

## State Corporation Commission 2018 Fiscal Impact Statement

**1. Bill Number:** SB965

<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:** Newman

**3. Committee:** Commerce and Labor

**4. Title:** Electric utility regulation; rate review; Transitional Rate Period; energy storage.

**5. Summary:** Advances the date rate reviews are scheduled to resume for Dominion Energy Virginia (DEV) from 2022 to 2021. The review will use the three 12-month test periods beginning January 1, 2018, and ending December 31, 2020. The measure provides that for purposes of the Utility Facility Act a company that owns or operates facilities for the storage of electric energy for sale, including pumped hydroelectric generation and storage facilities in the coalfield region of Virginia is a public utility. The measure excludes from the definition of "public utility," for purposes of the Utility Facility Act, a company that provides storage of electric energy that is not for sale to the public, if the company is not organized as a public utility. The measure also includes enactment clauses that (i) direct the State Corporation Commission to conduct pilot programs for the deployment of electric power storage batteries; (ii) bar Appalachian Power (AEP) from recovering \$10 million of incurred fuel costs; (iii) direct DEV to provide current customers a one-time bill credit of \$133 million; (iv) require DEV to roll into its base rates certain costs associated with the conversion of certain generation facilities to utilize biomass as fuel; (v) require reductions in the rates for all incumbent electric utilities to reflect reductions in federal tax liability resulting from the enactment of federal tax legislation; and (vi) require DEV and AEP to continue funding for pilot programs for energy assistance and weatherization for low-income, elderly, and disabled individuals.

**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

**11. Other Comments:** None

KP 1/25/18