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SENATE BILL NO. 1759

FLOOR AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by Senator Surovell
on February 5, 2019)

(Patron Prior to Substitute—Senator Surovell)

A BILL to establish a pilot program to place electric distribution lines underground in areas of transit-oriented development in certain localities.

Be it enacted by the General Assembly of Virginia:

1. § 1. That there is hereby established a pilot program under which the governing body of any locality operating under the urban county executive form of government may request an electric utility to place underground electric distribution lines in areas of transit-oriented development in such locality in conjunction with a transportation infrastructure improvement project that the Commonwealth Transportation Board identifies that reduces congestion, improves mobility, incorporates transit systems and improves safety. Such pilot program shall further an understanding of such underground electric distribution lines in regard to electric reliability, construction methods and related cost and timeline estimating, and the probability of meeting such projections. The pilot program shall consist of the approval to convert qualifying electric distribution lines in whole or in part underground in areas of transit-oriented developments in conjunction with a transportation infrastructure project the Commonwealth Transportation Board identifies. The pilot program shall terminate on July 1, 2026, after which date no agreement shall be entered into pursuant to § 2 of this act. The termination of the pilot program shall not affect any such agreement entered into prior to such date or any of the terms of such an agreement, including any assessment imposed pursuant to such an agreement.

§ 2. The locality operating under the urban county executive form of government and the utility shall enter into an agreement that provides that (i) the locality shall pay to the utility its full additional costs of relocating and converting that portion of the line located in the locality underground rather than overhead that are not recoverable under applicable rates, net of relocation credits, which costs shall include associated feasibility costs, or any smaller portion of such costs as the utility and the locality may agree; (ii) the locality shall impose an assessment on electric utility customers in the locality in an amount sufficient to cover the utility's additional costs, which assessment shall be shown as a separate item on such customers' electric bills and shall be collected by the utility on behalf of the locality; (iii) the utility shall convert, operate, and maintain the agreed portion of the line underground; and (iv) such other terms and conditions on which the parties may agree.

§ 3. If the locality operating under the urban county executive form of government and the utility enter into an agreement as described in § 2, the locality shall by ordinance fix the amount of such assessment, which shall be based on the assessed value of real property within such locality.

§ 4. Upon presentation of the agreement to the Commonwealth Transportation Board, the Commissioner of Highways shall be responsible for securing the necessary easements and permits for the utility for the conversion of the existing distribution lines, based upon plans that the electric utility provides. The electric utility shall take such other actions as it deems appropriate in furtherance of the conversion of the approved distribution line, including acquiring the materials necessary for the underground installation.

§ 5. The agreement between the utility and the locality operating under the urban county executive form of government for conversion of a distribution line pursuant to this act for inclusion in the pilot program shall be deemed to satisfy the requirements of § 15.2-2232 of the Code of Virginia and local zoning ordinances with respect to such distribution line and any associated facilities, such as stations, substations, transition stations and locations, and switchyards or stations, that may be required.

§ 6. If the provisions of this act are inconsistent with the provisions of any other law or local ordinance, the provisions of this act shall be controlling.