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#### **HOUSE BILL NO. 1635**

# FLOOR AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by Delegate Rasoul on January 28, 2019)

(Patron Prior to Substitute—Delegate Rasoul)

A BILL to amend the Code of Virginia by adding in Title 45.1 a chapter numbered 27, consisting of sections numbered 45.1-395, 45.1-396, and 45.1-397, relating to the transition of the Commonwealth to a 100 percent clean energy economy; clean energy mandates; Climate Action Plan.

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Title 45.1 a chapter numbered 27, consisting of sections numbered 45.1-395, 45.1-396, and 45.1-397, as follows:

CHAPTER 27.

# DECREASED RELIANCE ON FOSSIL FUELS ACT.

#### § 45.1-395. Definitions.

As used in this chapter, unless the context requires a different meaning:

"Clean energy" means energy efficiency, energy conservation, demand response, energy storage, and

electric energy derived from sources that are not net emitters of carbon dioxide.

"Permitting agency" means the Department, State Corporation Commission, State Air Pollution Control Board, State Water Control Board, Virginia Waste Management Board, Department of Environmental Quality, or other state agency or political subdivision of the Commonwealth that is the issuing agent for any permit, certificate, or other approval that is required to be obtained prior to the construction or operation of any facility described in subsection A of § 45.1-397.

"Retail electric supplier" means a public utility or other person that (i) sold not less than 1,000 megawatt hours of electric energy to retail customers during the preceding calendar year or (ii) generates not less than 1,000 megawatt hours of electric energy for use by the person.

§ 45.1-396. Clean energy mandates.

- A. The minimum annual percentage of the quantity of electricity sold by a retail electric supplier that is generated from clean energy resources shall be:
  - 1. In calendar years 2030 through 2050, 30 percent; and
  - 2. In calendar year 2051 and every calendar year thereafter, 100 percent.
- B. Beginning in 2020, by April 1 of each year, each retail electric supplier shall submit a report to the Director containing:
- 1. Documentation of purchases or generation by the retail electric supplier of clean energy source electricity as a percentage of the total retail electricity sales of the retail electric supplier in the preceding calendar year; and
- 2. Documentation of plans for the purchase or generation by the retail electric supplier of clean energy sourced electricity equal to the percentage required by this chapter for retail electricity sales in
- 2030 through 2050 and in 2051 and every year thereafter.
- C. Each retail electricity supplier may provide documentation regarding the amount of electricity saved through utility-managed energy efficiency and demand response programs. These savings may be counted toward up to (i) 15 percent of the retail electricity supplier's clean energy resource target set forth in subdivision A 1 in each of calendar years 2030 through 2050 and (ii) 20 percent of the retail electricity supplier's clean energy resource target set forth in subdivision A 2 in calendar years 2051 and thereafter.

# § 45.1-397. Climate Action Plan.

- A. The Department shall adopt a Climate Action Plan to implement the requirements established in this chapter. The Climate Action Plan shall:
  - 1. Address all aspects of climate change, including mitigation, adaptation, and resiliency;
  - 2. Address agriculture, heating, cooling, and transportation;
- 3. Be completed by January 1, 2021, with a draft plan available for public comment by March 1, 2020:
  - 4. Support the development of community and publicly owned clean energy; and
- 5. Incorporate goals of environmental justice and be developed with meaningful input and analysis from environmental justice organizations.
  - B. The Department shall conduct regional public hearings on the draft plan.
- C. Permitting agencies shall take action and adopt regulations that are consistent with and further the goals of the Climate Action Plan. Each permitting agency shall develop and update annually a plan to achieve such goals for its own internal operations as well as for regulatory and other actions under its purview.

HB1635H1 2 of 2

D. The Department shall ensure that the Climate Action Plan will advance the goal of 100 percent clean energy in a manner that benefits the Commonwealth's most disadvantaged communities and is transparent and accountable to the public and the General Assembly.

E. The Climate Action Plan shall ensure that 20 percent of funds allocated by and through the Commonwealth to deal with climate change shall be targeted to low-income communities and communities of color and 20 percent shall be allocated to sea level rise mitigation and recurrent flooding adaptation measures.

- F. The Department shall establish a statewide Environmental and Climate Justice Task Force of affected community groups to assist in the development and implementation of the Climate Action Plan.
- G. The Department shall implement programs that provide a just transition from current energy sources to clean energy as follows:
- 1. In conjunction with the Department of Labor and Industry, the Department shall develop programs, including job training programs, relocation assistance, higher education programs, and temporary financial support that extends the duration of unemployment benefits, that assist workers in transitioning from jobs in the fossil fuel and nuclear power industries into jobs in the clean energy sector; and
- 2. The programs developed by the Department pursuant to subdivision 1 shall also be open to individuals who are determined by the Department to (i) have been previously employed in the fossil fuel industry and who are out of work due to reduction in demand for jobs in that industry or (ii) reside in communities that have been disproportionately affected by fossil fuels.