

State Corporation Commission 2017 Fiscal Impact Statement

1. Bill Number: SB1388

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: Wagner

3. Committee: Commerce and Labor

4. Title: Electric utilities; margin on solar energy power purchase agreements.

5. Summary: Electric utilities; margin on solar energy power purchase agreements. Authorizes any investor-owned incumbent electric utility to enter into, recover the costs of, and earn a margin on power purchase agreements that (i) are executed between July 1, 2017, and July 1, 2018, and (ii) are for power generated by solar energy systems located in the Commonwealth and not constructed, owned, or operated by the utility (a) each of which systems has a capacity equal to or greater than two megawatts and (b) which systems in the aggregate have a capacity that is not more than one percent of the utility's adjusted Virginia peak-load forecast for the previous year. The costs and margin are recoverable through the utility's fuel factor proceeding. The measure provides that such agreements are in the public interest and that in reviewing the costs and the level of costs to be recovered, the State Corporation Commission shall liberally construe the provisions of this measure and shall presume that the costs associated with such agreements are reasonably and prudently incurred.

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: None

PWC 1/19/17