

State Corporation Commission 2007 Fiscal Impact Statement

1. Bill Number SB1361

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Colgan

3. Committee Commerce and Labor

4. Title Suspension of construction of new electrical utility facilities; pilot projects.

5. Summary/Purpose: Suspension of construction of new electrical utility facilities; pilot projects in Loudoun County, Fauquier, and Prince William Counties. Suspends the approval of all applications for the construction of new electrical utility facilities pending before the State Corporation Commission and the commencement of all facility construction until July 1, 2008. The bill also establishes pilot projects in Loudoun County, Fauquier County, and Prince William County for the installation of underground transmission lines. This bill contains an emergency clause.

6. Fiscal Impact Estimates are: Not quantifiable. See Item 8 below.

7. Budget amendment necessary: Not aware of necessity.

8. Fiscal implications: This bill may delay the construction of electrical facilities needed to provide reliable electric service within Virginia. Additionally, for needed transmission facilities, overhead construction in the current standard industry practice throughout the United States, with very limited exceptions. Typically, the underground construction of transmission facilities is significantly more expensive (several times more) than the construction of viable overhead transmission alternatives. Accordingly a statutory predetermination of an underground preference or requirement for transmission facilities potentially could result in a significant financial impact on the public segment that shoulders the burden for the additional cost of locating facilities underground.

9. Specific agency or political subdivisions affected: State Corporation Commission.

10. Technical amendment necessary: Not aware of necessity.

11. Other comments: House Bill 2615 is similar to this bill; however, Senate Bill 1361 includes a subsection C in § 2 which is not included in House Bill 2615.

Date: 06/18//07 / TL

cc: Secretary of Commerce and Trade