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HOUSE BILL NO. 2691

Offered January 14, 2019

A *BILL to amend the Code of Virginia by adding a section numbered 56-585.1:8, relating to a pilot program for the provision of broadband services to unserved areas of the Commonwealth by certain electric utilities.*

Patrons—O'Quinn, Campbell, J.L., Kory and Tyler

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:**1. That the Code of Virginia is amended by adding a section numbered 56-585.1:8 as follows:****§ 56-585.1:8. Pilot program for broadband services to unserved areas of the Commonwealth.**

A. The Commission shall establish pilot programs under which each Phase I Utility and each Phase II Utility, as such terms are defined in subdivision A 1 of § 56-585.1, shall submit a proposal to provide or make available broadband services to unserved areas of the Commonwealth. Any such proposal that a Phase II Utility submits shall not exceed \$60 million in costs annually. The provision of such broadband services pursuant to this section is in the public interest.

B. The costs of any pilot program conducted pursuant to subsection A, net of revenue generated therefrom, shall be eligible for recovery from customers as an electric grid transformation project pursuant to clause (vi) of subdivision A 6 of § 56-585.1.

C. Notwithstanding the provisions of § 13.1-620, such an investor-owned utility may, either directly or through an affiliate or subsidiary, pursuant to a pilot program that the Commissioner approves pursuant to this section, (i) own, manage, or control any telecommunications equipment, including any plant, works, system, lines, facilities, or properties, or any part or parts thereof, together with all appurtenances thereto, used or useful in connection with the provision and extension of such broadband services; (ii) become licensed to provide broadband services in an unserved area of the Commonwealth; or (iii) lease such telecommunications equipment to other providers of broadband services in an unserved area of the Commonwealth.

D. The provision and extension of broadband services in an unserved area of the Commonwealth by such an incumbent electric utility pursuant to a pilot program that the Commission approves pursuant to this section shall not be subject to any rules and regulations that the Commission has promulgated or may promulgate governing functional separation of generation, retail transmission, and distribution of incumbent electric utilities.

E. Notwithstanding the provisions of § 56-466.1, a public service company providing broadband services in an unserved area of the Commonwealth shall have discretion as to whether to permit any pole attachment in connection with the provision of such broadband services.

INTRODUCED

HB2691