

State Corporation Commission 2012 Fiscal Impact Statement

1. Bill Number: HB69

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: Englin

3. Committee: Commerce and Labor

4. Title: Renewable energy portfolio standard; required participation of electric utility in program, etc.

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. Failure to meet the required percentages will result in the assessment of alternative compliance payments, which 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: Fiscal impact estimates are not available at this time. See Item 8.

8. Fiscal Implications: The State Corporation Commission would have to create and administer a renewable energy certificate certification, tracking and reporting program. While estimates of costs of such a program are not available, it is expected that such a program would be significant. Additionally, such a program would be duplicative of an existing program implemented by a regional organization referenced in the definition of "renewable energy" contained in House Bill 69.

9. Specific Agency or Political Subdivisions Affected: State Corporation Commission

10. Technical Amendment Necessary: None noted

11. Other Comments: No

Date: 01/12/12 CW