

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to direct the State Corporation Commission to consider for approval distributed solar generation*
3 *facilities and to offer special tariffs as alternatives to net energy metering.*

4 [H 1686]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**

7 **1.** § 1. *That in order to promote solar energy through distributed generation, the State Corporation*
8 *Commission shall exercise its existing authority to consider for approval, after notice to all affected*
9 *parties and opportunity for hearing, petitions filed by a utility to construct and operate distributed solar*
10 *generation facilities and to offer special tariffs to facilitate customer-owned distributed solar generation*
11 *as alternatives to net energy metering, with an aggregate amount of rated generating capacity of up to*
12 *0.20 percent of each electric utility's adjusted Virginia peak load for the calendar year 2010. Such*
13 *petitions may be made during the period of July 1, 2011, through July 1, 2015, and the Commission, on*
14 *its own motion, may extend this period an additional year for good cause. Each distributed solar*
15 *generation installation approved pursuant to this section shall be considered to be part of a*
16 *demonstration program to assess benefits to the utility's distribution system, including constrained or*
17 *high load growth circuits, for a period of five years from the date each installation becomes*
18 *operational. Thereafter each installation shall cease to be part of a demonstration program and, in the*
19 *case of a utility-owned installation, shall continue to operate as a utility-owned generating facility, and*
20 *in the case of a customer-owned installation, shall continue to provide power to the utility pursuant to*
21 *the terms of the agreed upon tariff arrangement. Subject to review by the Commission, such*
22 *utility-owned distributed solar generation facilities and tariffs for power generated from customer-owned*
23 *distributed solar installations shall be prioritized in areas identified by the utility as areas where*
24 *localized solar generation would provide benefits to the utility's distribution system, including*
25 *constrained or high-growth areas. The Commission shall approve such programs or distributed*
26 *generation facilities if it determines that the programs or facilities, including those targeting constrained*
27 *or high load growth areas, are reasonably designed to be in furtherance of the public interest.*

28 § 2. *A utility participating in demonstration programs pursuant to this section shall use reasonable*
29 *efforts to ensure that at least four of the distributed solar installation sites included in the demonstration*
30 *projects shall be in a community setting, which shall include, but not be limited to, to the extent*
31 *permitted by law, participation by local governments, schools, community associations, neighborhood*
32 *associations, or nonprofit organizations. The capacity of each such community installation shall not*
33 *exceed 500 kilowatts.*

34 § 3. *When a utility proposes solar distributed generation resources as permitted in § 1 of this act*
35 *comprised of multiple installations combined collectively, the Commission shall consider such projects as*
36 *one small non-combustible renewable power generation facility for purposes of project approval*
37 *pursuant to §§ 10.1-1197.5, 10.1-1197.8, 56-265.2, 56-580 and 56-585.1 of the Code of Virginia. A*
38 *"small non-combustible renewable power generation facility" is a small renewable energy project that*
39 *generates electricity from sunlight and may consist of one or more installations distributed on separate*
40 *structures or facilities, whether such installations are treated each as a stand-alone small renewable*
41 *energy project or are combined and treated collectively as one small renewable energy project.*

42 § 4. *The Commission shall provide annual reports on any demonstration programs approved*
43 *pursuant to this act to the Governor and the chairmen of the House and Senate Committees on*
44 *Commerce and Labor.*

ENROLLED

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