

Department of Planning and Budget 2015 Fiscal Impact Statement

1. Bill Number: SB1365-S1

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

2. Patron: Watkins

3. Committee: Agriculture, Conservation and Natural Resources

4. Title: Clean Power Plan; state implementation plan; General Assembly approval.

5. Summary: Requires the Department of Environmental Quality (DEQ) to submit a report to the Governor and the General Assembly setting forth the status of the development of the state plan, including available information regarding any changes to the Federal guidelines, the process DEQ is using to develop the state plan, and any available details of the state plan. DEQ shall consider the following: whether to rely on measures the EPA used to calculate the carbon dioxide reduction goal, or other measures; whether to participate in multistate programs that already exist or whether a new multistate carbon dioxide reduction program should be created; whether to invest in energy efficiency programs during the compliance period; and, whether to work in partnership with other states. DEQ shall also examine when individual power plants must make reductions; the expansion of nonemitting sources, such as nuclear power; market-based trading programs; other energy conservation programs; and, how best to avoid stranded investments in existing affected power plant. DEQ should seek input and comment from the State Corporation Commission (SCC), meet with members of the General Assembly of Virginia who desire to provide input, and take into consideration the necessity and value of having a diverse generation fleet to ensure electric reliability. By December 1, 2015, and annually thereafter until December 1, 2019, DEQ shall submit a report to the Governor and the General Assembly setting forth the status of the development of the state plan.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary.

8. Fiscal Implications: According to information received from the Department of Environmental Quality, there could be an increase in workload at DEQ, but any additional cost could be absorbed within existing resources.

9. Specific Agency or Political Subdivisions Affected: The Department of Environmental Quality, the State Corporation Commission, and localities.

10. Technical Amendment Necessary: No.

11. Other Comments: HB2291 also includes provisions for a Clean Power Plan.