

## **Department of Planning and Budget**

### **2018 Fiscal Impact Statement**

**1. Bill Number:** HB393

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

**2. Patron:** Keam

**3. Committee:** Commerce and Labor

**4. Title:** Electric utilities; net energy metering; program cap.

**5. Summary:** Directs the Department of Mines, Minerals and Energy to track the amount of net metered generation as a proportion of each electric distribution company's adjusted Virginia peak-load forecast for the previous year. The Department is required to make such information publicly available on its website. The measure requires the State Corporation Commission, when the generating capacity of net energy metering program participants reaches one percent of each electric distribution company's adjusted Virginia peak-load forecast for the previous year, to undertake a study of the value of solar energy to the grid, utilities, and the public. Upon completing the study, the Commission is directed to make recommendations to the General Assembly as to what changes, if any, should be made to the net energy metering program. The measure also repeals the existing requirement that the net metering standard contract or tariff shall be available to eligible customer-generators or eligible agricultural customer-generators on a first-come, first-served basis in each electric distribution company's Virginia service area until the one percent cap is met.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Preliminary. See Item 8.

**8. Fiscal Implications:** It is anticipated that any expenditure impact to the Department of Mines, Minerals and Energy can be absorbed with existing resources.

It is unclear whether the State Corporation Commission has the expertise to undertake a study of the value of solar energy to the grid, utilities, and the public. The Commission may need to seek a consultant for assistance in conducting the study at a cost of between \$50,000 to \$100,000 if one is needed.

**9. Specific Agency or Political Subdivisions Affected:** Department of Mines, Minerals and Energy; State Corporation Commission.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.