

19107326D

SENATE BILL NO. 1759

FLOOR AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by Delegate Kilgore
on February 19, 2019)

(Patron Prior to Substitute—Senator Surrovell)

A BILL to establish a pilot program to place electric distribution lines underground in areas of transit-oriented development in certain localities.

Be it enacted by the General Assembly of Virginia:

1. § 1. That there is hereby established a pilot program under which the governing body of any locality operating under the urban county executive form of government may request an electric utility to place underground electric distribution lines in transportation projects to serve and facilitate the creation of transit-oriented development in such locality in conjunction with a transportation infrastructure improvement project that the Commonwealth Transportation Board identifies that reduces congestion, improves mobility, incorporates transit systems, and improves safety. Such pilot program shall further an understanding of such underground electric distribution lines in regard to electric reliability, construction methods and related cost and timeline estimating, and the probability of meeting such projections. The pilot program shall consist of the approval to convert qualifying electric distribution lines in whole or in part underground in areas of transit-oriented developments in conjunction with a transportation infrastructure project the Commonwealth Transportation Board identifies. The pilot program shall terminate on July 1, 2022, after which date no agreement shall be entered into pursuant to § 2 of this act. The termination of the pilot program shall not affect any such agreement entered into prior to such date or any of the terms of such an agreement, including any additional levy imposed pursuant to such an agreement.

§ 2. The locality operating under the urban county executive form of government and the utility shall enter into an agreement that provides that (i) the locality shall pay to the utility its full additional costs of relocating and converting that portion of the line located in the locality underground rather than overhead that are not recoverable under applicable rates, net of relocation credits, which costs shall include associated feasibility costs, or any smaller portion of such costs as the utility and the locality may agree; (ii) the locality shall impose an additional levy on electric utility customers in the locality pursuant to § 58.1-3814 of the Code of Virginia in an amount sufficient to cover the utility's additional costs, which additional levy shall be collected by the utility on behalf of the locality; (iii) the utility shall convert, operate, and maintain the agreed portion of the line underground; and (iv) other terms and conditions on which the parties may agree shall be included in the agreement.

§ 3. If the locality operating under the urban county executive form of government and the utility enter into an agreement as described in § 2 of this act, the locality shall by ordinance fix the amount of such additional levy, which shall not exceed \$1 per month on residential customers. Any levy imposed pursuant to this act shall be in addition to the limit for any utility consumer tax prescribed in § 58.1-3814 of the Code of Virginia.

§ 4. Upon presentation of the agreement to the Commonwealth Transportation Board, the Commissioner of Highways shall be responsible for securing the necessary easements and permits for the utility for the conversion of the existing distribution lines, based upon plans that the electric utility provides. The electric utility shall take such other actions as it deems appropriate in furtherance of the conversion of the approved distribution line, including acquiring the materials necessary for the underground installation.

§ 5. If the provisions of this act are inconsistent with the provisions of any other law or local ordinance, the provisions of this act shall be controlling.