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HOUSE BILL NO. 2472

Offered January 10, 2001 Prefiled January 10, 2001

A BILL to amend and reenact § 56-576 of the Code of Virginia, relating to the Virginia Electric Utility Restructuring Act; renewable energy.

Patrons-Plum, Jones, J.C., Kilgore, Parrish and Woodrum; Senators: Norment, Saslaw and Watkins

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Referred to Committee on Corporations, Insurance and Banking

10 Be it enacted by the General Assembly of Virginia:

1. That § 56-576 of the Code of Virginia is amended and reenacted as follows: 11 12

§ 56-576. Definitions.

As used in this chapter:

"Affiliate" means any person that controls, is controlled by, or is under common control with an 14 15 electric utility.

16 "Aggregator" means a person that, as an agent or intermediary, (i) offers to purchase, or purchases, electric energy or (ii) offers to arrange for, or arranges for, the purchase of electric energy, for sale to, 17 or on behalf of, two or more retail customers not controlled by or under common control with such 18 person. The following activities shall not, in and of themselves, make a person an aggregator under this 19 20 chapter: (i) furnishing legal services to two or more retail customers, suppliers or aggregators; (ii) 21 furnishing educational, informational, or analytical services to two or more retail customers, unless direct 22 or indirect compensation for such services is paid by an aggregator or supplier of electric energy; (iii) 23 furnishing educational, informational, or analytical services to two or more suppliers or aggregators; (iv) 24 providing default service under § 56-585; (v) engaging in activities of a retail electric energy supplier, 25 licensed pursuant to § 56-587, which are authorized by such supplier's license; and (vi) engaging in 26 actions of a retail customer, in common with one or more other such retail customers, to issue a request 27 for proposal or to negotiate a purchase of electric energy for consumption by such retail customers.

28 "Billing services" means services related to billing customers for competitive electric services or 29 billing customers on a consolidated basis for both competitive and regulated electric services. 30

"Commission" means the State Corporation Commission.

"Cooperative" means a utility formed under or subject to Chapter 9.1 (§ 56-231.15 et seq.) of this title.

"Covered entity" means a provider in the Commonwealth of an electric service not subject to competition but shall not include default service providers.

"Covered transaction" means an acquisition, merger, or consolidation of, or other transaction involving stock, securities, voting interests or assets by which one or more persons obtains control of a covered entity.

38 "Customer choice" means the opportunity for a retail customer in the Commonwealth to purchase 39 electric energy from any supplier licensed and seeking to sell electric energy to that customer.

"Distribute," "distributing" or "distribution of" electric energy means the transfer of electric energy 40 41 through a retail distribution system to a retail customer.

"Distributor" means a person owning, controlling, or operating a retail distribution system to provide 42 43 electric energy directly to retail customers.

"Electric utility" means any person that generates, transmits, or distributes electric energy for use by 44 45 retail customers in the Commonwealth, including any investor-owned electric utility, cooperative electric utility, or electric utility owned or operated by a municipality. "Generate," "generating," or "generation of" electric energy means the production of electric energy. 46 47

"Generator" means a person owning, controlling, or operating a facility that produces electric energy 48 49 for sale.

"Incumbent electric utility" means each electric utility in the Commonwealth that, prior to July 1, 50 51 1999, supplied electric energy to retail customers located in an exclusive service territory established by 52 the Commission.

53 "Independent system operator" means a person that may receive or has received, by transfer pursuant 54 to this chapter, any ownership or control of, or any responsibility to operate, all or part of the 55 transmission systems in the Commonwealth.

"Market power" means the ability to impose on customers a significant and nontransitory price 56 57 increase on a product or service in a market above the price level which would prevail in a competitive 58 market.

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59 "Metering services" means the ownership, installation, maintenance, or reading of electric meters and60 includes meter data management services.

61 "Municipality" means a city, county, town, authority or other political subdivision of the 62 Commonwealth.

63 "Period of transition to customer choice" means the period beginning on January 1, 2002, and ending
64 on January 1, 2004, unless otherwise extended by the Commission pursuant to this chapter, during
65 which the Commission and all electric utilities authorized to do business in the Commonwealth shall
66 implement customer choice for retail customers in the Commonwealth.

67 "Person" means any individual, corporation, partnership, association, company, business, trust, joint venture, or other private legal entity, and the Commonwealth or any municipality.

69 "Renewable energy" means energy that is derived from the sun or other natural processes and is
70 replenishable by natural processes over relatively short time periods. "Renewable energy" includes
71 energy derived from sunlight, wind, falling water, sustainable biomass, energy from waste, wave motion,
72 tides, and geothermal power, and does not include energy derived from coal, oil, natural gas or nuclear
73 power.

"Retail customer" means any person that purchases retail electric energy for its own consumption at one or more metering points or nonmetered points of delivery located in the Commonwealth.

76 "Retail electric energy" means electric energy sold for ultimate consumption to a retail customer.

"Supplier" means any generator, distributor, aggregator, broker, marketer, or other person who offers
to sell or sells electric energy to retail customers and is licensed by the Commission to do so, but it
does not mean a generator that produces electric energy exclusively for its own consumption or the
consumption of an affiliate.

81 "Supply" or "supplying" electric energy means the sale of or the offer to sell electric energy to a 82 retail customer.

83 "Transmission of," "transmit," or "transmitting" electric energy means the transfer of electric energy
84 through the Commonwealth's interconnected transmission grid from a generator to either a distributor or
85 a retail customer.

86 "Transmission system" means those facilities and equipment that are required to provide for the87 transmission of electric energy.