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HOUSE BILL NO. 782

Offered January 10, 2018

Prefiled January 9, 2018

A *BILL to direct the State Corporation Commission to establish pilot programs for battery deployment by electric utilities.*

Patrons—Habeeb and Bagby

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. § 1. *That the State Corporation Commission (the Commission) shall conduct pilot programs under which each Phase I Utility and each Phase II Utility shall submit a proposal to deploy electric power storage batteries. A proposal for a pilot program shall satisfy the following terms, conditions, and restrictions:*

1. *The pilot program shall provide for the deployment of batteries that (i) improve reliability of electrical transmission or distribution systems; (ii) improve integration of different types of renewable resources; (iii) defer investment in generation, transmission, or distribution of electricity; (iv) reduce the need for additional generation of electricity during times of peak demand; and (v) are connected to the facilities of a customer receiving generation, transmission, and distribution service from the utility.*

2. *A Phase I Utility may install batteries with up to 10 megawatts of capacity.*

3. *A Phase II Utility may install batteries with up to 30 megawatts of capacity.*

4. *Each pilot program shall have a duration of five years.*

5. *The pilot program provides for the recovery of all reasonable and prudent costs incurred under the pilot program through the electric utility's base rates on a nondiscriminatory basis.*

§ 2. *As used in this act:*

"Phase I Utility" and "Phase II Utility" *have the meanings ascribed thereto in subdivision A 1 of §56-585.1.*

§ 3. *Any pilot program proposed by a Phase I Utility or Phase II Utility that satisfies the requirements of § 1 of this act is in the public interest.*

2. **That the State Corporation Commission shall, by December 1, 2018, adopt such rules or establish such guidelines as may be necessary for its general administration of the pilot program established under this act.**

INTRODUCED

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