

Department of Planning and Budget 2017 Fiscal Impact Statement

1. Bill Number: SB1395

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

2. Patron: Wagner

3. Committee: Commerce and Labor

4. Title: Small renewable energy projects; permits by rule.

5. Summary: Provides that certain small renewable energy projects proposed, developed, constructed, or purchased by (i) a public utility if the project's costs are not recovered from Virginia jurisdictional customers under base rates, a fuel factor charge, or a rate adjustment clause or (ii) a utility aggregation cooperative, are eligible for a permit by rule and are exempt from environmental review and permitting by the State Corporation Commission (SCC). The measure specifies that a small renewable energy project shall be eligible for permit by rule if it is proposed, developed, constructed, or purchased by a person that is not a regulated utility. The measure exempts a small renewable energy project for which the Department of Environmental Quality (DEQ) has issued a permit by rule from the requirement that it obtain a certificate of public convenience and necessity for the construction or operation of the project. Finally, the measure increases the maximum rated capacity of solar and wind facilities that qualify as small renewable energy projects from 100 megawatts to 150 megawatts.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary.

8. Fiscal Implications: Any fiscal impact to DEQ is indeterminate; however, paragraphs D and E of §10.1-1197.6, Code of Virginia, provide for the assessment of a permit fee for owning or operating a small renewable energy project. Such fee revenue can be used to cover any impact to DEQ. It is anticipated that this bill will not have a fiscal impact to the SCC.

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

10. Technical Amendment Necessary: No.

11. Other Comments: None.