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SENATE BILL NO. 744

Offered January 22, 2016

A *BILL to amend the Code of Virginia by adding a section numbered 56-235.11, relating to electric utilities; recovery of costs of extending service to megasites.*

Patron—Wagner

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:**1. That the Code of Virginia is amended by adding a section numbered 56-235.11 as follows:****§ 56-235.11. Recovery of cost of extending service to megasites.****A. As used in this section:**

"Economic development organization" includes the Virginia Economic Development Partnership, the Virginia Department of Housing and Community Development, an industrial development authority, or a similar political subdivision of the Commonwealth created pursuant to § 15.2-4903 or other act of the General Assembly.

"Lines" includes transmission lines, distribution lines, substations, and ancillary facilities necessary and appropriate for providing electric service to the megasite for use by an undetermined industrial customer at a capacity of not less than 10 megawatts of demand.

"Megasite" means a single parcel, or aggregation of contiguous parcels, of real estate located in the Commonwealth that:

1. Is within the certificated service territory of a utility;
2. Consists of not fewer than 1,000 acres;
3. Is zoned to permit heavy industrial development;
4. Has access to an interstate highway and rail;
5. Is available for sale by its owner or is under option by an economic development organization as a single parcel ready for sale; and
6. Has been certified by an economic development organization as available as an economic development project.

"Utility" means an investor-owned electric utility or cooperative electric utility.

B. Notwithstanding any provision of this title to the contrary, the Commission shall authorize a utility to recover through its base rates all reasonable costs incurred by the utility in extending lines to a point within a megasite when the line extension is (i) requested by an economic development organization and the owner of the megasite and (ii) necessary and appropriate in order to facilitate the marketing of the megasite for industrial development, without regard to whether a retail customer at the megasite will be receiving industrial capacity electric service until an undetermined future date.

INTRODUCED

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