

State Corporation Commission 2017 Fiscal Impact Statement

1. Bill Number: HB1703

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Sullivan

3. Committee: Commerce and Labor

4. Title: Electric and natural gas utilities; energy efficiency goals.

5. Summary: Electric and natural gas utilities; energy efficiency goals. Requires investor-owned electric utilities, cooperative electric utilities, and investor-owned natural gas distribution utilities to meet incremental annual energy efficiency goals. Electric utilities are required to implement cost-effective energy efficiency measures to achieve the goal of two percent savings by 2032 and thereafter, with interim goals that start at 0.25 percent for 2018-2019 and increase in biennial increments of 0.25 percent until 2032. Gas utilities are required to achieve the goal of one percent savings by 2032 and thereafter, with interim goals that start at 0.125 percent for 2018-2019 and increase in biennial increments of 0.125 percent until 2032. The utilities are required to submit energy efficiency plans with the State Corporation Commission (SCC). The SCC (i) shall order changes to a plan submitted by a utility that does not demonstrate that the utility will achieve incremental annual energy efficiency goals; (ii) shall require utilities to commence compliance efforts with the incremental annual energy efficiency goals during calendar year 2018, though it may adjust the goal for 2018 if appropriate to address a partial year of implementation; (iii) may design performance incentives that reward utilities for exceeding efficiency goals; (iv) shall require utilities to report annually to the SCC on their efforts and progress in meeting the incremental annual energy efficiency goals; and (v) shall submit reports regarding compliance with the requirements of the incremental annual energy efficiency goals every five years.

6. Budget Amendment Necessary: None

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: Virginia State Corporation Commission

10. Technical Amendment Necessary: None

11. Other Comments: This bill has been assigned to the Special Subcommittee on Energy.