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HOUSE BILL NO. 2152

AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the House Committee on Commerce and Labor
on February 5, 2009)

(Patron Prior to Substitute—Delegate Rust)

A *BILL to amend the Code of Virginia by adding a section numbered 56-235.1:1, relating to electric rates for stand-by service for certain renewable cogeneration facilities.*

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 56-235.1:1 as follows:

§ 56-235.1:1. Rates for stand-by electric service at renewable cogeneration facilities.

A. The Commission shall adopt regulations pursuant to its rules of practice and procedure that require an electric utility to provide a rate for stand-by service to customers that operate a cogeneration facility in the Commonwealth that generates renewable energy, as defined in § 56-576. Such regulations shall allow the electric utility to recover all of the costs that are identified by the electric utility and determined by the Commission to be related to the provision of the stand-by service, including but not limited to the costs of transformers and other equipment required to provide stand-by service and the costs of capacity and generation, including but not limited to fuel costs.

B. Within 90 days following the effective date of the regulations adopted pursuant to subsection A, each public utility providing electric service in the Commonwealth shall submit a plan setting forth how the utility will comply with the regulations if it does not already have stand-by provisions approved by the Commission that comply with the regulations. The Commission shall, after notice and the opportunity for hearing, determine whether a utility's plan complies with the regulations.

**HOUSE
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