

State Corporation Commission 2011 Fiscal Impact Statement

1. Bill Number: HB2353

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Morrissey

3. Committee: Commerce and Labor

4. Title: Renewable energy portfolio standard.

5. Summary: Renewable energy portfolio standard. Requires each investor-owned electric utility and distribution cooperative to participate in a renewable energy portfolio standard program commencing with calendar year 2013. Under the program, each utility is required to generate renewable energy or to purchase renewable energy certificates, or both, in amounts that start in 2013 at three percent of the total electric energy sold in the base year of 2007 and that increase to 20 percent of such amount in 2020 and thereafter. A portion of the renewable energy used to meet the percentage goals is required to be from distributed generation. Renewable energy generated in-state, or from a community-based project, is eligible for additional credit toward meeting the RPS Goals. Failure to meet the required percentages will result in the assessment of alternative compliance payments, which payments are to be paid into the newly created Virginia Sustainable Energy Fund. The measure provides that an investor-owned electric utility that was authorized to receive a performance incentive as a consequence of its participation in the renewable portfolio standard program as it existed prior to the effective date of this act shall continue to receive the incentive until the utility's next biennial rate review proceeding.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: Not available. See Item 8.

8. Fiscal Implications: This bill could result in additional administrative costs for staff and computer hardware and software development.

9. Specific Agency or Political Subdivisions Affected: State Corporation Commission, State Comptroller, Department of Planning and Budget

10. Technical Amendment Necessary: Although this bill removes the provision of a return on equity performance incentive for meeting renewable portfolio standard goals for investor owned utilities such incentives would still be available under § 56-585.1 A 2 of the Code of Virginia.

11. Other Comments: No

Date: 1/21/11 dre