

State Corporation Commission 2017 Fiscal Impact Statement

1. Bill Number: HB2291

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

2. Patron: Kilgore

3. Committee: Passed Both Houses

4. Title: Electric utilities; costs of modifications to nuclear generation facilities.

5. Summary: Electric utilities; costs of modifications to nuclear generation facilities. Authorizes an investor-owned electric utility to petition the State Corporation Commission for approval of a rate adjustment clause for recovery of the costs of a system or equipment upgrade, system or equipment replacement, or other cost reasonably appropriate to extend the combined operating license for, or the operating life of, nuclear generation facilities. The measure limits the scope of the requirement that a utility demonstrate that it has considered and weighed alternative options, including third-party market alternatives, in its selection process to certain new generation facilities. The measure provides that a utility's costs incurred in extending the combined operating license for, or the operating life of, a nuclear generation facility, which costs are prudently incurred prior to the Commission's entry of a final order on the petition, shall be deferred on the books and records of the utility until the later of the entry of a final order in the proceeding or until the implementation of any applicable approved rate adjustment clauses. The measure prohibits a utility, prior to January 1, 2020, from recovering through a rate adjustment clause certain costs related to extensions of the combined operating license for or the operating life of a nuclear generation facility. An enactment clause provides that costs recovered through the utility's rates for generation and distribution services as of January 1, 2017, that are associated with a utility's existing nuclear generation facilities are not recoverable through a specified rate adjustment clause.

6. Budget Amendment Necessary: None

7. Fiscal Impact Estimates: No fiscal impact on the State Corporation Commission

8. Fiscal Implications: None on the State Corporation Commission

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

10. Technical Amendment Necessary: None

11. Other Comments: No.

PWC 2/23/17