2021 SESSION

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1	HOUSE BILL NO. 1834
2	AMENDMENT IN THE NATURE OF A SUBSTITUTE
3 4	(Proposed by the House Committee on Labor and Commerce
4 5	on January 26, 2021) (Patron Prior to Substitute—Delegate Subramanyam)
5 6	A BILL to amend and reenact § 56-599 of the Code of Virginia and to amend the Code of Virginia by
7	adding in Chapter 26 of Title 45.1 a section numbered 45.1-394.1, relating to public disclosure of
8	electric generating facility closures; integrated resource plans.
9	Be it enacted by the General Assembly of Virginia:
10	1. That § 56-599 of the Code of Virginia is amended and reenacted and that the Code of Virginia
11	is amended by adding in Chapter 26 of Title 45.1 a section numbered 45.1-394.1 as follows:
12 13	<i>§ 45.1-394.1. Public disclosure of certain electric generating facility closures.</i> A. The provisions of this section shall apply to any electric generating facility that:
13	1. Has a nameplate generating capacity of 80 megawatts or more;
15	2. Is located in the Commonwealth;
16	3. Emits carbon dioxide as a byproduct of combusting fuel, whether or not certificated by the State
17	Corporation Commission pursuant to subsection D of § 56-580; and
18	4. Is subject to, and not exempt from, regulations adopted pursuant to §§ 10.1-1308 E or 10.1-1330.
19 20	B. Within 30 days of an owner of an electric generating facility making public the decision to close
20 21	such facility, or within 30 days of the owner of an electric generating facility making a filing with the U.S. Securities and Exchange Commission regarding a material impact to the cost, operations, or
22	financial condition of the owner, which material impact is a direct precursor to the closure of the
23	electric generating facility, the owner shall send a written notice of the impending closure to:
24	1. The governing body of the locality where the facility is located;
25	2. The governing body of any locality adjoining the locality where the facility is located;
26 27	3. Any town council located within a county described in subdivision 1; 4. Any planning district commission of any locality described in subdivision 1 or 2;
28	5. The State Corporation Commission Division of Public Utility Regulation;
29	6. The Department and the Division;
30	7. The Department of Housing and Community Development;
31	8. PJM Interconnection, LLC;
32 33	9. The Virginia Employment Commission; 10. The Department of Emirconmental Quality, and
33 34	10. The Department of Environmental Quality; and 11. The Virginia Council on Environmental Justice.
35	C. The notice required by subsection B shall include, at a minimum, (i) the anticipated closure date
36	of the facility; (ii) references to any website maintained by the owner containing closure information;
37	(iii) a list of permits obtained from a local government, the State Air Pollution Control Board, the State
38	Water Control Board, or the Department of Environmental Quality, including the permit number and
39 40	date of issuance; (iv) anticipated future use of the facility site, if known; (v) workforce transition assistance information; and (vi) decommissioning information. If the owner of the facility is a registrant
40	with the U.S. Securities and Exchange Commission, any filings mentioning the impending closure shall
42	also be included with the notice.
43	D. In the six months following receipt of the notice required by subsection B, the governing body of
44	the locality where the facility is located shall conduct at least three public hearings, which may be part
45 46	of a regular meeting agenda, where at least one representative of the owner of the facility being closed
46 47	shall be present, make a presentation regarding the impending closure, and take questions from the governing body and the public.
48	<i>E.</i> In the six months following receipt of the notice required by subsection <i>B</i> , the planning district
49	commission of the locality where the facility is located shall conduct at least one public hearing, which
50	may be part of a regular meeting agenda, where at least one representative of the owner of the facility
51	being closed shall be present, make a presentation regarding the impending closure, and take questions
52 53	from the planning district commission and the public.
55 54	F. The Division shall maintain a public website listing the facilities subject to this section and their anticipated closure dates, if such dates are reasonably known by virtue of the laws of the
55	Commonwealth or a public record or filing with an agency of the Commonwealth, including the State
56	Corporation Commission, and a link shall be provided to the facilities' environmental protection or
57	remediation obligations included in permits obtained from the Department, State Air Pollution Control
58 50	Board, State Water Control Board, Department of Environmental Quality, or local governing body. At
59	least every 12 months, the State Corporation Commission shall transmit to the Division any information

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60 that it reasonably believes would necessitate updates to the anticipated closure dates or other 61 information contained on the Division's website.

G. As providing advance notice to affected communities of an impending closure of a facility under 62 63 this section is a matter of vital importance for public policy, this section shall be liberally construed. 64 The obligations imposed on agencies of the Commonwealth under this section are to be construed in 65 favor of public disclosure of the information required by subsection F.

§ 56-599. Integrated resource plan required.

A. Each electric utility shall file an updated integrated resource plan by July 1, 2015. Thereafter, 67 68 each electric utility shall file an updated integrated resource plan by May I, in each year immediately preceding the year the utility is subject to a triennial review filing. A copy of each integrated resource 69 plan shall be provided to the Chairmen of the House and Senate Committees on Commerce and Labor 70 71 and to the Chairman of the Commission on Electric Utility Regulation. All updated integrated resource 72 plans shall comply with the provisions of any relevant order of the Commission establishing guidelines for the format and contents of updated and revised integrated resource plans. Each integrated resource 73 74 plan shall consider options for maintaining and enhancing rate stability, energy independence, economic 75 development including retention and expansion of energy-intensive industries, and service reliability.

76 B. In preparing an integrated resource plan, each electric utility shall systematically evaluate and may 77 propose: 78

1. Entering into short-term and long-term electric power purchase contracts;

79 2. Owning and operating electric power generation facilities;

80 3. Building new generation facilities;

81 4. Relying on purchases from the short term or spot markets;

82 5. Making investments in demand-side resources, including energy efficiency and demand-side 83 management services:

84 6. Taking such other actions, as the Commission may approve, to diversify its generation supply 85 portfolio and ensure that the electric utility is able to implement an approved plan;

7. The methods by which the electric utility proposes to acquire the supply and demand resources 86 87 identified in its proposed integrated resource plan;

8. The effect of current and pending state and federal environmental regulations upon the continued 88 89 operation of existing electric generation facilities or options for construction of new electric generation 90 facilities;

91 9. The most cost effective means of complying with current and pending state and federal 92 environmental regulations, including compliance options to minimize effects on customer rates of such 93 regulations;

94 10. Long-term electric distribution grid planning and proposed electric distribution grid 95 transformation projects;

96 11. Developing a long-term plan for energy efficiency measures to accomplish policy goals of 97 reduction in customer bills, particularly for low-income, elderly, and disabled customers; reduction in 98 emissions; and reduction in carbon intensity; and

99 12. Developing a long-term plan to integrate new energy storage facilities into existing generation 100 and distribution assets to assist with grid transformation.

C. As part of preparing any integrated resource plan pursuant to this section, each utility shall 101 102 conduct a facility retirement study for owned facilities located in the Commonwealth that emit carbon dioxide as a byproduct of combusting fuel and shall include the study results in its integrated resource 103 104 plan. Upon filing the integrated resource plan with the Commission, the utility shall contemporaneously 105 disclose the study results to each planning district commission, county board of supervisors, and city and town council where such electric generation unit is located, the Department of Mines, Minerals and 106 Energy, the Department of Housing and Community Development, the Virginia Employment Commission, 107 108 and the Virginia Council on Environmental Justice. The disclosure shall include (i) the driving factors 109 of the decision to retire and (ii) the anticipated retirement year of any electric generation unit included 110 in the plan. Any electric generating facility with an anticipated retirement date that meets the criteria of § 45.1-394.1 shall comply with the public disclosure requirements therein. 111

D. The Commission shall analyze and review an integrated resource plan and, after giving notice and 112 113 opportunity to be heard, the Commission shall make a determination within nine months after the date 114 of filing as to whether such an integrated resource plan is reasonable and is in the public interest.