuals from the following organizations:

- Appalachian Power Company
- Appalachian Voices
- Clean Virginia
- Commission on Electric Utility Regulation (various members)
- Dominion Energy Virginia
- Lighthouse Policy & Law, PLC
- Natural Resources Defense Council (NRDC)
- Sierra Club Virginia
- State Corporation Commission (SCC; technical consultation with staff)
- Southern Environmental Law Center (SELC)
- University of Virginia, Weldon Cooper Center for Public Service
- Other various individuals and organizations

Energy Facility Siting and Permitting policy proposal:

CEUR staff reached out to a broad group of stakeholders and engaged with individuals from the following organizations:

- ✤ AES
- American Clean Power Association (ACP)
- Advanced Energy United (AEU)
- American Farmland Trust

- Appalachian Voices
- Capital Square Strategies
- CEP Solar
- Chesapeake Bay Foundation (CBF)
- Chesapeake Climate Action Network (CCAN)
- Chesapeake Energy Storage and Solar Association (CHESSA)
- Clean Air Task Force
- Coalition for Community Solar Access
- Commission on Electric Utility Regulation (various members)
- Dimension Energy
- Energy Right Virginia
- Fall Line Strategies
- Gentry Locke
- GreeneHurlocker, PLC
- Mid-Atlantic Renewable Energy Coalition (MAREC)
- New Leaf Energy
- Natural Resources Defense Council (NRDC)
- Piedmont Environmental Council
- Solar Energy Industries Association
- SELC
- Sierra Club Virginia
- Sun Tribe Solar
- The Nature Conservancy Virginia
- ThompsonMcMullen PC
- University of Virginia, Weldon Cooper Center for Public Service
- Virginia Association of Counties (VACo)
- Virginia Association of Planning District Commissioners (VA-PDC)
- Virginia Department of Energy
- Virginia Conservation Network
- Virginia League of Conservation Voters (VA-LCV)
- Williams Mullen
- Other various individuals and organizations

Policy Recommendations to 2025 General Assembly

On January 6, 2025, the Commission on Electric Utility Regulation members convened to discuss two draft policy proposals as recommended and researched by CEUR staff. The membership voted to advance to the General Assembly the two following policy recommendations:

Utility Planning, IRP Reform

Reform the integrated resource plan requirements for Virginia's two largest regulated investorowned monopoly utilities. The policy proposal includes but is not limited to the following elements (full policy draft in **Appendix C**):

Simplifies the planning requirements for integrated resource plans (IRP) by requiring triennial IRPs and directing the State Corporation Commission (SCC) to review and reduce previous orders

- Requires utilities to file IRPs every 3 years rather than 2 years
- Requires the SCC to consider reducing previously issued orders that are deemed unnecessary to help simplify the planning process and ensure it is not overly burdensome

Expands the scope of an IRP to include transmission and distribution planning, and directs the SCC to develop guidelines for IRPs

- Requires that an IRP identify the transmission and distribution infrastructure (in addition to the generation and non-generation sources) needed to provide reliable, affordable, carbon-free electricity
- Requires utilities to consider in their IRP the use of grid-enhancing technologies as alternatives or supplements to new transmission infrastructure, and when new transmission lines are envisioned, requires utilities to provide the reasons grid-enhancing technologies are not sufficient to defer or eliminate the need for new transmission infrastructure
- Requires utilities to include the social cost of carbon when evaluating different portfolios of generation resources
- Lengthens the planning timeframe from 15 to 20 years
- Requires Appalachian Power to file IRPs triennially
- Requires the SCC to convene a workgroup with CEUR staff, utilities, and stakeholders to develop guidelines for IRPs
 - the content of an IRP that comprehensively addresses generation, transmission, and distribution planning
 - the modeling software that best enables utilities to incorporate transmission and distribution planning, including location-specific information
 - procedures and timeframes for sharing the modeling software and inputs with stakeholders, including a reasonable number of software licenses to share
 - the use of confidentiality agreements where necessary to protect each utility's proprietary information
 - the availability of subject matter experts from each utility to provide timely and meaningful information in response to questions and recommendations from stakeholders during the planning process
- Requires the SCC to recommend IRP planning guidelines by December 1, 2025 and develop planning regulations no more than 180 days later

Ensures that utilities model scenarios in their IRPs that meet the Virginia Clean Economy Act (VCEA) and allows utilities to model "least cost" scenarios

- Requires utilities to identify a single preferred portfolio of generation and non-generation resources that meets the renewable energy standards and the retirement of carbon-emitting generation sources required by the VCEA
- Allows utilities to model "least cost" scenarios that involve petitioning the SCC for relief from the VCEA requirement to retire carbon-emitting sources
- Requires utilities to include at least one modeling scenario that achieves greater annual energy savings than required by statute

Strengthens transparency, information sharing, and public engagement in the electric utility planning process

- Requires the stakeholder review of utility IRPs to be facilitated by a third party selected by the SCC
- Requires the stakeholder engagement process to occur annually during both triennial IRP filings and annual updates
- Requires utilities to provide a subset of stakeholders with access to the same modeling software and inputs that utilities use to develop modeling scenarios for their IRPs

Solar Energy and Energy Storage Siting and Permitting

The policy and suggested budget would provide resources and technical assistance to regions and localities to help them determine how to best meet the Commonwealth's clean energy goals, while also removing unreasonable restrictions to solar energy and energy storage development. It creates a new state energy plan to inform regional energy planning through planning district commissions (PDCs); creates a new solar energy and energy storage model ordinance which sets forth a framework for local adoption; establishes a state "Energy Facility Review Board (Review Board)" to provide opinions to localities on critical interconnection projects, and to review regional energy plans, local comprehensive plans and local solar energy and energy storage ordinances; and creates a university research consortium "Virginia Clean Energy Technical Assistance Center (VCE-TAC)."

The following is a summary with excerpts from the policy but is not comprehensive in nature. See full policy draft as endorsed by the CEUR through a majority vote on January 6, 2025 in **Appendix D**.

Establishes a state Energy Facility Review Board (Review Board) to provide opinions to localities on critical interconnection projects, to guide and review regional energy plans, local comprehensive plans and local solar energy and energy storage ordinances:

• Eleven (11) person Review Board made up of 9 appointed members and 2 rotating members, representing various state agencies, relevant local government officials and energy facility subject matter experts;

- Provides state energy modeling to inform planning district commissions in the creation of regional energy plans to ensure meaningful progress toward state energy goals;
- Convenes an interdisciplinary workgroup to create a model solar and energy storage ordinance for siting, zoning and permitting of Critical Interconnection Projects (CIPs);
- Issues advisory opinions to localities on CIPs.
- The Review Board makes two distinct CIP determinations:
 - 1) whether the CIP is one of statewide significance and
 - 2) whether the CIP complies with the locality's ordinance.
- Includes a comprehensive definition of "unreasonable restriction":
 - (i) any prohibition on solar energy and/or energy storage facilities;
 - (ii) any provision(s) or condition(s) that have the effect of limiting the amount of land available for solar energy and/or energy storage facilities to less than 5% of any zoning district;
 - (iii) any provision(s) or condition(s) that are more stringent than those listed in the model ordinance adopted by the Review Board pursuant to § 45.2-1740; or
 - (iv) any provision(s) or condition(s) on solar energy and/or energy storage facilities that limit the total amount, density or size of such facilities in a manner that would prevent the county from achieving its meaningful contribution to clean energy generation as identified in the Review Board's regional energy report.

Creates a new solar energy and energy storage model ordinance through an interagency workgroup which sets forth a framework for local adoption:

- Model ordinance to include a range of parameters on the following issue areas: setback requirements, fencing, project height, visual impacts, lighting, vegetation, wildlife, workforce, cultural and historic resources, and decommissioning;
- The Energy Facility Review Board to convene an interagency workgroup to issue a new state model solar energy and energy storage ordinance by January 1, 2026;
- Localities to adopt updated solar energy and energy storage ordinance for CIPs no later than July 1, 2026 and at least once every three years thereafter;
- Ordinances prohibited from containing unreasonable restrictions on critical interconnection projects;
- Local stormwater, erosion and sediment control measures may not be more stringent than state regulations unless consistent with state program guidance;

Sets appeals process relating to critical interconnection project (CIP) decisions and Energy Facility Review Board determinations:

- Appeals for project application decisions remain within the circuit courts;
- Appeals on locality decisions can only be brought forward by project applicants or the owner of the property subject to the permit;

- Appeals on Review Board's decisions can only be brought by the locality in which the permit is being sought, or the aggrieved applicant or the owner of the property subject to the permit.
- Appeals are the exclusive remedy for disputing or enjoining the project;
- There shall be a rebuttable presumption that opinion of the Review Board shall be presumed correct, but it may be overcome with a preponderance of the evidence demonstrating that the locality's decision was consistent with ordinance provisions and not based on unreasonable restrictions;
- Appeals are given precedence on the docket and decided by circuit courts within 90 days;
- Appeals to the Court of Appeals and the Supreme Court of Virginia are also given precedence on the docket and decided within 90 days of the appeal.

Expands the duties of Planning District Commissions (PDCs) to include:

• Regional energy planning with guidance from the Energy Facility Review Board and consultation with local governments to collectively demonstrate meaningful contributions from the region to meet the Commonwealth Clean Energy Policy and load growth forecasts; includes planning for clean energy, storage, energy efficiency, etc.

Keeps in place the following elements:

- Existing state regulations relating to land and water conservation for solar energy and energy storage projects, such as those set forth in proposed regulatory actions HB206 (as introduced and enacted into law during the regular session of the 2022 General Assembly in Chapter 688 of the Acts of Assembly).
- Decision appeals remain within the relevant circuit courts.

Proposed Timeline for Energy Facility Review Board, Advisory Opinions, Model Ordinances and Regional Plans:

<u>July 1, 2025</u>

- Energy Facility Review Board established
- Advisory opinions begin
- Ban on "unreasonable restrictions" begins

<u>January 1, 2026</u>

- Review Board issues model ordinance, in collaboration with new university consortium, Virginia Clean Energy Technical Assistance Center (VCE-TAC)
- Review Board issues "Meaningful Contribution" report and guidance to PDCs in collaboration with VCE-TAC

<u>July 1, 2026</u>

• Localities adopt/update solar ordinances to conform with model ordinance, submit to Review Board

<u>July 1, 2027</u>

• PDCs develop regional energy plans based on "Meaningful Contribution" report and submit to Review Board, once every three years at minimum

January 1, 2028

• Localities update/adopt comprehensive plans that conform with regional PDC energy plans, submit to Review Board

Budget Recommendations

The CEUR policy proposal on solar energy and energy storage includes a staff recommendation to seek the following budget allocations in support of new technical assistance and research programs to further the planning, siting and permitting of energy facilities in the Commonwealth:

- For the Review Board to allocate funding to the planning district commissions (PDCs) to create regional energy plans and to offer support to localities for amending comprehensive plans and ordinances in accordance with state policies and goals: \$4 million.
- For the establishment of a public university consortium, the Virginia Clean Energy Technical Assistance Center (VCE-TAC), to facilitate research, analysis and technical assistance in service to Virginia's clean energy goals, working in conjunction with the Energy Facility Review Board, regional PDCs, local jurisdictions, state agencies including but not limited to the Virginia Department of Energy (Virginia Energy) and Department of Environmental Quality (DEQ), and other entities necessary to advance the goals of the Commonwealth: \$1 million per year.

Workgroup Participation

Staff from the CEUR participated in and/or monitored the following stakeholder workgroups relating to energy programs and policies, as convened by other state governmental agencies:

- Virginia Energy: Shared Solar Incentives (Report on LIS <u>here</u>)
- SCC: Geothermal Feasibility Study (Report on LIS here)
- SCC and Virginia Energy: Performance-based Regulation (In progress)
- Virginia Department of Environmental Quality (DEQ): Climate Pollution Reduction Grant Advisory Committee (December) (In progress, see more information <u>here</u>)

Other Staff Activities

CEUR staff attended and/or spoke at a variety of conferences, workshops and events in 2024. Carrie Hearne, the Executive Director, served on the Board of Directors as Vice Chair for the Virginia Renewable Energy Alliance, a big-tent clean energy non-profit which hosts the largest annual clean energy convening in the Commonwealth with attendance from non-profit, governmental and business leaders. Additionally, staff attended the following events:

- NARUC: Summer Policy Summit (July)
- Virginia Tech: Advancing Agrivoltaics in Virginia (August)
- PJM: Transmission Expansion Advisory Committee (TEAC) (September)
- Virginia Association of Planning District Commissioners (VA-PDC): Executive Director's Meeting (September)
- Women in Renewable Industries and Sustainable Energy (WRISE) (September)
- Virginia Renewable Energy Alliance (VA-REA) Virginia Clean Energy Summit (October)
- Virginia Conservation Network (VCN): Utility University (November)
- Chesapeake Energy Storage and Solar Association (CHESSA): Solar Focus (November)
- Virginia Clean Economy Act (VCEA) Summit hosted by Senator Marsden (November)
- Grid Innovation Summit hosted by Google and Virginia Energy: (November)
- State Corporation Commission (SCC): Data Center Technical Conference

State Corporation Commission Legislative Reports

The Code of Virginia requires the State Corporation Commission to submit a variety of annual reports to the Commission on Electric Utility Regulation to report on energy policy and program implementation progress. The 2024 reports from the SCC were submitted on time and can be found at the links below:

The Virginia Electric Utility Regulation Act

2024 Status Report: Implementation of the Virginia Electric Utility Regulation Act (Nov. 1, 2024)

SCC Energy Reports:

- <u>2024 Combined Annual Report</u> (December 1, 2024)
- <u>2024 Geothermal Workgroup Report</u> (December 1, 2024)
- 2024 Combined Annual Report: Energy Efficiency Programs and Feasibility of Achieving Energy Efficiency Goals (October 1, 2024)

Commission Members

Senator Scott A. Surovell, Senate Majority Leader, Chair

Scott Surovell represents the 34th State Senate District representing Eastern Fairfax County and has served as the Senate Majority Leader since 2024. He currently serves on the Commerce and Labor, Finance, Rehabilitation and Social Services, and Rules Committees and is the Chairman of the Courts of Justice Committee. He also serves on the State Water Commission, Virginia-North Carolina High Speed Rail Compact Commission, Commission on Electric Utility Regulation, Health Insurance Reform Commission, Joint Subcommittee to Evaluate Tax Preferences, Virginia State Crime Commission, Child Support Guidelines Review Panel, Board of Trustees Frontier Culture Museum of Virginia, Legislative Support



Commission, School Facility Modernization Commission, Commission on Virginia Alcohol Safety Action Program, and the Booker T. Washington Commemorative Commission.

Before his election to the State Senate, Senator Scott Surovell served as the state delegate for the 44th District from 2009-2015. Senator Surovell served as the House Caucus Chairman from 2014-2015 and Campaign Chairman from 2012-2014. He also served in the Counties, Cities and Towns Committee and Science and Technology Committee for six years and the Militia, Police and Public Safety Committee for four years. Senator Surovell was appointed by the Speaker of the House to serve on the Virginia Broadband Advisory Council from 2014-2016.

Delegate Terry G. Kilgore, Vice Chair

Delegate Terry G. Kilgore has been a member of the Virginia House of Delegates, representing the citizens of the 45th legislative district since 1994. As Delegate, Terry represents Scott, Lee and Wise Counties, the City of Norton and part of Dickenson County. Delegate Kilgore serves as a member of the House Committees on Courts of Justice, Commerce & Energy, and Rules. Delegate Kilgore is the 2nd highest ranking member in the Virginia House of Delegates.



Delegate Kilgore serves on various boards and organizations in the Commonwealth, such as the Tobacco Region Revitalization Commission, GO Virginia, the Coal and Energy Commission, and the Southwest Virginia Health Authority. He also serves on the Appalachian Region Interstate Compact Commission, Southwest Virginia Higher Education Center and the Southwest Virginia Public Education Consortium.

Delegate Kilgore and his wife, Debbie, reside in Gate City,

Virginia in Scott County. They have two grown children, Kayla and Kyle; and are the proud grandparents of Nola and Kylie Kilgore. Delegate Kilgore practices law in Gate City.

Senator L. Louise Lucas, President Pro Tempore

Senator L. Louise Lucas has been proudly serving Chesapeake and Portsmouth in the Virginia Senate for over three decades. Senator Lucas has made history as the first African American to serve as President Pro Tempore of the Virginia Senate. In January 2024, she became the first African American to chair the Senate Finance & Appropriations Committee; she continues to deliver for working families across Hampton Roads.

Born and raised in Portsmouth, Virginia, Senator Lucas started her career in public service in the Norfolk Naval Shipyard, becoming the first woman shipfitter in the Shipyard's history. She then served her community on the Portsmouth City Council from 1984 to 1991. As the top vote getter in her first election, she was the first African American woman to serve on the council.



Senator Lucas is a proud product of Portsmouth City Public Schools and a proud graduate of Norfolk State University. Senator Lucas is the mother of one son and two daughters. She has six grandchildren and nine great-grandchildren.

Delegate Don Scott, Speaker of the House

Don Scott has built a reputation for being a steadfast ally to his clients in the courtroom and has brought that same spirit to the House of Delegates where he is known for being an advocate for working Virginia families.



He was born in Houston, Texas, where he and his siblings were raised by a single mother. A product of public schools, Don attended Texas A&M University. Upon graduation, he joined the Navy and served as a Surface Warfare Officer. This ignited his interest in pursuing law, and upon completion of his service, he earned his law degree from LSU Law School in 1994. In 2024 he was awarded an honorary Doctorate of Humane Letters from Norfolk State University and in 2025 he received a second honorary Doctorate from Virginia Wesleyan University.

In 2002, Don took an entry-level job at a workforce development company, where he quickly moved up the ranks to Senior Vice President. However, his position required constant travel, and after the birth of his daughter, he decided to return to his original dream of practicing law to stay closer to home. In 2015 he opened his own law practice. Today, he is a partner at Breit Biniazan P.C. and serves his clients primarily as a personal injury attorney.

He entered public life in 2019 when he decided to run for the House of Delegates representing Portsmouth. Since that first election, he has had a meteoric rise from freshman to Minority Leader by his second term. After winning the majority in 2023, Don was unanimously selected by his colleagues as the first Black Speaker of the House of Delegates in its 405-year history. Don has made his mark running a tight ship. He is known for being efficient and tough but fair to his colleagues on both sides of the aisle. He is a proud lifetime member of many civic and community boards and associations. He and his wife, Dr. Mellanda Colson Scott, reside in Portsmouth with their teenage daughter.

As Speaker of the House of Delegates, he is Chair of the Rules Committee and he serves on the Governor's Advisory Council on Revenue Estimates; Virginia Growth and Opportunity Board; Commemorative Commission to Honor the Contributions of the Women of Virginia; Virginia State Crime Commission; and Commission on Electric Utility Regulation.

In the community, Don is a member of many boards and commissions and has spent his time outside the courtroom giving back.

Don is a member of the Portsmouth Bar Association, the Old Dominion Bar Association, the Virginia State Bar Association, the Virginia Association of Criminal Defense Attorneys, and the Virginia Trial Lawyers Association. He is also the former Chair of the Portsmouth Economic Development Authority and former President of the Southeastern Employment and Training Association. He is also a member of the Eureka Club and holds lifetime memberships in the NAACP, Veterans of Foreign Wars Post 993, and American Legion Post 190.

Senator Mark D. Obenshain

Mark Obenshain has served in the Senate of Virginia since 2003, making him the ranking Republican in the Senate. He represents the citizens of the 2nd District in the Senate of Virginia which includes the City of Harrisonburg, Rockingham County, Page County, Bath County, Highland County, and parts of Augusta County. He serves on the Senate Finance & Appropriations Committee, Judiciary; Commerce & Labor; and Agriculture, Natural Resources & Conservation Committees in the Senate. He was the Republican nominee for Attorney General in 2013.

Mark is the founder of the Obenshain Law Group, a statewide litigation firm based in Harrisonburg which focuses on tort, probate and commercial litigation work. He received his undergraduate education from Virginia Tech and his law degree in 1987 from Washington & Lee.



Delegate Richard C. "Rip" Sullivan Jr.



Richard C. "Rip" Sullivan, Jr. graduated magna cum laude from Amherst College and received his law degree from the University of Virginia. He is a partner in the law firm Bean Kinney & Korman, P.C., in Arlington.

Rip serves as Chair of the powerful Labor and Commerce Committee's Energy Subcommittee, a role in which he has used his experience legislating in the energy space to help shape the way Virginia moves forward on these crucial issues. He also previously served as Chair of the Finance Committee's Subcommittee which considers bills related to corporate and individual income tax. Currently, Rip serves on the Labor and Commerce Committee, the Courts of Justice Committee, the Rules Committee and the Finance Committee. Rip is an experienced leader, with proven results. During the 2020 General Assembly session Rip introduced the historic Virginia Clean Economy Act to battle climate change and advance the Commonwealth's clean energy sector and promote energy efficiency. He also was the author and patron of Virginia's life-saving "Red Flag" law, which stops gun violence before a single shot is fired. In 2021, he was the Chief Co-Patron of the Clean Cars bill, which launched Virginia's effort to up its game and increase the pace of our switch to electric vehicles. In 2019, he was the author of "Jacob's Law," which strengthens surrogacy rights for gay and straight couples (as well as single parents) who want to start a family in Virginia. Rip worked diligently with stakeholders and his colleagues to ensure that these landmark bills all became law.

Senator R. Creigh Deeds

Senator Creigh Deeds represents the 11th Senate District, which includes the counties of Albemarle, Nelson, Amherst, part of Louisa and the city of Charlottesville. He is the Chair of the Commerce and Labor Committee and Chairs the Behavioral Health Commission and the Health and Human Resources Subcommittee. He also serves on the following standing committees: Courts of Justice, Finance and Appropriations, Privileges and Elections, and Rules.



Before being elected to the Senate of Virginia in 2001 in a special election, Senator Deeds served as the Commonwealth's Attorney of Bath County and for ten years in the House of Delegates.

Senator Deeds is also a member of the Commission for Electric Utility Regulation, the Joint Commission on Administrative Rules, the Committee on District Courts, the Joint Subcommittee for Health and Human Resources Oversight, the Intercollegiate Athletics Review Commission, the Interstate 81 Committee, the Governor's Advisory Council on Revenue Estimates, the Virginia Indigent Defense Commission, Virginia Growth and Opportunity Board, and others.

The National Alliance on Mental Illness honored Sen. Deeds with the Richard T. Greer Advocacy Award for his efforts to reform mental health, and the American Psychological Association Practice Organization named him the 2015 State Legislator of the Year Award. For his work on behalf of crime victims, he was awarded the Warren Stambaugh Award from Virginians United Against Crime. He also has received the Leadership in Public Policy Award from The Nature Conservancy, the Preservation Alliance of Virginia Delegate of the Year, and the Virginia Association for Parks Legislator of the Year.

Senator Deeds attended Virginia's public schools and graduated from Bath County High School in 1976. After completing undergraduate work at Concord College, he received his law degree from Wake Forest University in 1984. Senator Deeds is a lawyer in private practice and lives in the City of Charlottesville. He is married to Siobhan Deeds and has four children.

Delegate Michael J. Webert

Delegate Webert is a farmer from Fauquier County who has served in the Virginia House of Delegates since 2012, currently representing all or part of Fauquier, Culpeper, and Rappahannock counties. He sits on the Agriculture, Chesapeake, and Natural Resources Committee, Public Safety Committee, Labor and Commerce Committee, and the Rules Committee as well as multiple joint committees and state commissions. He has served as the House Republican Caucus' Whip since 2022.



Delegate Webert and his family have strong ties to the environment and conservation. He began managing his family farm, Locust Hill Farm, in 2007. Locust Hill Farm was awarded the Conservation Farm Award in 2010 by John Marshall Soil and Water Conservation District of which he is now an Associate Director. Delegate Webert currently sits on the board of the Fauquier Livestock Exchange, which is only fitting as his grandfather was an original stockholder.

Delegate Webert also serves on the Rappahannock River Basin Commission and State Water Commission where he has been a champion for the Chesapeake Bay – in 2015 he was awarded the Chesapeake Bay Foundation Legislator of the year.

Since first being elected in 2011, he has passed several pieces of legislation. Delegate Webert has a proven track record of bipartisan accomplishments in the General Assembly and is honored to continue serving the people of the 61st District.

Originally born in Denver, Colorado, Delegate Webert has called Virginia home for over twenty years. He moved to Fauquier County in 1999 where his mothers' family has called home since the early 1930s. He and his wife Rebecca reside in Warrenton, VA with their two young sons. He is a graduate of George Mason University where he obtained a bachelor's degree in Communications.

Delegate Charniele Herring

Charniele Herring has represented the people of Alexandria & Fairfax in the Virginia House of Delegates for over a decade. She was first elected to the House in 2009 in a special election. In 2020, she was elected by her colleagues to serve as the Majority Leader of the Virginia House of Delegates, the first woman and African American to serve in the role. She previously chaired the House Courts of Justice Committee from 2020 to 2021 and she now serves as the Chair of the Virginia State Crime Commission.

Born into a military family, Delegate Herring moved often as a child before landing permanently in Northern Virginia. She and her mother became homeless while she was a teenager and stayed in a shelter while attending West Springfield High School.



Thanks to the STEP Program that allows students from disadvantaged backgrounds the opportunity to prove they are capable of college level work, she was able to attend George Mason University, where she earned a degree in Economics. She later earned a JD from Catholic University's Columbus School of Law. After law school, Charniele worked at the oldest African-American owned firm in Greater Washington. She now runs her own mediation practice, Herring Resolutions.

Delegate Candi Mundon King

Candi Mundon King represents Virginia's 23rd District (Prince William and Stafford Counties) in the House of Delegates. With over two decades of experience in government and community relations, she has successfully secured millions in funding for underserved educational programs and is widely recognized as a champion for her constituents.

In the House of Delegates, Candi serves as Chair of the Counties, Cities, and Towns Committee, Vice Chair of Public Safety, and as a member of the Labor and Commerce Committee. Her legislative achievements include:



- Securing pay raises for teachers, state, and local employees
- Standardizing special education eligibility criteria to promote equity for students
- Protecting victims of human trafficking
- Providing paid sick leave for home health care workers
- Safeguarding renters from unauthorized home access

Outside her legislative work, Candi has been a Girl Scouts Troop Leader and Vice-Chair of the Woodbridge Democratic Committee. She is also a member of Delta Sigma Theta Sorority, Inc., and serves on the Virginia Commission on Unemployment Compensation. Born and raised in Virginia, Candi earned her degree in political science from Norfolk State University.

Cassidy Rasnick



Cassidy Rasnick joined the National Telecommunications and Information Administration (NTIA) in June 2023 as the federal program officer (FPO) for the Commonwealth of Virginia. In this role, Cass works with Virginia's state broadband office in building and implementing the Commonwealth's plan to ensure Internet for All and deploy funding efficiently and effectively. She also coordinates partnerships with the state and local governments, community groups, and other entities with a vested interest on NTIA's high-speed internet grant programs and policy issues. Cass brings more than 15 years of leadership, management, and oversight of complex projects and multidisciplinary teams across dozens of state agencies and initiatives. Prior to joining the NTIA, Cass served as Virginia's Deputy Secretary of Commerce and Trade, where she advised the Governor on economic and community development, housing, rural development, broadband deployment, entrepreneurship, international trade, small business assistance, and tourism. She was a key part of the team that led Virginia to be named Best State for Business by CNBC 2019-2021, and that won Amazon's HQ2 for the Commonwealth. Rasnick also served as Deputy Secretary of Agriculture and Forestry and as head of the economic development team at the state's Department of Agriculture. Before joining the Governor's Office, she worked on public policy for the Virginia Manufacturers Association and the Virginia Craft Brewers Guild.

Ms. Rasnick received an appointment to the Virginia Commission on Electric Utility Regulation by the Senate Committee on Rules. She also spent more than five years working for United States Senator Mark Warner. A native of Botetourt County, Rasnick is a graduate of James Madison University, the Virginia Executive Institute, and the Sorensen Institute for Political Leadership at the University of Virginia.

Josephus Allmond

Josephus Allmond is a Staff Attorney at the Southern Environmental Law Center, where he focuses on energy regulatory and environmental justice litigation. He attended Duke Law School, where he was involved with the Environmental Law and Policy Clinic, the Graduate and Professional Student Council, and the Black Law Students Association.

In addition to litigation at the State Corporation Commission, Josephus lobbies at the Virginia General Assembly on solar and other clean energy issues. He



also serves as the Membership Chair for the 100 Black Men of Central Virginia; the Community Advisory Committee, Impact Investing Committee, and Governing Board at the Charlottesville Area Community Foundation; and the Board of the Northern Arizona University Alumni Association. He received an appointment to the Virginia Commission on Electric Utility Regulation by the Speaker of the House in 2024. In December, Josephus graduated from the Sorensen Institute's Political Leadership Program.

Howard H. Shafferman



Howard Shafferman is the Founder and Principal of The Haswell Group, LLC, and is a coach for executives and business leaders.

Howard was a partner for many years in the Washington office of the national law firm of Ballard Spahr LLP. He led the firm's Energy and Project Finance practice group and served two terms on the elected board of the firm. Prior to joining Ballard Spahr, Howard served as Chief of Staff and Counselor of the Federal Energy Regulatory Commission, and as Deputy Solicitor of the Department of the Interior, during the administrations of George H.W. Bush and Ronald Reagan, respectively. Howard lives in Richmond and is a graduate of Princeton University and the University of Virginia School of Law. In addition to serving as a citizen member of the Commission on Electric Utility Regulation, he serves as a board member of the Virginia Offshore Wind Development Authority, and of Veritas School in Richmond.

C. Meade Browder Jr.

Meade Browder heads the Office of the Attorney General of Virginia's Insurance & Utilities Regulatory Section where he is responsible for the Office's participation, through its Division of Consumer Counsel, in utility and insurance matters before the Virginia State Corporation Commission (SCC), other state and federal regulatory agencies and courts, and the Virginia General Assembly. He serves as an ex officio member on the Commission on Electric Utility Regulation.

Prior to joining the Attorney General's Office in 2002, Mr. Browder was an Associate General Counsel at the SCC where he practiced in all areas of utility regulation.



He was licensed to practice law in Virginia in 1993 and has been

admitted to practice in the Supreme Court of the United States, the federal Courts of Appeals for the Fourth Circuit and the District of Columbia Circuit, and the Federal District Courts in Virginia.

Mr. Browder received his undergraduate degree in Economics from Wake Forest University, and his law degree from the University of Richmond where he was on the Law Review.

Staff of the Commission

Carrie Ella Hearne, Executive Director



Carrie Hearne serves as Executive Director at the Virginia Commission on Electric Utility Regulation. The CEUR is a 14-member Commission within the legislative branch of Virginia's state government, with the purpose of monitoring the State Corporation Commission's implementation of the Virginia Electric Utility Regulation Act and related energy system opportunities and barriers.

Prior to joining the CEUR, Carrie spent nearly five years at the Virginia Department of Energy ("Virginia Energy") helping to model pathways to reach clean energy goals, advance energy affordability for Virginia's residents, and support local government policies and permitting for clean energy. She led many of Virginia Energy's successful applications for federal funding competitions and formula grants including the EPA Solar for All program, US DOE's Grid Resilience and Innovation Partnerships, as well as developments for the Home Energy Rebates program.

Carrie supported the development of Governor Youngkin's Virginia Energy Plan and the rollout of the Virginia Clean Economy Act under Governor Northam. Carrie led research on low- and moderate-income solar programs for the Clean Energy Advisory Board and facilitated a shared solar workgroup with the State Corporation Commission to ensure low-income customer participation in the newly established program.

Originally from rural West Virginia, Carrie moved to Virginia in 2019 after working in sustainable business operations and clean energy policy in Portland, Oregon. She holds an MBA in sustainable systems and finance from Presidio Graduate School and a bachelor's degree from Earlham College. She serves as Vice Chair for the Virginia Renewable Energy Alliance (VA-REA) and is a lifelong Senior Fellow of ELP, the Environmental Leadership Program. Carrie lives in a solar-powered home in Richmond, Virginia, with her two dogs Timber and Odie.

Jamie Bitz, Senior Energy Policy Analyst

Jamie Bitz is the Senior Energy Policy Analyst for the Virginia Commission on Electric Utility Regulation (CEUR). Before joining the Commission, Jamie spent 19 years as a legislative analyst for the Joint Legislative Audit and Review Commission (JLARC). For the past 5 years, he has served as the chief analyst responsible for JLARC's ongoing oversight of the Virginia Retirement System, Virginia529, and the Virginia Information Technologies Agency. Prior to that, he spent 8 years as a JLARC project leader managing research projects on a range of topics of interest to the General Assembly.



Jamie received a Master's in Public Policy from the University of Minnesota.

Ana Christina Vivas Thomas, Policy Analyst



Ana Christina Vivas Thomas is an energy policy analyst at the Commission on Electric Utility Regulation (CEUR). In her role at CEUR, she analyzes energy legislation and develops policy recommendations for the Commission members to facilitate the transition to renewable energy. She also supports the Commission's work by fostering collaboration among key stakeholders across the state government, the non-governmental organization community, and the private sector for the purpose of advancing affordable clean energy policies.

Prior to joining CEUR, Ms. Vivas Thomas worked as a policy analyst at Citizens for Responsible Energy Solutions (CRES Forum), where she

focused on federal energy policy, researching incentives for innovative technologies and challenges to clean energy projects. Prior to CRES, she interned with the Center for Climate and Energy Solutions (C2ES) where she studied the international climate regime and the work streams of the United Nations Framework Convention on Climate Change (UNFCCC).

Ms. Vivas Thomas has a B.A. in International Development Studies from UCLA, and a M.A. in Public Policy from Georgetown University, where she was a member of the Georgetown delegation to the UNFCCC's 27th Conference of the Parties (COP27) in Sharm El-Sheikh.



COMMISSION ON ELECTRIC UTILITY REGULATION

201 N. 9th STREET, 4th FLOOR

RICHMOND, VIRGINIA 23219

804-967-3948

dls.virginia.gov/commissions/eur.htm

APPENDIX A

<u>Chapter 31. Commission on Electric Utility Regulation.</u> § 30-201. (Expires July 1, 2029) Commission on Electric Utility Restructuring continued as Commission on Electric Utility Regulation; purpose.

The Commission on Electric Utility Restructuring established pursuant to Chapter 885 of the Acts of Assembly of 2003, is continued, effective July 1, 2008, as the Commission on Electric Utility Regulation (the Commission) within the legislative branch of state government. The purpose of the Commission is to monitor the State Corporation Commission's implementation of the Virginia Electric Utility Regulation Act (\S <u>56-576</u> et seq.). 2003, c. <u>885</u>; 2008, c. <u>883</u>; 2023, cc. <u>753</u>, <u>793</u>.

§ 30-202. (Expires July 1, 2029) Membership; terms.

The Commission shall have a total membership of 14 members that shall consist of 10 legislative members, three nonlegislative citizen members, and one ex officio member. Members shall be appointed as follows: four members of the Senate to be appointed by the Senate Committee on Rules that consist of three members from the majority party and one member from the minority party or an equal number from each in the event the chamber is evenly divided; six members of the House of Delegates to be appointed by the Speaker of the House of Delegates in accordance with the principles of proportional representation contained in the Rules of the House of Delegates; one nonlegislative citizen member with expertise in economic development and ratepayer advocacy to be appointed by the Senate Committee on Rules; one nonlegislative citizen member with expertise in energy affordability and ratepayer advocacy to be appointed by the Speaker of the House of Delegates; and one nonlegislative citizen member with expertise in public utility regulation and ratepayer advocacy to be appointed by the Governor. The Attorney General or his designee shall serve ex officio. Any such designee shall be an attorney employed within the Department of Law's Division of Consumer Counsel. Nonlegislative citizen members of the Commission shall be citizens of the Commonwealth. Each member of the Commission shall annually complete an orientation on electric utility regulation provided by the State Corporation Commission.

Legislative members of the Commission and the ex officio member shall serve terms coincident with their terms of office. Nonlegislative citizen members shall be appointed for a term of two years. All members may be reappointed. Appointments to fill vacancies, other than by expiration of a term, shall be made for the unexpired terms. Vacancies shall be filled in the same manner as the original appointments.

The Commission shall annually elect a chairman and vice-chairman from among its membership, who shall be members of the General Assembly. The chairman of the Commission shall be authorized to designate one or more members of the Commission to observe and participate in the discussions of any work group convened by the State Corporation Commission in furtherance of its duties under the Virginia Electric Utility Regulation Act ($\frac{56-576}{2}$ et seq.) and this chapter.

Members participating in such discussions shall be entitled to compensation and reimbursement provided in § 30-204, if approved by the Joint Rules Committee or its Budget Oversight Subcommittee.

2003, c. <u>885</u>; 2004, c. <u>1000</u>; 2008, c. <u>883</u>; 2023, cc. <u>753</u>, <u>793</u>.

§ 30-203. (Expires July 1, 2029) Quorum; meetings; voting on recommendations.

A majority of the members shall constitute a quorum. The Commission shall meet at least twice per year; meetings of the Commission shall be held at the call of the chairman or whenever the majority of the members so request.

No recommendation of the Commission shall be adopted if a majority of the Senate members or a majority of the House members appointed to the Commission (i) vote against the recommendation and (ii) vote for the recommendation to fail notwithstanding the majority vote of the Commission.

2003, c. <u>885</u>; 2004, c. <u>1000</u>; 2023, cc. <u>753</u>, <u>793</u>.

§ 30-204. (Expires July 1, 2029) Compensation; expenses.

Legislative members of the Commission shall receive such compensation as provided in § <u>30-19.12</u> and shall be reimbursed for all reasonable and necessary expenses incurred in the performance of their duties as provided in §§ <u>2.2-2813</u> and <u>2.2-2825</u>. Unless otherwise approved in writing by the chairman of the Commission and the executive director of the Commission, nonlegislative citizen members shall only be reimbursed for travel originating and ending within the Commonwealth for the purpose of attending meetings. However, all such compensation and expenses shall be paid from existing appropriations to the Commission or, if unfunded, shall be approved by the Joint Rules Committee.

2003, c. <u>885;</u> 2023, cc. <u>753</u>, <u>793</u>.

§ 30-205. (Expires July 1, 2029) Powers and duties of the Commission.

The Commission shall have the following powers and duties:

1. Monitor the work of the State Corporation Commission in implementing Chapter 23 (§ <u>56-576</u> et seq.) of Title 56. The Commission shall receive an annual report from the State Corporation Commission by November 1 regarding such implementation and shall receive such other reports as the Commission may be required to make, including reviews, analyses, and impact on consumers of electric utility regulation in other states;

2. Examine generation, transmission and distribution systems reliability concerns;

3. Establish one or more subcommittees, composed of its membership, persons with expertise in the matters under consideration by the Commission, or both, to meet at the direction of the chairman of the Commission, for any purpose within the scope of the duties prescribed to the Commission by this section, provided that such persons who are not members of the Commission shall serve without compensation but shall be entitled to be reimbursed from funds appropriated or otherwise available to the Commission for reasonable and necessary expenses incurred in the performance of their duties;

4. Monitor applications by the Commonwealth for grants and awards for energy projects from the federal government;

5. Consider legislation referred to it during any session of the General Assembly or other requests by members of the General Assembly;

6. Conduct studies and gather information and data in order to accomplish its purposes set forth in § 30-201 and in connection with the faithful execution of the laws of the Commonwealth; 7. Issue ratepayer impact statements pursuant to § 30-205.1; and

8. Report annually to the General Assembly and the Governor with such recommendations as may be appropriate for legislative and administrative consideration in order to maintain reliable service in the Commonwealth while preserving the Commonwealth's position as a low-cost electricity market.

2003, c. <u>885</u>; 2006, c. <u>812</u>; 2008, c. <u>883</u>; 2023, cc. <u>753</u>, <u>793</u>.

§ 30-205.1. (Expires July 1, 2029) Ratepayer impact statements for electric utility regulation.

A. As used in this section:

"Ratepayer" means a residential, commercial, or industrial customer who is billed for the consumption of electricity by an electric utility in the Commonwealth.

"Ratepayer impact statement" means a statement prepared using data or other relevant information to estimate the potential impact on ratepayers' electric bills of proposed legislation related to electric utilities.

B. Upon the request by the Chairman for the House Committee on Labor and Commerce or the Senate Committee on Commerce and Labor, the Commission shall prepare a ratepayer impact statement for any proposed legislation related to electric utility regulation specified by such Chairman. Each such Chairman may request up to five ratepayer impact statements in any given regular or special session of the General Assembly. Additionally, upon the request of any other member of the General Assembly, the Commission, at the Commission's discretion, may prepare a ratepayer impact statement for any proposed legislation related to electric utility regulation specified by such

C. The Commission shall provide any such ratepayer impact statement to the requesting Chairman or member, the patron of the legislation, and the members of any committee considering the legislation.

D. Upon request of the Commission, the State Corporation Commission, the Office of the Attorney General, and all agencies of the Commonwealth shall expeditiously provide the Commission with assistance in the preparation of any ratepayer impact statement including providing the Commission with any necessary data or other relevant information.

E. The Commission shall ensure that any ratepayer impact statement provides a neutral and accurate analysis of the potential impact on ratepayers' electric bills of the proposed legislation. Any ratepayer impact statement shall include the methodology used by the Commission to prepare such ratepayer impact statement.

§ 30-206. (Expires July 1, 2029) Staffing.

The Commission may appoint, employ, and remove an executive director and such other persons as it deems necessary, subject to funding in the appropriation act, and shall determine the duties and fix the salaries or compensation of such executive director and other persons, within the amounts appropriated for such purpose. The Commission may also employ experts who have knowledge of the issues before it. All agencies of the Commonwealth shall provide assistance to the Commission, upon request, subject to funding in the appropriation act.

2003, c. <u>885;</u> 2023, cc. <u>753</u>, <u>793</u>.

§ 30-207. (Expires July 1, 2029) Chairman's executive summary of activity and work of the Commission.

The chairman of the Commission shall submit to the Governor and the General Assembly an annual executive summary of the interim activity and work of the Commission no later than the first day of each regular session of the General Assembly. The executive summary shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website.

2003, c. <u>885;</u> 2008, c. <u>883;</u> 2023, cc. <u>753</u>, <u>793</u>.

§ 30-208. Repealed.

Repealed by Acts 2008, c. <u>883</u>, cl. 2.

§ 30-209. (Expires July 1, 2029) Sunset.

This chapter shall expire on July 1, 2029.

2003, c. <u>885</u>; 2008, c. <u>883</u>; 2010, c. <u>388</u>; 2012, Sp. Sess. I, c. <u>1</u>; 2015, c. <u>628</u>; 2018, c. <u>633</u>; 2020, c. <u>627</u>; 2022, c. <u>177</u>; 2023, cc. <u>753</u>, <u>793</u>.

APPENDIX B

Bills Referred to CEUR from 2024 Session

H.B. 405 Patron: McClure LIS > Bill Tracking > HB405 > 2024 session

Commission on Electric Utility Regulation; evaluation of infrastructure necessary for electric vehicle charging facilities. Directs the State Corporation Commission and the Department of Housing and Community Development to provide technical assistance to the Commission on Electric Utility Regulation (the Commission) if the Commission evaluates the design and deployment of the electrical distribution infrastructure necessary to supply the installation of electric vehicle charging facilities in new developments consisting of single- family and multifamily residential units. The bill requires the Commission to engage representatives from the residential and commercial development industries, private sector utility consultants, and other stakeholders if it conducts such an evaluation.

TAGS: EV Charging; SCC; DHCD; CEUR

H.B. 636 Patron: Sullivan LIS > Bill Tracking > HB636 > 2024 session

Siting of energy facilities; approval by State Corporation Commission. Establishes a procedure under which an electric utility or independent power provider (applicant) is able to obtain approval for a certificate from the State Corporation Commission for the siting of an energy facility rather than from the governing body of a locality. Under the bill, applicants are authorized to submit an application to the Commission if (i) the locality fails to timely approve or deny an application; (ii) the application complies with certain requirements for Commission approval, but a host locality denies the application; or (iii) the locality amends its zoning ordinance after it has notified the applicant that its requirements are compatible with the requirements for Commission approval, and the amendment imposes additional requirements that are more restrictive. The bill provides that an applicant who is issued a certificate by the Commission for an energy facility is exempt from obtaining approvals or permits, including any land use approvals or permits under the regulations and ordinances of the locality.

The bill applies to any solar energy facility with a capacity of 50 megawatts or more, any wind energy facility with a capacity of 100 megawatts or more, and any energy storage facility with a nameplate

capacity of 50 megawatts or more and an energy discharge capability of 200 megawatt hours or more.

TAGS: Siting; Local Government; SCC; Solar; Wind; Energy Storage. (SEE SB 567)

<u>H.B. 638</u> Patron: Sullivan LIS > Bill Tracking > HB638 > 2024 session

Electric utilities; energy efficiency programs; duty to implement the Energy Policy of the Commonwealth; RPS program requirements; competitive procurement. Provides that "in the public interest" for the purpose of assessing energy efficiency programs means that the State Corporation Commission determines that the program is cost-effective and directs the Commission to initiate a proceeding no later than December 31, 2025, to establish a single, consistent cost-effectiveness test for use in evaluating proposed energy efficiency programs.

The bill provides (i) that "total electric energy" for purposes of the RPS Program requirements does not include energy sold to certain customers purchasing 100 percent renewable energy and (ii) that in any RPS program compliance year, any electric energy that was generated in the previous calendar year from certain nuclear generating plants, or any zero-carbon electric generating facilities, including small modular nuclear reactors and green hydrogen facilities, will reduce the utility's RPS Program requirements by an equivalent amount.

The bill provides that the Commission and its staff have the affirmative duty to ensure the Commonwealth implements the Energy Policy of the Commonwealth at the lowest reasonable cost, taking into account all cost-effective demand-side management options and the security and reliability benefits of the regional transmission entity to which each incumbent electric utility has joined.

The bill requires that for certain required petitions by Appalachian Power and Dominion Energy Virginia for approvals to construct, acquire, or purchase the generating capacity using energy derived from sunlight or onshore wind, at least 35 percent of such generating capacity is from the purchases of energy from solar or onshore wind facilities owned by persons other than such utilities. Current law requires 35 percent of such generating capacity to be from the purchases of energy from solar or onshore wind facilities owned by persons other than such utilities.

TAGS: Energy Efficiency; Cost Effectiveness; RPS; SMR/Nuclear; Green Hydrogen; Energy Policy; DSM; Energy Security; Transmission; 3rd Party Procurement; IOU; ARC **(SEE SB230)**

LIS > Bill Tracking > HB792 > 2024 session

Electric utilities; regulation of rates; prohibited recovery; report. Provides that the State Corporation Commission shall consider any rate, toll, charge, or schedule of a public utility just and reasonable only if the investor-owned public electric utility has demonstrated that no parts of such rates, tolls, charges, or schedules includes costs for activities as prohibited by the bill. The bill prohibits investor-owned electric utilities from recovering through base rates any direct or indirect costs associated with certain prohibited recovery activities listed in the bill. The bill requires each such utility to submit an annual report to the Commission starting July 1, 2025, of specific information related to the prohibited recovery activities listed in the bill. The bill also permits the Commission to impose a fee on any utility acting in violation of the provisions of the bill in an amount equal to the amount improperly recovered by the utility through any prohibited recovery activity listed in the bill.

TAGS: Rate Recovery

H.B. 975 Patron: Lopez LIS > Bill Tracking > HB975 > 2024 session

Electric utilities; notice required for customer return to service. Decreases the required written notice period to 90 days for certain electric energy customers to return to service by an investor-owned utility after purchasing electric energy from other suppliers. Currently, such electric energy customers must provide five years' written notice to return to service by Dominion Energy Virginia or three years' written notice to return to service by Appalachian Power.

TAGS: Customer service; Return to service; IOU

S.B. 137 Patron: Carroll Foy LIS > Bill Tracking > SB137 > 2024 session

Electric utilities; State Corporation Commission; energy policy of the Commonwealth.

Requires the State Corporation Commission to ensure that the Commonwealth implements the energy policy of the Commonwealth, as defined by relevant law, at the lowest reasonable cost, taking into account all cost-effective demand-side management options and the security and reliability benefits of the regional transmission entity that each incumbent electric utility has joined. The bill establishes a rebuttable presumption that plans, petitions, or proposals from utilities that do not ensure such implementation at the lowest reasonable cost are not in the public interest.

TAGS: Commonwealth Energy Policy; DSM; Energy Security; RTO; Least Cost; Public Interest

<u>S.B. 230</u> Patron: Hashmi LIS > Bill Tracking > SB230 > 2024 session

Electric utilities; energy efficiency programs; duty to implement the Energy Policy of the Commonwealth; RPS program requirements; competitive procurement. Provides that "in the public interest" for the purpose of assessing energy efficiency programs means that the State Corporation Commission determines that the program is cost-effective and directs the Commission to initiate a proceeding no later than December 31, 2025, to establish a single, consistent cost-effectiveness test for use in evaluating proposed energy efficiency programs.

The bill provides (i) that "total electric energy" for purposes of the RPS Program requirements does not include energy sold to certain customers purchasing I00 percent renewable energy and (ii) that in any RPS program compliance year, any electric energy that was generated in the previous calendar year from certain nuclear generating plants, or any zero-carbon electric generating facilities, including small modular nuclear reactors and green hydrogen facilities, will reduce the utility's RPS Program requirements by an equivalent amount.

The bill provides that the Commission and its staff have the affirmative duty to ensure the Commonwealth implements the Energy Policy of the Commonwealth at the lowest reasonable cost, taking into account all cost-effective demand-side management options and the security and reliability benefits of the regional transmission entity to which each incumbent electric utility has joined.

The bill requires that for certain required petitions by Appalachian Power and Dominion Energy Virginia for approvals to construct, acquire, or purchase the generating capacity using energy derived from sunlight or onshore wind, at least 35 percent of such generating capacity is from the purchases of energy from solar or onshore wind facilities owned by persons other than such utilities. Current law requires 35 percent of such generating capacity to be from the purchases of energy from solar or onshore wind facilities owned by persons other than such utilities.

TAGS: Energy Efficiency; Cost Effectiveness; RPS; SMR; Nuclear; Energy Policy; DSM; Energy Security; Transmission; 3rd Party Procurement; IOU; ARC (SEE HB638)

<u>S.B. 346</u> Patron: Subramanyam LIS > Bill Tracking > SB346 > 2024 session **Net energy metering; solar interconnection; cost recovery.** Provides that an electric distribution company shall pay **\$1** per kilowatt per day for the costs of lost electricity production for any and all delays beyond the regulatory notice period required by State Corporation Commission related to net energy metering. The bill requires that, for the purposes of net energy metering, an eligible customer-generator shall bear all reasonable costs of equipment required at the eligible customer-generator's side of the meter for the interconnection to the supplier's electric distribution system, including reasonable and prudent costs of additional controls, tests, or liability insurance. Additionally, the bill allows for cost recovery by Phase I and Phase II Utilities for electric distribution grid transformation projects that support the interconnection of generating facilities using energy derived from sunlight that are owned or contracted by eligible customer-generators, subject to the Commission finding those costs to be reasonable and prudent in accordance with existing law.

TAGS: Net energy metering; Interconnection; Cost recovery; Distribution; Solar

<u>S.B. 500</u> Patron: Carroll Foy <u>LIS > Bill Tracking > SB500 > 2024 session</u>

Electric utilities; integrated resource plans; grid-enhancing technologies and advanced conductors. Requires an electric utility to include in an integrated resource plan a comprehensive assessment of the application of grid-enhancing technologies and advanced conductors, as those terms are defined in the bill, and, if applicable, to include in such plan a detailed explanation of why such technologies or conductors are not included in such plan.

TAGS: IOU; IRP; GETs; Advanced conductors

S.B. 557 Patron: Hackworth LIS > Bill Tracking > SB557 > 2024 session

Renewable energy portfolio standard; eligibility of hydrogen and nuclear resources. Provides that, for the purposes of the renewable energy portfolio standard, eligible sources include (i) hydrogen resources that are produced from zero-carbon generating facilities located in the Commonwealth and (ii) zero-carbon nuclear generating facilities located in the Commonwealth that were placed into service after July 1, 2024.

TAGS: RPS; Hydrogen; Nuclear

LIS > Bill Tracking > SB562 > 2024 session

Pilot program for captured coal mine methane; renewable energy portfolio standard. Directs the State Corporation Commission to establish a pilot program for American Electric Power (Phase I Utility) and Dominion Energy (Phase II Utility) to submit proposals to deploy electricity generation from captured coal mine methane. Under the bill, reasonable and prudent costs incurred under the captured coal mine methane project shall be recovered through utility base rates. Additionally, the bill provides that electricity generated using captured coal mine methane with a non-combustion electric generator under the captured coal mine methane project shall be considered an eligible resource for purposes of the renewable energy portfolio standard program.

TAGS: Coal Mine Methane; RPS; APCo; DOM; IOU

<u>S.B. 567</u> Patron: Deeds LIS > Bill Tracking > SB567 > 2024 session

Siting of energy facilities; approval by the State Corporation Commission. Establishes a procedure under which an electric utility or independent power provider (applicant) is able to obtain approval for a certificate from the State Corporation Commission for the siting of an energy facility rather than from the governing body of a locality. Under the bill, applicants are authorized to submit an application to the Commission if (i) the locality fails to timely approve or deny an application; (ii) the application complies with certain requirements for Commission approval, but a host locality denies the application; or (iii) the locality amends its zoning ordinance after it has notified the applicant that its requirements are compatible with the requirements for Commission approval, and the amendment imposes additional requirements that are more restrictive. The bill provides that an applicant who is issued a certificate by the Commission for an energy facility is exempt from obtaining approvals or permits, including any land use approvals or permits under the regulations and ordinances of the locality.

The bill applies to any solar energy facility with a capacity of 50 megawatts or more, any wind energy facility with a capacity of 100 megawatts or more, and any energy storage facility with a nameplate capacity of 50 megawatts or more and an energy discharge capability of 200 megawatt hours or more.

TAGS: Siting; Local Government; SCC; Solar; Wind; Energy Storage. (SEE HB 636)

S.B. 578 Patron: Deeds LIS > Bill Tracking > SB578 > 2024 session

Electric utilities; offshore wind generation facilities; competitive procurement process;

Department of Energy. Provides that the purchase by a public utility of energy, capacity, and environmental attributes from offshore wind generation facilities owned by persons other than a public utility and located off the Commonwealth's Atlantic shoreline or in federal waters and interconnected directly into the Commonwealth is in the public interest. The bill states that, except for the Coastal Virginia Offshore Wind Project, the purchase or development of offshore wind facilities or the purchase by a public utility of energy, capacity, and environmental attributes from such facilities shall include a competitive procurement process held by the Department of Energy. The bill specifies that Dominion Energy Virginia may submit a bid but shall not participate in evaluating bids or making selections in such a process.

TAGS: Offshore wind; Competitive procurement; Virginia Department of Energy.

<u>S.B. 591</u> Patron: McPike LIS > Bill Tracking > SB591 > 2024 session

Electric utilities; customer energy choice; notice required for customer return to service.

Removes certain restrictions on the ability of individual retail customers of electric energy within the Commonwealth, regardless of customer class, to purchase electric energy provided 100 percent from renewable energy from any supplier of electric energy licensed to sell retail electric energy within the Commonwealth. The bill also decreases the required written notice period from five years to six months for certain electric energy customers to return to service by Dominion Energy Virginia after purchasing electric energy from other suppliers.

TAGS: Retail customer choice; Return to service; Competition.

<u>S.B. 697</u> Patron: VanValkenburg LIS > Bill Tracking > SB697 > 2024 session

Solar and energy facilities; local regulation. Prohibits a locality from including in an ordinance (i) limits on the total amount, density, or size of any ground-mounted solar facility or energy storage facility until such time that the total area under panels within the locality exceeds four percent of the total area within the locality or (ii) any prohibitions on the use of solar panels that comply with generally accepted national environmental protection and product safety standards, provided that such installation is in compliance with any provisions of a local ordinance that establishes criteria and requirements for siting.

TAGS: Siting; Local government; Solar; Energy storage; Local ordinances.
APPENDIX C

Final policy recommendation to 2025 General Assembly as adopted on January 6, 2025:

Utility Planning, IRP Reform Bill

SENATE BILL NO. _____ HOUSE BILL NO. _____

A BILL to amend and reenact §§ 56-580, 56-597, 56-598, and 56-599 of the Code of Virginia, relating
 to electric utilities; integrated resource plans.

Be it enacted by the General Assembly of Virginia:

4 1. That §§ 56-580, 56-597, 56-598, and 56-599 of the Code of Virginia are amended and reenacted
5 as follows:

3

6

§ 56-580. Transmission and distribution of electric energy.

A. Subject to the provisions of § 56-585.1, the Commission shall continue to regulate pursuant to
this title the distribution of retail electric energy to retail customers in the Commonwealth and, to the
extent not prohibited by federal law, the transmission of electric energy in the Commonwealth.

B. The Commission shall continue to regulate, to the extent not prohibited by federal law, the
 reliability, quality and maintenance by transmitters and distributors of their transmission and retail
 distribution systems.

C. The Commission shall develop codes of conduct governing the conduct of incumbent electric utilities and affiliates thereof when any such affiliates provide, or control any entity that provides, generation, distribution, or transmission services, to the extent necessary to prevent impairment of competition. Nothing in this chapter shall prevent an incumbent electric utility from offering metering options to its customers.

D. The Commission shall permit the construction and operation of electrical generating facilities in Virginia upon a finding that such generating facility and associated facilities (i) will have no material adverse effect upon reliability of electric service provided by any regulated public utility; (ii) are required by the public convenience and necessity, if a petition for such permit is filed after July 1, 2007, and if they are to be constructed and operated by any regulated utility whose rates are regulated pursuant to § 56-585.1; and (iii) are not otherwise contrary to the public interest. Any petition for such a permit filed by an electric utility that is required to file an integrated resource plan pursuant to Chapter 24 (§ 56-

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25	597 et seq.) shall (a) incorporate by reference the utility's most recently approved integrated resource
26	plan that identified the utility's intent to construct and operate such generating facilities or (b) if the
27	utility's intent to construct and operate such generating facilities was not identified in the utility's most
28	recently approved integrated resource plan, provide a detailed explanation of why the utility did not
29	anticipate the need for such generating facilities. In review of a petition for a certificate to construct and
30	operate a generating facility described in this subsection, the Commission shall give consideration to the
31	effect of the facility and associated facilities on the environment and establish such conditions as may be
32	desirable or necessary to minimize adverse environmental impact as provided in § 56-46.1, unless
33	exempt as a small renewable energy project for which the Department of Environmental Quality has
34	issued a permit by rule pursuant to Article 5 (§ 10.1-1197.5 et seq.) of Chapter 11.1 of Title 10.1. In
35	order to avoid duplication of governmental activities, any valid permit or approval required for an
36	electric generating plant and associated facilities issued or granted by a federal, state or local
37	governmental entity charged by law with responsibility for issuing permits or approvals regulating
38	environmental impact and mitigation of adverse environmental impact or for other specific public
39	interest issues such as building codes, transportation plans, and public safety, whether such permit or
40	approval is prior to or after the Commission's decision, shall be deemed to satisfy the requirements of
41	this section with respect to all matters that $\frac{(i)}{(1)}$ are governed by the permit or approval or $\frac{(ii)}{(2)}$ are
42	within the authority of, and were considered by, the governmental entity in issuing such permit or
43	approval, and the Commission shall impose no additional conditions with respect to such matters.
44	Nothing in this section shall affect the ability of the Commission to keep the record of a case open.
45	Nothing in this section shall affect any right to appeal such permits or approvals in accordance with
46	applicable law. In the case of a proposed facility located in a region that was designated as of July 1,
47	2001, as serious nonattainment for the one-hour ozone standard as set forth in the federal Clean Air Act,
48	the Commission shall not issue a decision approving such proposed facility that is conditioned upon
49	issuance of any environmental permit or approval. The Commission shall complete any proceeding
50	under this section, or under any provision of the Utility Facilities Act (§ 56-265.1 et seq.), involving an

application for a certificate, permit, or approval required for the construction or operation by a public
utility of a small renewable energy project as defined in § 10.1-1197.5, within nine months following the
utility's submission of a complete application therefore. Small renewable energy projects as defined in §
10.1-1197.5 are in the public interest and in determining whether to approve such project, the
Commission shall liberally construe the provisions of this title.

E. Nothing in this section shall impair the distribution service territorial rights of incumbent electric utilities, and incumbent electric utilities shall continue to provide distribution services within their exclusive service territories as established by the Commission. Subject to the provisions of § 56-585.1, the Commission shall continue to exercise its existing authority over the provision of electric distribution services to retail customers in the Commonwealth including, but not limited to, the authority contained in Chapters 10 (§ 56-232 et seq.) and 10.1 (§ 56-265.1 et seq.) of this title.

62 F. Nothing in this chapter shall impair the exclusive territorial rights of an electric utility owned 63 or operated by a municipality as of July 1, 1999, or by an authority created by a governmental unit 64 exempt from the referendum requirement of § 15.2-5403. Nor shall any provision of this chapter apply to any such electric utility unless (i) that municipality or that authority created by a governmental unit 65 66 exempt from the referendum requirement of § 15.2-5403 elects to have this chapter apply to that utility 67 or (ii) that utility, directly or indirectly, sells, offers to sell or seeks to sell electric energy to any retail 68 customer eligible to purchase electric energy from any supplier in accordance with § 56-577 if that retail 69 customer is outside the geographic area that was served by such municipality as of July 1, 1999, except 70 (a) any area within the municipality that was served by an incumbent public utility as of that date but 71 was thereafter served by an electric utility owned or operated by a municipality or by an authority 72 created by a governmental unit exempt from the referendum requirement of § 15.2-5403 pursuant to the 73 terms of a franchise agreement between the municipality and the incumbent public utility, or (b) where 74 the geographic area served by an electric utility owned or operated by a municipality is changed pursuant to mutual agreement between the municipality and the affected incumbent public utility in 75 76 accordance with § 56-265.4:1. If an electric utility owned or operated by a municipality as of July 1, 1999, or by an authority created by a governmental unit exempt from the referendum requirement of §
15.2-5403 is made subject to the provisions of this chapter pursuant to clause (i) or (ii) of this
subsection, then in such event the provisions of this chapter applicable to incumbent electric utilities
shall also apply to any such utility, mutatis mutandis.

81 G. The applicability of all provisions of this chapter except § 56-594 to any investor-owned 82 incumbent electric utility supplying electric service to retail customers on January 1, 2003, whose 83 service territory assigned to it by the Commission is located entirely within Dickenson, Lee, Russell, 84 Scott, and Wise Counties shall be suspended effective July 1, 2003, so long as such utility does not 85 provide retail electric services in any other service territory in any jurisdiction to customers who have the right to receive retail electric energy from another supplier. During any such suspension period, the 86 utility's rates shall be (i) its capped rates established pursuant to § 56-582 for the duration of the capped 87 88 rate period established thereunder, and (ii) determined thereafter by the Commission on the basis of such 89 utility's prudently incurred costs pursuant to Chapter 10 (§ 56-232 et seq.) of this title.

90 H. The expiration date of any certificates granted by the Commission pursuant to subsection D,
91 for which applications were filed with the Commission prior to July 1, 2002, shall be extended for an
92 additional two years from the expiration date that otherwise would apply.

- 93 § 56-597. Definitions.
- 94 As used in this chapter:

95 "Advanced conductors" means hardware technology that can conduct electricity across
96 transmission lines and that demonstrates enhanced performance over traditional conductor products.
97 "Affiliate" means a person that controls, is controlled by, or is under common control with an
98 electric utility.

99 "Electric utility" means any investor-owned public utility that provides electric energy for use by
100 retail customers, except investor-owned utilities subject to the provisions of § 56-585.8.

"Grid-enhancing technologies" means a set of technologies that maximize the transmission of
 electricity across the electric distribution and transmission grid in a manner that ensures grid reliability

and safeguards the cybersecurity and physical security of the electric distribution grid, including storageas a transmission asset, dynamic line rating, power flow control, and topology optimization.

105 "Integrated resource plan" or "IRP" means a document developed by an electric utility that 106 provides a forecast of its load obligations and a plan to meet those obligations by supply side and 107 demand side resources and transmission and distribution infrastructure over the ensuing 15 20 years to 108 promote reasonable prices, reliable service, energy independence from imported fuels and price 109 volatility, and environmental responsibility.

110 "Retail customer" means any person that purchases retail electric energy for its own consumption111 at one or more metering points or non-metered points of delivery located in the Commonwealth.

112 § 56-598. Contents of integrated resource plans.

113 An-IRP should integrated resource plan shall:

114 1. Integrate, over the planning period, the electric utility's forecast of demand for electric
115 generation supply with recommended plans to meet that forecasted demand and assure adequate and
116 sufficient reliability of service, including:

a. Generating electricity from generation facilities that it currently operates or intends toconstruct or purchase;

119 b. Purchasing electricity from affiliates and third parties;

c. Reducing load growth and peak demand growth through cost-effective demand reduction
 programs, including the incorporation of such programs into virtual power plant aggregation; and

d. Meeting the total energy savings targets required by subsection B of § 56-596.2; and

e. Utilizing energy storage facilities to help meet forecasted demand and assure adequate and
 sufficient reliability of service;

125 2. Identify a single preferred portfolio of electric generation and non-generation supply
126 resources, including purchased and self-generated electric power, that best serves the public interest and
127 that:

128

a. Consistent with § 56-585.1, is most likely to provide the electric generation supply needed to

129	meet the forecasted demand, net of any reductions from demand side programs and grid-enhancing
130	technologies, so that over the long term the utility will continue to provide reliable service at reasonable
131	prices-over the long term that take into consideration the social cost of carbon; and
132	b. Will consider low cost energy/capacity available from short-term or spot market transactions,
133	consistent with a reasonable assessment of risk with respect to both price and generation supply
134	availability over the term of the plan;
135	c. Relies on and reflects reputable long-term future cost projections for all fuels and technology
136	types that reflect reasonable cost changes over the study period, including the National Renewable
137	Energy Laboratory's Annual Technology Baseline publications;
138	d. Includes the social cost of carbon as a component of generation operating costs for any facility
139	emitting carbon dioxide as a by-product of generation. Notwithstanding any national carbon dioxide
140	pricing, the best estimate social cost of carbon shadow price shall not be less than the cost of carbon
141	determined by the Commission pursuant to subdivision A 6 of § 56-585.1; and
142	e. Will meet the requirements for (i) the renewable portfolio standards program established under
143	subsection C of § 56-585.5 and (ii) the retirement of electrical generating units that emit carbon as a by-
144	product of combusting fuel under subsection B of § 56-585.5;
145	3. Identify one or more least cost portfolios of electric generation supply, demand-side, and grid-
146	dispersed resources, including purchased and self-generated electric power, for the purposes of cost
147	comparison that rely on reputable long-term future cost projections for all fuels and technology types
148	that reflect reasonable cost changes over the study period, including the National Renewable Energy
149	Laboratory's Annual Technology Baseline publications. The least cost portfolio may include one or more
150	modeling scenarios that require the utility to petition the Commission for relief under subdivision B 3 of
151	<u>§ 56-585.5;</u>
152	4. Include only modeling scenarios that meet the total energy savings targets required by
153	subsection B of § 56-596.2. The integrated resource plan shall also include at least one modeling
154	scenario, consistent with § 56-585.5, that exceeds such energy savings targets through maximized

energy efficiency upgrades to homes and businesses; dynamic pricing to shift energy use to off-peak;
battery storage, both utility and distributed; transmission line upgrades; grid-enhancing technology;
virtual power plants that utilize aggregated demand response or storage; managed electric vehicle
charging and vehicle-to-grid power; home and business electrification for enhanced grid utilization and
associated revenue; data center efficiency and innovative data center tariffs or offsetting investments in
offsite energy efficiency upgrades; and optimized use of the interstate electric grid through long-term
transmission planning;

162 <u>5.</u> Reflect a diversity of electric generation supply and cost-effective demand reduction contracts
 163 and services so as to reduce the risks associated with an over-reliance on any particular fuel or type of
 164 generation demand and supply resources and be consistent with the Commonwealth's energy policies as
 165 set forth in § 45.2-1706.1; and

- 4.-6. Include such additional information as the Commission requests pertaining to how the
 electric utility intends to meets its obligation to provide electric generation service for use by its retail
 customers over the planning period.
- 169

§ 56-599. Integrated resource plan required.

170 A. Each Beginning in 2025 for a Phase I Utility and in 2027 for a Phase II Utility, and triennially 171 thereafter, each electric utility shall file an updated integrated resource plan by October 15, in each year 172 immediately preceding the year the utility is subject to a biennial review of rates for generation and 173 distribution services filing. A copy of each integrated resource plan shall be provided to the Chairman of 174 the House Committee on Labor and Commerce, the Chairman of the Senate Committee on Commerce 175 and Labor, and the Chairman of the Commission on Electric Utility Regulation. After January 1, 2024, 176 each Each electric utility not subject to an annual review shall file provide the Commission an annual 177 update to the integrated resource plan by October 15, in each year that the utility is subject to review of 178 rates for generation and distribution services filing. Each annual update shall include an update to the 179 electric utility's base planning assumptions relative to its most recently accepted integrated resource 180 plan, including energy and demand forecasts, commodity fuel price inputs, renewable energy forecasts,

181	analy officiancy and demand side management forecasts, shanges to prejected retirement dates of
	energy efficiency and demand-side management forecasts, changes to projected retirement dates of
182	existing units, and other inputs, as determined by the Commission. Such annual update shall describe the
183	impact of the updated base planning assumptions on the most recently approved resource plan. The
184	Commission shall include a summary of each utility's annual update in its report required by subsection
185	<u>B of § 56-596.</u>
186	All updated integrated resource plans shall comply with the provisions of any relevant order of
187	the Commission establishing guidelines for the format and contents of updated and revised integrated
188	resource plans. Each integrated resource plan shall (i) identify a single preferred portfolio of generation,
189	transmission, and distribution infrastructure and energy efficiency programs and measures needed to
190	ensure a reliable, affordable, and carbon-free electric grid and (ii) consider options for maintaining and
191	enhancing rate stability, energy independence from imported fuels and price volatility, economic
192	development including retention and expansion of energy-intensive industries, and service reliability.
193	B. In preparing an integrated resource plan, each electric utility shall systematically evaluate and
194	may propose:
195	1. Entering into short-term and long-term electric power purchase contracts;
196	2. Owning and operating electric power generation facilities;
197	3. Building new generation facilities;
198	4. Relying on purchases from the short term or spot markets;
199	5. Making investments in demand-side resources, including energy efficiency and demand-side
200	management services;
201	6. Taking such other actions, as the Commission may approve, to diversify its generation supply
202	portfolio and ensure that the electric utility is able to implement an approved plan;
203	7. The methods by which the electric utility proposes to acquire the supply and demand resources
204	identified in its proposed integrated resource plan;
205	8. The effect of current and pending state and federal environmental regulations upon the
206	continued operation of existing electric generation facilities or options for construction of new electric

207 generation facilities;

208 9. The most cost effective means of complying with current and pending state and federal
209 environmental regulations, including a single compliance options to minimize plan that minimizes the
210 effects on customer rates of such regulations;

211

10. Building new or upgrading existing distribution and transmission infrastructure.

212 11. Long-term electric distribution grid and transmission grid planning and proposed electric 213 distribution grid and transmission grid transformation projects, including a comprehensive assessment of 214 the potential application of that use grid-enhancing technologies and advanced conductors in a manner 215 that ensures grid reliability and safeguards the cybersecurity and physical security, including advanced 216 conductors, dynamic line ratings, advanced power flow controllers, transmission switching, virtual 217 power plants or aggregated distributed energy resource management systems, non-wire solutions, battery energy storage systems, and other available technologies that have the potential to improve the 218 efficiency and performance of the electric distribution grid or transmission grid. An electric utility that 219 220 does not include grid-enhancing technologies or advanced conductors in an integrated resource plan 221 anticipates building new infrastructure in its integrated resource plan shall consider grid-enhancing 222 technologies as alternatives to or to supplement new transmission infrastructure and shall include a 223 detailed explanation of why such grid-enhancing technologies or conductors are not included in such 224 plan sufficient to eliminate or defer the need for new transmission infrastructure;

- 11.12. Developing a long-term plan for energy efficiency measures to accomplish policy goals
 of reduction in customer bills, particularly for low-income, elderly, and disabled customers; reduction in
 emissions; and reduction in carbon intensity; and
- 228 12.13. Developing a long-term plan to integrate new energy storage facilities into existing
 229 generation and distribution assets to assist with grid transformation.
- C. As part of preparing any integrated resource plan pursuant to this section, each utility shall
 conduct a facility retirement study for owned facilities located in the Commonwealth that emit carbon
 dioxide as a byproduct of combusting fuel and shall include the study results in its integrated resource

233 plan. Upon filing the integrated resource plan with the Commission, the utility shall contemporaneously 234 disclose the study results to each planning district commission, county board of supervisors, and city and town council where such electric generation unit is located, the Department of Energy, the Department 235 236 of Housing and Community Development, the Virginia Employment Commission, and the Virginia 237 Council on Environmental Justice. The disclosure shall include (i) the driving factors of the decision to 238 retire and (ii) the anticipated retirement year of any electric generation unit included in the plan. Any 239 electric generating facility with an anticipated retirement date that meets the criteria of § 45.2-1701.1 240 shall comply with the public disclosure requirements therein.

241 D. As part of preparing any integrated resource plan pursuant to this section, each utility shall annually conduct outreach to engage the public in a stakeholder review process and provide 242 243 opportunities for the public to contribute information, input, and ideas on the utility's integrated resource 244 plan, including the plan's development methodology, modeling inputs, and assumptions, as well as the 245 ability for the public to make relevant inquiries, to the utility when formulating its integrated resource 246 plan. Each utility shall report its public outreach efforts to the Commission. The stakeholder review 247 process shall be facilitated by a third-party facilitator selected by the Commission from a list of potential 248 facilitators submitted by the utility and shall include representatives from multiple interest groups, 249 including residential and industrial classes of ratepayers. Such facilitator shall coordinate input from 250 interest groups and ensure the utility provides meaningful responses to questions and recommendations 251 from interest groups. Each utility shall, at the time of the filing of its integrated resource plan, report on 252 any stakeholder meetings that have occurred prior to the filing date.

253 Prior to being selected by the Commission, any third-party facilitator shall demonstrate, to the 254 satisfaction of the Commission and in a form and manner determined by the Commission, (i) sufficient 255 independence from the utility and its affiliates, which shall include submission of a statement of 256 economic interests that is consistent with the disclosure required by § 2.2-3114, and (ii) the 257 qualifications, expertise, and experience to perform the functions of a facilitator. After being selected, 258 the facilitator shall notify the Commission of any perceived or actual conflicts that arise during the **259** planning process.

260	As part of the stakeholder review process, the utility shall provide stakeholders with reasonable
261	access to the same modeling software, modeling assumptions, modeling inputs, and data used by the
262	utility to evaluate supply and demand resources in its integrated resource plan. Such access shall enable
263	stakeholders to create modeling scenarios for the utility's consideration during the development of its
264	integrated resource plan. The utility may require a stakeholder to enter into a confidentiality agreement
265	prior to providing the stakeholder with such access. If the utility requires such an agreement, the utility
266	shall not be required to provide such access to any stakeholder who does not enter into the
267	confidentiality agreement.
268	E. The Commission shall analyze and review an integrated resource plan and, after giving notice
269	and opportunity to be heard, the Commission shall make a determination within nine months after the
270	date of filing as to whether such an integrated resource plan is reasonable and is in the public interest.
271	F. The Commission shall establish guidelines that ensure that utilities develop comprehensive
272	integrated resource plans, provide meaningful public engagement and maximum transparency during the
273	planning process, and meet the requirements of this chapter. Each electric utility shall comply with any
274	relevant Commission order establishing guidelines for the integrated resource plan planning process and
275	for the format and contents of integrated resource plans.
276	G. By July 1, 2026, and at least once every five years thereafter, the Commission shall conduct a
277	proceeding to identify and review each of its existing orders relevant to integrated resource plans to
278	determine if such orders remain necessary and effective and are not overly burdensome.
279	2. That the State Corporation Commission (the Commission), in coordination with the
280	Commission on Electric Utility Regulation, shall convene a stakeholder work group to make
281	recommendations to the Commission regarding the integrated resource plan guidelines the
282	Commission is required to establish pursuant to subsection F of § 56-599 of the Code of Virginia,
283	as amended by this act. Such recommendations shall include recommendations for (i) the content
284	of an integrated resource plan that comprehensively addresses generation, transmission, and

285 distribution planning; (ii) integrating transmission planning into the integrated resource plan in a 286 manner that does not violate any standards or requirements of the Federal Energy Regulatory 287 Commission; (iii) the modeling software that best enables utilities to incorporate transmission and 288 distribution planning, including location-specific information; (iv) appropriate procedures and 289 timeframes for an electric utility to share with interest groups the modeling software, assumptions, 290 inputs, and data used by an electric utility to develop its integrated resource plan; (v) the use of 291 confidentiality agreements where necessary to protect proprietary information; (vi) training for 292 interest groups on using the modeling software, assumptions, inputs, and data; (vii) a reasonable 293 number of modeling software licenses that the electric utility is required to provide; (viii) the use 294 of a public institution of higher education to conduct modeling on behalf of interest groups that do 295 not wish to conduct modeling on their own; (ix) the availability of subject matter experts from 296 each utility to provide timely and meaningful information in response to questions and recommendations from interest groups; and (x) any other issues the Commission deems relevant 297 298 to ensure that utilities develop comprehensive integrated resource plans and provide meaningful 299 public engagement and maximum transparency during the planning process. The stakeholder 300 work group shall include Commission staff, staff from the Commission on Electric Utility 301 Regulation, and representatives from the Office of the Attorney General, investor-owned utilities, 302 environmental advocacy groups, environmental justice organizations, and consumer advocates, as 303 well as other interested stakeholders. The work group shall report its findings and 304 recommendations to the Commission, the Commission on Electric Utility Regulation, the House 305 Committee on Labor and Commerce, and the Senate Committee on Commerce and Labor by 306 December 1, 2025. The Commission shall establish by regulation integrated resource plan 307 guidelines required pursuant to subsection F of § 56-599 of the Code of Virginia, as amended by 308 this act, that comply with the provisions of this act no later than 180 days after the work group 309 issues its final report.

310

APPENDIX D

Final policy recommendation to 2025 General Assembly as adopted on January 6, 2025:

Energy Facility Siting and Permitting Bill

SENATE BILL NO. _____ HOUSE BILL NO. _____

A BILL to amend and reenact §§ 15.2-2223 and 15.2-2288.7 of the Code of Virginia and to amend the 1 2 Code of Virginia by adding sections numbered 15.2-2314.1 and 15.2-4209.1 and by adding in Chapter 17 of Title 45.2 an article numbered 10, consisting of sections numbered 45.2-1735 3 4 through 45.2-1741, and an article numbered 11, consisting of sections numbered 45.2-1742 and 5 45.2-1743. relating to Virginia Energy Facility Review Board established; localities; comprehensive plan and local ordinances related to siting of critical interconnection projects; 6 7 planning district commissions; regional energy plans; Virginia Clean Energy Technical Assistance 8 Center established. 9 Be it enacted by the General Assembly of Virginia: 10 1. That §§ 15.2-2223 and 15.2-2288.7 of the Code of Virginia are amended and reenacted and that 11 the Code of Virginia is amended by adding sections numbered 15.2-2314.1 and 15.2-4209.1 and by 12 adding in Chapter 17 of Title 45.2 an article numbered 10, consisting of sections numbered 45.2-13 1735 through 45.2-1741, and an article numbered 11, consisting of sections numbered 45.2-1742 14 and 45.2-1743, as follows: 15 § 15.2-2223. Comprehensive plan to be prepared and adopted; scope and purpose.

A. The local planning commission shall prepare and recommend a comprehensive plan for the
 physical development of the territory within its jurisdiction and every governing body shall adopt a
 comprehensive plan for the territory under its jurisdiction.

In the preparation of a comprehensive plan, the commission shall make careful and comprehensive surveys and studies of the existing conditions and trends of growth, and of the probable future requirements of its territory and inhabitants. The comprehensive plan shall be made with the purpose of guiding and accomplishing a coordinated, adjusted and harmonious development of the territory which will, in accordance with present and probable future needs and resources, best promote the health, safety, morals, order, convenience, prosperity and general welfare of the inhabitants,

25 including the elderly and persons with disabilities.

The comprehensive plan shall be general in nature, in that it shall designate the general or approximate location, character, and extent of each feature, including any road improvement and any transportation improvement, shown on the plan and shall indicate where existing lands or facilities are proposed to be extended, widened, removed, relocated, vacated, narrowed, abandoned, or changed in use as the case may be.

31 B. 1. As part of the comprehensive plan, each locality shall develop a transportation plan that 32 designates a system of transportation infrastructure needs and recommendations that include the 33 designation of new and expanded transportation facilities and that support the planned development of 34 the territory covered by the plan and shall include, as appropriate, but not be limited to, roadways, 35 bicycle accommodations, pedestrian accommodations, railways, bridges, waterways, airports, ports, freight corridors, and public transportation facilities. The plan shall recognize and differentiate among a 36 37 hierarchy of roads such as expressways, arterials, and collectors. In developing the plan, the locality shall take into consideration how to align transportation infrastructure and facilities with affordable, 38 39 accessible housing and community services that are located within the territory in order to facilitate 40 community integration of the elderly and persons with disabilities. The Virginia Department of 41 Transportation shall, upon request, provide localities with technical assistance in preparing such 42 transportation plan.

2. The transportation plan shall include a map that shall show road and transportation
improvements, including the cost estimates of such road and transportation improvements from the
Virginia Department of Transportation, taking into account the current and future needs of residents in
the locality while considering the current and future needs of the planning district within which the
locality is situated.

3. The transportation plan, and any amendment thereto pursuant to § 15.2-2229, shall be
consistent with the Commonwealth Transportation Board's Statewide Transportation Plan developed
pursuant to § 33.2-353, the Six-Year Improvement Program adopted pursuant to subsection B of § 33.2-

51 214, and the location of routes to be followed by roads comprising systems of state highways pursuant to 52 subsection A of § 33.2-208. The locality shall consult with the Virginia Department of Transportation to 53 assure such consistency is achieved. The transportation plan need reflect only those changes in the 54 annual update of the Six-Year Improvement Program that are deemed to be significant new, expanded, 55 or relocated roadways.

56 4. Prior to the adoption of the transportation plan or any amendment to the transportation plan, 57 the locality shall submit such plan or amendment to the Department for review and comment. The 58 Department shall conduct its review and provide written comments to the locality on the consistency of 59 the transportation plan or any amendment to the provisions of subdivision 1. The Department shall provide such written comments to the locality within 90 days of receipt of the plan or amendment, or 60 61 such other shorter period of time as may be otherwise agreed upon by the Department and the locality.

62 5. The locality shall submit a copy of the adopted transportation plan or any amendment to the 63 transportation plan to the Department for informational purposes. If the Department determines that the 64 transportation plan or amendment is not consistent with the provisions of subdivision 1, the Department 65 shall notify the Commonwealth Transportation Board so that the Board may take appropriate action in 66 accordance with subsection F of § 33.2-214.

67 6. If the adopted transportation plan designates corridors planned to be served by mass transit, as 68 defined in § 33.2-100, a portion of its allocation from (i) the Northern Virginia Transportation Authority 69 distribution specified in subdivision B 1 of § 33.2-2510, (ii) the commercial and industrial real property tax revenue specified in § 58.1-3221.3, and (iii) the secondary system road construction program, as 70 71 described in Article 5 (§ 33.2-351 et seq.) of Chapter 3 of Title 33.2, may be used for the purpose of 72 utility undergrounding in the planned corridor, if the locality matches 100 percent of the state allocation.

73

7. Each locality's amendments or updates to its transportation plan as required by subdivisions 2 74 through 5 shall be made on or before its ongoing scheduled date for updating its transportation plan.

75 C. The comprehensive plan, with the accompanying maps, plats, charts, and descriptive matter, 76 shall show the locality's long-range recommendations for the general development of the territory

covered by the plan. It may include, but need not be limited to:

1. The designation of areas for various types of public and private development and use, such as
different kinds of residential, including age-restricted, housing; business; industrial; agricultural; mineral
resources; conservation; active and passive recreation; public service; flood plain and drainage; and
other areas;

82 2. The designation of a system of community service facilities such as parks, sports playing
83 fields, forests, schools, playgrounds, public buildings and institutions, hospitals, nursing homes, assisted
84 living facilities, community centers, waterworks, sewage disposal or waste disposal areas, and the like;

85

3. The designation of historical areas and areas for urban renewal or other treatment;

86 4. The designation of areas for the implementation of reasonable measures to provide for the87 continued availability, quality, and sustainability of groundwater and surface water;

5. A capital improvements program, a subdivision ordinance, a zoning ordinance and zoning
district maps, mineral resource district maps and agricultural and forestal district maps, where
applicable;

91 6. The location of existing or proposed recycling centers;

92 7. The location of military bases, military installations, and military airports and their adjacent93 safety areas; and

94 8. The designation of corridors or routes for electric transmission lines of 150 kilovolts or more.

D. The comprehensive plan shall include the designation of areas and implementation of
measures for the construction, rehabilitation and maintenance of affordable housing, which is sufficient
to meet the current and future needs of residents of all levels of income in the locality while considering
the current and future needs of the planning district within which the locality is situated.

E. The comprehensive plan shall consider strategies to provide broadband infrastructure that is
sufficient to meet the current and future needs of residents and businesses in the locality. To this end,
local planning commissions may consult with and receive technical assistance from the Center for
Innovative Technology, among other resources.

F. The comprehensive plan is encouraged to consider strategies to address resilience. As used in
this subsection, "resilience" means the capability to anticipate, prepare for, respond to, and recover from
significant multi-hazard threats with minimum damage to social well-being, health, the economy, and
the environment.

107 G. By July 1, 2028, each locality, in consultation with the planning district commission for the 108 locality's planning district, shall update its comprehensive plan to include provisions making it consistent 109 with the regional energy plan adopted by such planning district commission pursuant to § 15.2-4209.1 110 and the Commonwealth Clean Energy Policy established in § 45.2-1706.1 and that take into account 111 forecasted energy demand growth. Such update shall identify any previously developed project site 112 locations that may be suitable for renewable energy development. The locality shall submit a copy of the 113 adopted energy plan by January 1, 2028, and any subsequent amendment to the energy plan to the 114 Virginia Energy Facility Review Board.

115

§ 15.2-2288.7. Local regulation of solar facilities and critical interconnection projects.

116 A. An owner of a residential dwelling unit may install a solar facility on the roof of such 117 dwelling to serve the electricity or thermal needs of that dwelling, provided that such installation is (i) in 118 compliance with any height and setback requirements in the zoning district where such property is 119 located and (ii) in compliance with any provisions pertaining to any local historic, architectural 120 preservation, or corridor protection district adopted pursuant to § 15.2-2306 where such property is 121 located. Unless a local ordinance provides otherwise, a ground-mounted solar energy generation facility 122 to be located on property zoned residential shall be permitted, provided that such installation is (a) in 123 compliance with any height and setback requirements in the zoning district where such property is 124 located and (b) in compliance with any provisions pertaining to any local historic, architectural 125 preservation, or corridor protection district adopted pursuant to § 15.2-2306 where such property is 126 located. Except as provided herein, any other solar facility proposed on property zoned residential, 127 including any solar facility that is designed to serve, or serves, the electricity or thermal needs of any 128 property other than the property where such facilities are located, shall be subject to any applicable

129 zoning regulations of the locality.

130 B. An owner of real property zoned agricultural may install a solar facility on the roof of a 131 residential dwelling on such property, or on the roof of another building or structure on such property, to 132 serve the electricity or thermal needs of that property upon which such facilities are located, provided 133 that such installation is (i) in compliance with any height and setback requirements in the zoning district 134 where such property is located and (ii) in compliance with any provisions pertaining to any local 135 historic, architectural preservation, or corridor protection district adopted pursuant to § 15.2-2306 where 136 such property is located. Unless a local ordinance provides otherwise, a ground-mounted solar energy 137 generation facility to be located on property zoned agricultural and to be operated under § 56-594 or 56-594.2 shall be permitted, provided that such installation is (a) in compliance with any height and setback 138 139 requirements in the zoning district where such property is located and (b) in compliance with any 140 provisions pertaining to any local historic, architectural preservation, or corridor protection district 141 adopted pursuant to § 15.2-2306 where such property is located. Except as otherwise provided herein, 142 any other solar facility proposed on property zoned agricultural, including any solar facility that is designed to serve, or serves, the electricity or thermal needs of any property other than the property 143 144 where such facilities are located, shall be subject to any applicable zoning regulations of the locality.

145 C. An owner of real property zoned commercial, industrial, or institutional may install a solar 146 facility on the roof of one or more buildings located on such property to serve the electricity or thermal 147 needs of that property upon which such facilities are located, provided that such installation is (i) in 148 compliance with any height and setback requirements in the zoning district where such property is 149 located and (ii) in compliance with any provisions pertaining to any local historic, architectural 150 preservation, or corridor protection district adopted pursuant to § 15.2-2306 where such property is 151 located. Unless a local ordinance provides otherwise, a ground-mounted solar energy generation facility 152 to be located on property zoned commercial, industrial, or institutional shall be permitted, provided that 153 such installation is (a) in compliance with any height and setback requirements in the zoning district 154 where such property is located and (b) in compliance with any provisions pertaining to any local historic,

architectural preservation, or corridor protection district adopted pursuant to § 15.2-2306 where such property is located. Except as otherwise provided herein, any other solar facility proposed on property zoned commercial, industrial, or institutional, including any solar facility that is designed to serve, or serves, the electricity or thermal needs of any property other than the property where such facilities are located, shall be subject to any applicable zoning regulations of the locality.

160 D. An owner of real property zoned mixed-use may install a solar facility on the roof of one or 161 more buildings located on such property to serve the electricity or thermal needs of that property upon 162 which such facilities are located, provided that such installation is (i) in compliance with any height and 163 setback requirements in the zoning district where such property is located and (ii) in compliance with any provisions pertaining to any local historic, architectural preservation, or corridor protection district 164 165 adopted pursuant to § 15.2-2306 where such property is located. Unless a local ordinance provides 166 otherwise, a ground-mounted solar energy generation facility to be located on property zoned mixed-use 167 shall be permitted, provided that such installation is (a) in compliance with any height and setback 168 requirements in the zoning district where such property is located and (b) in compliance with any 169 provisions pertaining to any local historic, architectural preservation, or corridor protection district 170 adopted pursuant to § 15.2-2306 where such property is located. Except as provided herein, any other 171 solar facility proposed on property zoned mixed-use, including any solar facility that is designed to 172 serve, or serves, the electricity or thermal needs of any property other than the property where such 173 facilities are located, shall be subject to any applicable zoning regulations of the locality.

E. Nothing in this section shall be construed to supersede or limit contracts or agreements between or among individuals or private entities related to the use of real property, including recorded declarations and covenants, the provisions of condominium instruments of a condominium created pursuant to the Virginia Condominium Act (§ 55.1-1900 et seq.), the declaration of a common interest community as defined in § 54.1-2345, the cooperative instruments of a cooperative created pursuant to the Virginia Real Estate Cooperative Act (§ 55.1-2100 et seq.), or any declaration of a property owners' association created pursuant to the Property Owners' Association Act (§ 55.1-1800 et seq.).

181 F. A locality, by ordinance, may provide by-right authority for installation of solar facilities in 182 any zoning classification in addition to that provided in this section. A locality may also, by ordinance, 183 require a property owner or an applicant for a permit pursuant to the Uniform Statewide Building Code 184 (§ 36-97 et seq.) who removes solar panels to dispose of such panels in accordance with such ordinance 185 in addition to other applicable laws and regulations affecting such disposal. 186 G. By July 1, 2026, each locality shall adopt an ordinance for the permitting of solar energy 187 facilities and energy storage facilities that is consistent with the Commonwealth Clean Energy Policy 188 established in § 45.2-1706.1 and the model local ordinance adopted by the Virginia Energy Facility 189 Review Board in accordance with § 45.2-1740. The locality shall submit a copy of the local ordinance to 190 the Virginia Energy Facility Review Board by July 1, 2026, and after any substantive change is adopted 191 by the locality. 192 H. No local ordinance shall include (i) any unreasonable restriction, as defined in § 45.2-1735, on 193 the installation of a critical interconnection project or the building of structures that facilitate the 194 installation of critical interconnection projects or (ii) any prohibitions on the use of solar panels that 195 comply with generally accepted national environmental protection and product safety standards such as 196 those set forth in subdivision A 13 of § 15.2-2286, provided that such installation is in compliance with 197 any provision of a local ordinance that establishes criteria and requirements for siting. 198 I. No locality shall adopt stormwater or erosion sediment control standards that are more 199 stringent than state regulations unless such standards are adopted pursuant to applicable state law 200 governing local programs. 201 § 15.2-2314.1. Critical interconnection project decisions; appeals. 202 A. A locality shall make its final decision regarding any zoning change, variance, or the issuance of a special exemption, special use permit, or conditional use permit related to a critical interconnection 203 204 project, as defined in § 45.2-1735, no later than 180 days after receiving a critical interconnection 205 opinion issued by the Virginia Energy Facility Review Board (the Review Board) pursuant to § 45.2-206 1739. For any such final decision that diverges from the Review Board's opinion, a locality shall include

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207	a written determination approved by the locality setting forth all facts and conclusions reached by the
208	locality that support its final decision. A locality's failure to make its final decision within the 180-day
209	period shall constitute a granting of the zoning change, variance, special exemption, special use permit,
210	or conditional use permit related to a critical interconnection project.
211	B. Any appeal of a locality's decision related to a critical interconnection project shall be filed in
212	the circuit court of such locality. Notwithstanding any other provision of law, general or special:
213	1. Such appeal shall be brought only by the aggrieved applicant or the owner of the property
214	subject to a special exception pursuant to subsection F of § 15.2-2285, and no other person shall have
215	standing to file such appeal or seek judicial review. In any such appeal, there shall be a rebuttable
216	presumption that the opinion of the Review Board is correct as it relates to the factors enumerated in
217	subsection A of § 45.2-1739. Such presumption may be overcome by a preponderance of the evidence
218	that the locality's decision to grant or deny a project or to include the challenged conditions was
219	consistent with provisions in the locality's ordinance that are not unreasonable restrictions as defined in §
220	<u>45.2-1735.</u>
221	2. Any such appeal shall be given precedence on the docket and decided by the circuit court no
222	later than 90 days from the date of service on all parties. All notices of such appeal shall be filed within
223	five days. Any appeal of the decision by the circuit court to the Court of Appeals or the Supreme Court
224	of Virginia shall be given precedence on the docket and decided no later than 90 days after the petition
225	for appeal is filed.
226	§ 15.2-4209.1. Regional energy plan.
227	By July 1, 2027, and every three years thereafter, each planning district commission shall adopt a
228	regional energy plan to address energy generation, storage, and use that demonstrates a meaningful
229	contribution to the Commonwealth's energy goals as determined by the regional energy report issued by
230	the Virginia Energy Facility Review Board and takes into account forecasted energy demand growth.
231	Such regional energy plan shall be consistent with such regional energy report and the goals of the

233	submit a copy of the adopted regional energy plan or any amendment to the regional energy plan to the
234	Virginia Energy Facility Review Board.
235	Article 10.
236	Virginia Energy Facility Review Board.
237	<u>§ 45.2-1735. Definitions.</u>
238	As used in this article, unless the context requires a different meaning:
239	"Critical interconnection project" means any solar energy project or energy storage project (i)
240	with a rated capacity of at least 20 megawatts or with a rated capacity of at least two megawatts if it is
241	located on previously disturbed land such as a brownfield, landfill, abandoned mine, or parking lot or
242	any facility that meets the requirements of a shared solar program pursuant to § 56-594.3 or 56-594.4;
243	(ii) that is within three miles of its point of interconnection; and (iii) that otherwise requires the approval
244	of a zoning change, variance, or the issuance of a special exemption, special use permit, or conditional
245	use permit from a locality.
246	"Developer" means any private developer of a solar energy project or an energy storage project.
247	"Energy storage facility" means energy storage equipment or technology that is capable of
248	absorbing energy, storing such energy for a period of time, and redelivering such energy after it has been
249	stored.
250	"Energy storage project" means an energy storage facility located within the Commonwealth and
251	includes interests in land, improvements, and ancillary facilities.
252	"Project of statewide significance" means any critical interconnection project that (i) is consistent
253	with and advances the goals of the Commonwealth Clean Energy Policy; (ii) has a positive economic
254	impact on the region in which the critical interconnection project is located; (iii) is not in the 100-year
255	floodplain, (iv) is not on slopes greater than 20 percent, (v) is consistent with the goals of § 2.2-235; (vi)
256	contributes to the Commonwealth meeting its statutory clean energy targets and projected generation
257	needs; (vii) does not materially contribute to the Commonwealth's greenhouse gas emissions; (viii) has
258	no material adverse effect upon the reliability of electric service; and (ix) does not violate tribal treaties,

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execut	ive orders, judicial decisions, and other agreements that recognize tribal sovereignty authority.
	"Review Board" means the Virginia Energy Facility Review Board established pursuant to this
article	<u>.</u>
	"Solar energy facility" means a commercial solar photovoltaic generation facility.
	"Solar energy project" means a solar energy facility located within the Commonwealth and
includ	es interests in land, improvements, and ancillary facilities.
	"Unreasonable restriction" means any (i) prohibition on solar energy facilities or energy storage
faciliti	es; (ii) provision or condition that has the effect of limiting the amount of land available for solar
energy	facilities or energy storage facilities to less than five percent of any zoning district; (iii) provision
or con	dition that is more stringent than or in addition to those listed in the model local ordinance adopted
by the	Review Board pursuant to § 45.2-1740; or (iv) provision or condition on solar energy facilities or
energy	v storage facilities that limits the total amount, density, or size of such facilities in a manner that
would	prevent the locality from achieving its meaningful contribution to clean energy.
	§ 45.2-1736. Virginia Energy Facility Review Board established; purpose.
	The Virginia Energy Facility Review Board is established as a political subdivision of the
Comm	nonwealth. The purpose of the Review Board is to conduct critical interconnection reviews;
conduc	ct analysis and study policy options; review regional energy plans, local comprehensive plans, and
local s	olar and storage ordinances; and to facilitate the responsible siting of critical interconnection
project	ts in the Commonwealth. The Review Board may consult with state agencies, localities, planning
distric	t commissions, research institutions, businesses, nonprofit organizations, and stakeholders as the
Review	w Board deems appropriate. The Review Board shall have only those powers enumerated in this
article	<u>.</u>
	§ 45.2-1737. Membership; terms; expenses; executive director.
	A. The Review Board shall have a total membership of nine members that shall consist of two
nonleg	sislative citizen members and seven ex officio members as follows:
	1. The Director of the Department or his designee. Any such designee shall be employed within

285	the Department's Division of Renewable Energy and Energy Efficiency;
286	2. The Director of the Department of Environmental Quality or his designee. Any such designee
287	shall be employed within the Department of Environmental Quality's Air Division or Land and Waste
288	Division;
289	3. The Attorney General or his designee. Any such designee shall be an attorney employed
290	within the Department of Law's Division of Consumer Counsel;
291	4. The State Forester or his designee;
292	5. The Director of the Department of Conservation and Recreation or his designee;
.93	6. The Chief Executive Officer of the Virginia Economic Development Partnership Authority or
94	his designee;
95	7. The executive director of the Virginia Clean Energy Technical Assistance Center;
96	8. An individual with expertise in solar energy and energy storage technology and development,
₽7	to be appointed by the Speaker of the House of Delegates; and
98	9. An individual with expertise in energy economics, grid reliability, and ratepayer impacts, to be
99	appointed by the Senate Committee on Rules.
00	Additionally, for any critical interconnection project review conducted pursuant to § 45.2-1739,
)1	the governing body of the relevant locality shall appoint two ad hoc members to serve with voting
2	privileges on the Review Board for such critical interconnection project review.
3	B. The Review Board shall appoint from its membership a chairman and a vice-chairman, each
)4	of whom shall serve in such capacity at the pleasure of the Review Board. The chairman, or in his
)5	absence the vice-chairman, shall preside at each meeting of the Review Board. The meetings of the
)6	Review Board shall be held on the call of the chairman or whenever a majority of the members so
)7	request. A majority of members of the Review Board serving at any one time shall constitute a quorum
8	for the transaction of business.
9	C. Members shall serve without compensation. However, all members may be reimbursed for all
10	reasonable and necessary expenses incurred in the performance of their duties as provided in §§ 2.2-

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311	2813 and 2.2-2825. Such expenses shall be paid from funds appropriated to the Review Board by the
312	General Assembly.
313	D. Members of the Review Board shall be subject to the standards of conduct set forth in the
314	State and Local Government Conflict of Interests Act (§ 2.2-3100 et seq.) and may be removed from
315	office for misfeasance, malfeasance, nonfeasance, neglect of duty, or misconduct in the manner set forth
516	therein.
17	E. Except as otherwise provided in this article, members of the Review Board shall be subject to
18	the provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.).
9	F. The Review Board shall appoint an executive director who shall serve at the pleasure of the
)	Review Board and carry out such powers and duties conferred upon him by the Review Board.
l	§ 45.2-1738. Powers and duties of the Review Board.
2	In addition to other powers and duties established under this article, the Review Board shall have
	the power and duty to:
4	1. Issue opinions necessary to fulfill its obligations;
5	2. Review local and regional energy policies, ordinances, and plans for consistency with state
)	energy policies;
	3. Enter into agreements with state agencies, departments, or consultants as needed to fulfill its
	obligations;
	4. Employ, in its discretion, consultants, attorneys, architects, engineers, accountants, financial
	experts, academics, investment bankers, superintendents, managers, and any other employees and agents
	necessary and fix their compensation to be payable from funds made available to the Review Board;
2	5. Receive and accept from any federal or private agency, foundation, corporation, association, or
3	person grants, donations of money, or real or personal property for the benefit of the Review Board, and
Ļ	receive and accept from the Commonwealth or any other state, from any municipality, county, or other
5	political subdivision thereof, or from any other source, aid or contributions of either money, property, or
6	other things of value, to be held, used, and applied for the purposes for which such grants and

337	contributions may be made;
338	6. Do any lawful act necessary or appropriate to carry out the powers granted or reasonably
339	implied in this article; and
340	7. Fix, alter, charge, and collect fees from developers that apply for critical interconnection
341	project orders at a reasonable rate for the purpose of providing for the payment of the expenses of the
342	Review Board. Such fees shall be in an amount sufficient to cover the costs of the Review Board.
343	§ 45.2-1739. Critical interconnection project review.
344	A. Any developer planning to construct a critical interconnection project shall file a critical
345	interconnection project review application with the Review Board and shall comply with the provisions
346	of this article. The Review Board shall review each such application to determine if the critical
347	interconnection project (i) qualifies as a project of statewide significance and (ii) complies with the
348	ordinance in each locality in which the proposed critical interconnection project would be located. In
349	making the determination of whether a project qualifies as a project of statewide significance, the
350	Review Board shall consider the Commonwealth Clean Energy Policy, regulations adopted by the State
351	Air Pollution Control Board pursuant to subsection E of § 10.1-1308, the requirements of § 56-585.5,
352	and any other information it deems relevant. In making the determination of whether the project
353	complies with a locality's ordinance for the permitting of a solar energy facility or energy storage
354	facility, the Review Board shall have the discretion to disregard any unreasonable restriction in the local
355	ordinance on the installation of the critical interconnection project or the building of structures that
356	facilitate the installation of the critical interconnection project. In addition, the Review Board may
357	consider any regional energy plan developed by the relevant planning district commission.
358	B. A critical interconnection project review application shall set forth and explain how the
359	critical interconnection project (i) is a project of statewide significance and (ii) complies with the
360	ordinance in each locality in which the proposed critical interconnection project would be located. Upon
361	receipt of a critical interconnection project review application, the Review Board shall verify the
362	developer has complied with the provisions of subsection C.

363	C. Not less than 80 days prior to filing a critical interconnection project review application, a
364	developer shall file a notice of intent to file with every locality in which the proposed critical
365	interconnection project or any portion of the proposed critical interconnection project shall be located.
366	Such notice shall reasonably describe the nature of the project, the design of the project, the location of
367	the project, and a brief description of the application information required by subsection B.
368	D. Within 20 days of receipt of any critical interconnection project review application, the
369	Review Board shall (i) require that the developer provide notice to all adjacent landowners and publish
370	notice in a paper of general circulation for all impacted localities, (ii) hold a public meeting on the
371	critical interconnection project review application in each locality in which the critical interconnection
372	project would be located, and (iii) accept written public comments for no less than 30 days following the
373	public meeting.
374	E. No later than 90 days following the receipt of the critical interconnection project review
375	application, the Review Board shall issue its critical interconnection project opinion and explain the
376	basis for such opinion based on the criteria in this article. Such critical interconnection project opinion
377	may recommend reasonable conditions the Review Board deems necessary for a proposed critical
378	interconnection project to meet the objectives of this article, the Commonwealth Clean Energy Policy,
379	and the provisions of § 15.2-2316.7.
380	§ 45.2-1740. Regional energy report and model local ordinance.
381	A. By January 1, 2026, and every three years thereafter, the Review Board, in collaboration with
382	the Virginia Clean Energy Technical Assistance Center, shall issue a regional energy report that models
383	each planning district's meaningful annual contribution to clean energy generation, energy efficiency
384	measures, and energy storage such that the requirements of § 56-585.5 regarding the renewable energy
385	portfolio standard program and the deployment of zero-carbon electricity generating capacity and energy
386	storage resources, the requirements of any regulations adopted by the Air Pollution Control Board in
387	accordance with subsection E of § 10.1-1308, and the goals of the Commonwealth's Clean Energy
388	Policy set out in § 45.2-1706.1 are met. The Department and any electric utility, as defined in § 56-576,

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389	shall, upon request, assist the Review Board in its development of such report.
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390	B. By January 1, 2026, the Review Board, in collaboration with the Virginia Clean Energy
391	Technical Assistance Center, shall establish a model local ordinance for siting, permitting, and zoning of
392	critical interconnection projects and all other ground-mounted front-of-meter solar energy projects and
393	energy storage projects. The model ordinance shall (i) address siting of solar energy facilities and energy
394	storage facilities in agricultural zones as well as residential, industrial, and other zoning areas, including
395	addressing project siting on previously developed project sites, on rooftops, and through the practice of
396	dual-use agricultural facilities; (ii) offer guidance to facilitate variances including modified parameters;
397	(iii) facilitate the robust deployment of solar energy facilities and energy storage facilities consistent
398	with state energy goals and load growth forecasts; and (iv) allow for localities to make unique decisions
399	per their regional goals, within a set range of values, on the following issues: setback requirements,
400	fencing, project height, visual impacts, lighting, vegetation, wildlife, workforce, cultural and historic
401	resources, and decommissioning. In developing the model local ordinance, the Review Board shall
402	convene a work group that includes representatives from the Department of Environmental Quality, the
403	Department, organizations representing local governments and planning district commissions, the solar
404	and storage industries, conservation groups representing land and water interests, climate advocacy
405	groups, landowner advocacy groups, ratepayer advocates, and other interested stakeholders.
406	§ 45.2-1741. Review of regional energy plans, comprehensive plan updates, and local
407	ordinances.
408	A. The Review Board shall review regional energy plans adopted pursuant to § 15.2-4209.1,

409 updates to comprehensive plans adopted pursuant to subsection G of § 15.2-2223, and local ordinances
410 adopted pursuant to subsection G of § 15.2-2288.7, and may provide recommendations or alternative
411 regional energy plans, comprehensive plans, or local ordinances to the planning district commission or
412 locality.

413 B. The Review Board shall determine if a regional energy plan is compliant with the provisions
 414 of § 15.2-4209.1 and this article within 60 days of receipt of such plan. If the Review Board determines

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415	that the regional energy plan is not in compliance, the relevant planning district commission shall have
416	60 days to adopt a compliant regional energy plan. If the relevant planning district commission fails to
417	adopt a compliant regional energy plan within the 60 days, the Review Board, within 90 days of such
418	failure, shall issue an alternative regional energy plan that, notwithstanding any other provision of law,
419	shall be in effect for such region.
420	C. The Review Board shall determine if a local ordinance is compliant with the provisions of §
421	15.2-2288.7 and this article within 60 days of receipt of such local ordinance. If the Review Board
422	determines that the local ordinance is not in compliance, the locality shall have 60 days to adopt a
23	compliant local ordinance. Notwithstanding any other provision of law, general or special, if the locality
24	fails to adopt a compliant local ordinance within the 60 days, the model local ordinance established by
25	the Review Board pursuant to § 45.2-1740 shall be in effect for such locality.
26	D. A locality or a planning district commission may appeal a Review Board determination made
27	pursuant to this section to the Court of Appeals and may appeal the decision of the Court of Appeals to
28	the Supreme Court of Virginia. Any such appeal shall be given precedence on the docket and decided no
29	later than 90 days after the petition for appeal is filed.
30	Article 11.
31	Virginia Clean Energy Technical Assistance Center.
32	§ 45.2-1742. Virginia Clean Energy Technical Assistance Center established; board of
33	directors.
34	A. The Virginia Clean Energy Technical Assistance Center (the Center) is hereby established to
35	include Christopher Newport University, George Mason University, James Madison University,
36	Longwood University, the University of Mary Washington, Norfolk State University, Old Dominion
37	University, Radford University, the University of Virginia, Virginia Commonwealth University,
38	Virginia Military Institute, Virginia Polytechnic Institute and State University, Virginia State University,
39	and The College of William and Mary in Virginia, and is to be located at the University of Virginia.
40	B. The Center shall be governed by a board of directors (the board), which shall consist of 15

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441	voting members as follows: the executive director of the board or his designee, the president of
442	Christopher Newport University or his designee, the president of George Mason University or his
443	designee, the president of James Madison University or his designee, the president of Longwood
444	University or his designee, the president of the University of Mary Washington or his designee, the
445	president of Norfolk State University or his designee, the president of Old Dominion University or his
446	designee, the president of Radford University or his designee, the president of the University of Virginia
447	or his designee, the president of Virginia Commonwealth University or his designee, the Superintendent
448	of Virginia Military Institute or his designee, the president of Virginia Polytechnic Institute and State
449	University or his designee, the president of Virginia State University or his designee, and the president
450	of The College of William and Mary in Virginia or his designee.
451	C. The board shall appoint an executive director to serve as the principal administrative officer of
452	the Center. The executive director shall report to the board and be under its supervision. The executive
453	director shall employ such personnel and secure such services as may be required to carry out the
454	purposes of the Center, expend appropriated funds, and accept moneys from federal or private sources
455	for carrying out the purposes of the Center.
456	§ 45.2-1743. Functions, powers, and duties of the Center.
457	A. The Center shall serve as an interdisciplinary study, research, and information resource and
458	shall provide technical assistance to state agencies, planning district commissions, localities, the Virginia
459	Energy Facility Review Board, other public bodies, and private entities in matters related to critical
460	interconnection projects, as defined in § 45.2-1735. The Center shall conduct research and analysis
461	relating to critical interconnection projects, including siting, permitting, development, financing, energy
462	efficiency, economic development impact analysis, supply chain and manufacturing, and innovation, and
463	any other topics deemed necessary to advance the clean energy goals of the Commonwealth.
464	B. The Center shall collaborate with the Virginia Energy Facility Review Board to issue the
465	regional energy report and to establish a model local ordinance related to critical interconnection
466	projects as required by the provisions of § 45.2-1740.

7 C. The Center shall, upon request, provide technical assistance to any planning distr	ict
8 commission developing its regional energy plan pursuant to § 15.2-4209.1 or to any locality	in
9 developing an energy plan as part of its comprehensive plan pursuant to subsection G of § 15.2-2223	or
in adopting a local ordinance related to solar energy facilities and energy storage facilities pursuant	to
subsection G of § 15.2-2288.7.	
D. The Center shall collaborate with the Department, the Department of Environmental Quality	ity,
or other state agencies or public institutions of higher education to provide technical assistance	or
engagement and planning for renewable energy facility siting, permitting, or project developme	ent
through state or federally funded programs established at any such agency or institution.	
2. That the Supreme Court of Virginia shall promulgate rules governing appeals (i) of a critic	cal
interconnection project that are consistent with the provisions of § 15.2-2314.1 of the Code	of
Virginia, as created by this act, and (ii) of a determination made by the Virginia Energy Facil	ity
Review Board pursuant to § 45.2-1741 of the Code of Virginia, as created by this act, that a	are
consistent with the provisions of § 45.2-1741 of the Code of Virginia, as created by this act.	
#	