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SENATE BILL NO. 1427

Senate Amendments in [] — January 29, 2009

A *BILL to amend and reenact §§ 67-101 and 67-102 of the Code of Virginia, relating to the Virginia Energy Plan; biofuels made from nonfood feedstocks.*

Patron Prior to Engrossment—Senator Hanger

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:**1. That §§ 67-101 and 67-102 of the Code of Virginia are amended and reenacted as follows:**

§ 67-101. Energy objectives.

The Commonwealth recognizes each of the following objectives pertaining to energy issues will advance the health, welfare, and safety of the residents of the Commonwealth:

1. Ensuring the availability of reliable energy at costs that are reasonable and in quantities that will support the Commonwealth's economy;

2. Managing the rate of consumption of existing energy resources in relation to economic growth;

3. Establishing sufficient supply and delivery infrastructure to maintain reliable energy availability in the event of a disruption occurring to a portion of the Commonwealth's energy matrix;

4. Using energy resources more efficiently;

5. Facilitating conservation;

6. Optimizing intrastate and interstate use of energy supply and delivery to maximize energy availability, reliability, and price opportunities to the benefit of all user classes and the Commonwealth's economy as stated in subdivision 2 of § 67-100;

7. Increasing Virginia's reliance on sources of energy that, compared to traditional energy resources, are less polluting of the Commonwealth's air and waters;

8. Researching the efficacy, cost, and benefits of reducing, avoiding, or sequestering the emissions of greenhouse gases produced in connection with the generation of energy;

9. Removing impediments to the use of abundant low-cost energy resources located within and outside the Commonwealth and ensuring the economic viability of the producers, especially those in the Commonwealth, of such resources;

10. Developing energy resources and facilities in a manner that does not impose a disproportionate adverse impact on economically disadvantaged or minority communities;

11. Recognizing the need to foster those economically developable alternative sources of energy that can be provided at market prices as vital components of a diversified portfolio of energy resources; and

12. Increasing Virginia's reliance on ~~biodiesel and ethanol produced from corn, soybeans, hulless barley, and production of sustainably produced~~ [*advanced*] ~~biofuels made from~~ [*nonfood crops*] ~~traditional agricultural crops and other feedstocks~~ , *such as winter cover crops, warm season grasses, fast-growing trees, algae and or other suitable crops* ~~feedstocks~~ grown in the Commonwealth that will create jobs and income, produce clean-burning fuels that will help to improve air quality, and provide the new markets for Virginia's *silvicultural and* agricultural products needed to preserve farm employment, conserve farmland *and forestland*, and ~~help pay for~~ *increase implementation of silvicultural and* agricultural best management practices to protect water quality.

Nothing in this section shall be deemed to abrogate or modify in any way the provisions of the Virginia Electric Utility Regulation Act (§ 56-576 et seq.).

§ 67-102. Commonwealth Energy Policy.

A. To achieve the objectives enumerated in § 67-101, it shall be the policy of the Commonwealth to:

1. Support research and development of, and promote the use of, renewable energy sources;

2. Ensure that the combination of energy supplies and energy-saving systems are sufficient to support the demands of economic growth;

3. Promote research and development of clean coal technologies, including but not limited to integrated gasification combined cycle systems;

4. Promote cost-effective conservation of energy and fuel supplies;

5. Ensure the availability of affordable natural gas throughout the Commonwealth by expanding Virginia's natural gas distribution and transmission pipeline infrastructure; developing coalbed methane gas resources and methane hydrate resources; encouraging the productive use of landfill gas; and siting one or more liquefied natural gas terminals;

6. Promote the generation of electricity through technologies that do not contribute to greenhouse gases and global warming;

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60 7. Facilitate the development of new, and the expansion of existing, petroleum refining facilities
61 within the Commonwealth;

62 8. Promote the use of motor vehicles that utilize alternate fuels and are highly energy efficient;

63 9. Support efforts to reduce the demand for imported petroleum by developing alternative
64 technologies, including but not limited to the production of synthetic and hydrogen-based fuels, and the
65 infrastructure required for the widespread implementation of such technologies;

66 10. Promote the *sustainable production and* use of [~~biodiesel and ethanol~~ *biofuels*] produced from
67 *silvicultural and* agricultural [~~nonfood~~] crops grown in the Commonwealth, *and support the delivery*
68 *infrastructure needed for statewide distribution to consumers*;

69 11. Ensure that development of new, or expansion of existing, energy resources or facilities does not
70 have a disproportionate adverse impact on economically disadvantaged or minority communities; and

71 12. Ensure that energy generation and delivery systems that may be approved for development in the
72 Commonwealth, including liquefied natural gas and related delivery and storage systems, should be
73 located so as to minimize impacts to pristine natural areas and other significant onshore natural
74 resources, and as near to compatible development as possible.

75 B. The elements of the policy set forth in subsection A shall be referred to collectively in this title as
76 the Commonwealth Energy Policy.

77 C. All agencies and political subdivisions of the Commonwealth, in taking discretionary action with
78 regard to energy issues, shall recognize the elements of the Commonwealth Energy Policy and where
79 appropriate, shall act in a manner consistent therewith.

80 D. The Commonwealth Energy Policy is intended to provide guidance to the agencies and political
81 subdivisions of the Commonwealth in taking discretionary action with regard to energy issues, and shall
82 not be construed to amend, repeal, or override any contrary provision of applicable law. The failure or
83 refusal of any person to recognize the elements of the Commonwealth Energy Policy, to act in a manner
84 consistent with the Commonwealth Energy Policy, or to take any other action whatsoever, shall not
85 create any right, action, or cause of action or provide standing for any person to challenge the action of
86 the Commonwealth or any of its agencies or political subdivisions.