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SENATE BILL NO. 990

AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the Senate Committee on Commerce and Labor
on January 23, 2017)

(Patron Prior to Substitute—Senator Dance)

A *BILL to amend and reenact the third enactment of Chapter 888 and the third enactment of Chapter 933 of the Acts of Assembly of 2007, relating to the Commonwealth's goal of reducing the consumption of electric energy.*

Be it enacted by the General Assembly of Virginia:

1. That the third enactment of Chapter 888 and the third enactment of Chapter 933 of the Acts of Assembly of 2007 are amended and reenacted as follows:

3. That it is in the public interest, and is consistent with the energy policy goals in § 67-102 of the Code of Virginia, to promote cost-effective conservation of energy through fair and effective demand side management, conservation, energy efficiency, and load management programs, including consumer education. These programs may include activities by electric utilities, public or private organizations, or both electric utilities and public or private organizations. The Commonwealth shall have a stated goal of reducing the consumption of electric energy by retail customers through the implementation of such programs by the year 2022 by an amount equal to ~~ten~~ 10 percent of the amount of electric energy consumed by retail customers in 2006. The State Corporation Commission (*the Commission*) shall conduct a proceeding to (i) determine whether the ~~ten~~ 10 percent electric energy consumption reduction goal can be achieved cost-effectively through the operation of such programs, and, if not, determine the appropriate goal for the year 2022 relative to *the* base year of 2006;; (ii) identify the mix of programs that should be implemented in the Commonwealth to cost-effectively achieve the defined electric energy consumption reduction goal by 2022, including but not limited to demand side management, conservation, energy efficiency, load management, real-time pricing, and consumer education;; (iii) develop a plan for the development and implementation of recommended programs, with incentives and alternative means of compliance to achieve such goals;; (iv) determine the entity or entities that could most efficiently deploy and administer various elements of the plan;; and (v) estimate the cost of attaining the energy consumption reduction goal. The Commission shall, on or before December 15, 2007, submit its findings and recommendations to the Governor and General Assembly, which shall include recommendations for any additional legislation necessary to implement the plan to meet the energy consumption reduction goal. In developing a plan to meet the goal, the Commission may consider providing for a public benefit fund and shall consider the fair and reasonable allocation by customer class of the incremental costs of meeting the goal that are recovered in accordance with subdivision A 5 b of § 56-585.1 of the Code of Virginia. *The Department of Mines, Minerals and Energy, in consultation with the staff of the Commission, shall submit, as part of the annual report required under § 67-202.1 of the Code of Virginia, an assessment of the progress the Commonwealth is making toward meeting the goal of reducing the consumption of electric energy by retail customers by the year 2022 by an amount equal to 10 percent of the amount of electric energy consumed by retail customers in 2006 through the implementation of demand side management, conservation, energy efficiency, and load management programs, including consumer education, and submit the report to the Governor's Executive Committee on Energy Efficiency and to the Governor and General Assembly as required by § 67-202.1 of the Code of Virginia.*