

## State Corporation Commission 2023 Fiscal Impact Statement

**1. Bill Number:** HB1637

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed

**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:**        Webert

**3. Committee:** Commerce and Energy

**4. Title:**            Electric utilities; pilot program for underground transmission lines; additional project.

**5. Summary:** Adds one project to the existing pilot program for underground transmission lines. The bill requires the State Corporation Commission to approve one additional application filed between January 1, 2023, and October 1, 2023, as a qualifying project to be constructed in whole or in part underground, as a part of the pilot program. The bill requires that the added qualifying project be a newly proposed 230-kilovolt line underground line and that (i) an engineering analysis demonstrates that it is technically feasible to place the proposed line, in whole or in part, underground; (ii) the governing body of each locality in which a portion of the proposed line will be placed underground indicates, by resolution, general community support for the project and that the governing body supports the transmission line to be placed underground; (iii) a project has been filed with the Commission or is pending issuance of a certificate of public convenience and necessity by October 1, 2023; (iv) the estimated additional cost of placing the proposed line, in whole or in part, underground does not exceed \$40 million or, if greater than \$40 million, the cost does not exceed 2.5 times the cost of placing the same line overhead, assuming accepted industry standards for undergrounding to ensure safety and reliability; if the public utility, the affected localities, and the Commission agree, a proposed underground line whose cost exceeds 2.5 times the cost of placing the line overhead may also be accepted into the pilot program; (v) the public utility requests that the project be considered as a qualifying project under the pilot program; and (vi) the primary need of the project is for purposes of grid reliability or grid resiliency or to support economic development priorities of the Commonwealth, including the economic development priorities and the comprehensive plan of the governing body of the locality in which at least a portion of line will be placed, and not to address aging assets that would have otherwise been replaced in due course.

**6. Budget Amendment Necessary:** No

**7. Fiscal Impact Estimates:** No fiscal impact on the State Corporation Commission

**8. Fiscal Implications:** None on the State Corporation Commission

**9. Specific Agency or Political Subdivisions Affected:** State Corporation Commission

**10. Technical Amendment Necessary:** None

**11. Other Comments:** The bill is identical to SB1370.