

State Corporation Commission 2018 Fiscal Impact Statement

1. Bill Number: SB955

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

2. Patron: Petersen

3. Committee: Commerce and Labor

4. Title: Electric utility regulation; suspension of reviews of earnings; Transitional Rate Period.

5. Summary: Provides that the Transitional Rate Period for Virginia Electric and Power Company (Dominion) will conclude on December 31, 2018, and its next biennial review will be conducted in 2019. The Transitional Rate Period for Dominion currently is scheduled to expire on December 31, 2019, and its next biennial review is scheduled to occur in 2022. The measure does not change the date Appalachian Power's Transitional Rate Period is scheduled to conclude (December 31, 2017), but does advance the year of its next biennial review from 2020 to 2018. During the first biennial reviews after the conclusion of the Transitional Rate Period, the State Corporation Commission shall review the earnings of the utilities by utilizing the two successive 12-month test periods ending December 31 of the year preceding the biennial review. During the first biennial reviews after the conclusion of the Transitional Rate Period, the Commission shall review the earnings of the utility during the Transitional Rate Period and, if warranted, shall order credits to customers, order adjustments to rates, or both. The measure also authorizes the Commission to notify customers of such utilities that (i) the General Assembly has authorized the Commission to conduct biennial reviews of the rates, terms, and conditions for any service of the utility during 2018 or 2019, as applicable, and (ii) pursuant to a biennial review, the customer may be entitled to a credit on the customer's bill.

Substitute: That the State Corporation Commission shall (i) direct that any credits ordered to customers pursuant to subsection A of § 56-585.1:1 of the Code of Virginia as amended by this act be credited to customers' bills immediately and (ii) shall not divert any portion of the amount of such credits to any alternative use or program.

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: State Corporation Commission

10. Technical Amendment Necessary: None

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11. Other Comments: This bill was passed by indefinitely in Commerce and Labor.

BS 2/14/18