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SENATE BILL NO. 647

Offered January 19, 2010

A *BILL to amend the Code of Virginia by adding in Chapter 1 of Title 67 a section numbered 67-103, relating to the Commonwealth's energy policy; customer impact assessment required for proposed legislative energy mandates.*

Patron—Watkins

Referred to Committee on Rules

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Chapter 1 of Title 67 a section numbered 67-103, as follows:

§ 67-103. Customer impact assessments.

A. As used in this section:

"Assessment" means an economic impact statement. If prepared by the State Corporation Commission, the assessment shall (i) be developed through a formal public proceeding that includes an evidentiary hearing for the purpose of determining the economic impact of the proposed energy mandate; (ii) include a determination of whether the proposed measure is cost effective through consideration of standard industry-recognized tests, using the test that the State Corporation Commission determines should be given greatest weight after taking into consideration the public interest and the potential impact on economic development in the Commonwealth; (iii) quantify the cost responsibility of each customer class of implementation of the proposed energy mandate, and (iv) include an examination of the class cost responsibility methods used in other jurisdictions, including, but not limited to, the allocation of costs based on projected class benefits and the allocation of costs based on program participation.

"Energy mandate" means a state law or other mandate that affects the use, delivery, availability, or regulation of any type of energy used in the Commonwealth.

B. In furtherance of the Commonwealth's objective of ensuring that reliable energy be available at reasonable costs as set forth in subdivision 1 of § 67-101, whenever a legislative measure proposing an energy mandate is introduced in a session of the General Assembly, the standing committee of the General Assembly to which the measure is referred shall request that the State Corporation Commission or the Joint Legislative Audit and Review Commission prepare and forward to the Governor and the General Assembly an assessment of the economic impact of the energy mandate on customers and public utilities in the Commonwealth. The assessment shall provide ratepayer costs by customer class where possible. The Commission to which the request is submitted shall complete the assessment within 24 months. All agencies of the Commonwealth shall provide assistance to the Commission conducting the assessment when requested.

C. Whenever such a legislative measure is identical or substantially similar to a legislative measure previously reviewed within the three-year period immediately preceding the then-current session of the General Assembly, the standing committee may request that either Commission prepare such an assessment.

D. The standing committees of the General Assembly having jurisdiction over commerce and trade matters shall request that the State Corporation Commission or the Joint Legislative Audit and Review Commission, or both, evaluate the economic impact of existing energy mandates on customers and public utilities. The committees shall submit a schedule of such evaluations to the State Corporation Commission or the Joint Legislative Audit and Review Commission, or both, setting forth the dates by which particular existing energy mandates shall be evaluated.

INTRODUCED

SB647