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SENATE BILL NO. 1380

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Joint Conference Committee
on February 27, 2021)

(Patron Prior to Substitute—Senator Lucas)

A BILL to amend the Code of Virginia by adding a section numbered 56-585.1:13, relating to electric utilities; electric school bus projects.

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 56-585.1:13 as follows:

§ 56-585.1:13. Development of electric school bus projects.

A. A Phase II Utility, as defined in § 56-585.1, may petition the Commission on or after July 1, 2021, for approval of a plan to provide no more than 1,000 electric school buses to participating school divisions within its certificated service territory and of the utility's proposed method of cost recovery. Any such plan for electric school bus projects shall include measures to (i) provide safe and efficient transportation to Virginia students and (ii) utilize the energy storage system in such buses as an electric grid stabilization or peak-shaving resource when the bus is not needed for transportation of students; and in no event shall a utility remove a bus from service in transportation of students after such bus has begun its daily route for transportation of students and prior to the completion of such route for the day. In ruling upon such a petition, the Commission shall consider whether the utility's plan for such projects, the projected costs associated therewith, and the proposed method of cost recovery are reasonable and prudent and in the public interest after considering, with regard to the plan, the (a) costs; (b) increased energy storage capacity; (c) enhanced grid stabilization; (d) environmental benefits; (e) social cost of carbon, as determined in subdivision A 6 of § 56-585.1; and (f) student, faculty, staff, and community health and other benefits associated with such projects. The Commission shall enter a final order regarding any such petition for approval of an electric school bus plan not later than six months after the date of filing of such petition. Any electric school bus proposal the Commission approves shall be included as a part of the utility's energy storage capacity required under subdivision E 2 of § 56-585.5.

B. The utility may contract with participating school divisions to provide electric school buses to the participating school divisions at a cost per bus, to the school division, reasonably equivalent to the cost of a nonelectric school bus. Any electric school bus associated with a utility's plan shall be procured pursuant to a competitive solicitation process conducted by the utility in consultation with the Department of Education and the Department of General Services. No school division shall be required to participate in an electric school bus project. Electric school buses shall be titled with the name of the participating school division as the primary owner; however, the utility shall own the storage batteries and associated charging stations and related infrastructure used in the electric school buses.

C. In selecting participating school divisions, a utility shall consider and prioritize school divisions within such utility's service territory that serve (i) schools that receive funding pursuant to Title I, Part A of the Elementary and Secondary Education Act of 1965, P.L. 89-10, as amended, and (ii) students who live in areas with the lowest ambient air quality as measured through ambient air monitors located throughout the Commonwealth. No fewer than at least 25 percent of buses in the electric school bus project shall be allocated to schools that receive funding pursuant to Title I, Part A of the Elementary and Secondary Education Act of 1965, P.L. 89-10, as amended. The utility shall then ensure participating school divisions are equitably geographically distributed throughout the utility's service territory. Additionally, consideration shall be given to the locational benefits that the electric school buses' energy storage systems are expected to contribute to the utility's electric grid.

D. The utility shall be required, in building the charging stations and other infrastructure pursuant to this section, and in maintenance thereof, to (i) pay the local prevailing wage rate as determined by the U.S. Secretary of Labor under the provisions of the federal Davis-Bacon Act, 40 U.S.C. § 276 et seq., as amended, to each laborer, workman, electrician, and mechanic the utility employs for the project; (ii) participate in apprenticeship programs that have been certified by the Department of Labor and Industry or the U.S. Department of Labor; (iii) establish preferences for hiring veterans, as that term is defined in § 2.2-2000.1, local workers, women, and workers from historically economically disadvantaged communities for work performed; and (iv) require that the provisions of clauses (i), (ii), and (iii) be included in every subcontract so that the provisions will be binding upon each subcontractor.