

State Corporation Commission 2018 Fiscal Impact Statement

1. Bill Number: HB1252

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

2. Patron: Kilgore

3. Committee: Commerce and Labor

4. Title: Renewable energy power purchase agreements; pilot programs.

5. Summary: The substitute bill expands the Dominion and APCo pilot program to apply to KU. For APCo and KU, participation is limited to eligible customer-generators that are: (i) exempt under § 501(c)(3) of the Internal Revenue Code; (ii) elementary, middle or secondary schools; or (iii) public or nonprofit private institutions of higher education. The bill leaves in place the 50 MW cap for Dominion and the 7 MW cap for APCo, implying the 7 MW cap applies to KU as well. This bill keeps the term third party power purchase agreement and an eligible customer cannot at the same time be a small agricultural generator pursuant to § 56-594.2. This bill has no affect on third party power contracts or contracts between pilot utilities and nonjurisdictional customers on or before July 1, 2018. The bill explicitly prohibits APCo and KU customers that are being served pursuant to § 56-577 A5 of the Code of Virginia from participating in the pilot programs. The Commission is required to establish guidelines governing the pilots by December 1, 2018 and may also adopt rules as necessary to administer the pilots. The Commission is also required to review the pilots in 2018 and every two years thereafter.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: None on the State Corporation Commission

8. Fiscal Implications: None on the State Corporation Commission

9. Specific Agency or Political Subdivisions Affected: State Corporation Commission

10. Technical Amendment Necessary: No

11. Other Comments: None