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HOUSE BILL NO. 575

AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the Senate Committee on Commerce and Labor
on February 24, 2020)

(Patron Prior to Substitute—Delegate Keam)

A BILL to amend and reenact § 56-596.2 of the Code of Virginia, relating to electric utilities; energy efficiency programs; stakeholder process.

Be it enacted by the General Assembly of Virginia:

1. That § 56-596.2 of the Code of Virginia is amended and reenacted as follows:

§ 56-596.2. Energy efficiency programs.

Each Phase I Utility and Phase II Utility, as such terms are defined in subdivision A 1 of § 56-585.1, shall develop a proposed program of energy conservation measures. Any program shall provide for the submission of a petition or petitions for approval to design, implement, and operate energy efficiency programs pursuant to subdivision A 5 c of § 56-585.1. At least five percent of such energy efficiency programs shall benefit low-income, elderly, and disabled individuals. The projected costs for the utility to design, implement, and operate such energy efficiency programs *and portfolios of programs*, including a margin to be recovered on operating expenses, shall be no less than an aggregate amount of \$140 million for a Phase I Utility and \$870 million for a Phase II Utility for the period beginning July 1, 2018, and ending July 1, 2028, including any existing approved energy efficiency programs. In developing such portfolio of energy efficiency programs *and portfolios of programs*, each utility shall utilize a stakeholder process, to be facilitated by an independent monitor compensated under the funding provided pursuant to ~~subdivision~~ *subsection E* of § 56-592.1, to provide input and feedback on (i) the development of such energy efficiency programs *and portfolios of programs*; (ii) *compliance with the annual energy efficiency savings programs and how such savings affect utility integrated resource plans*; (iii) *recommended policy reforms by which the General Assembly or the Commission can ensure maximum and cost-effective deployment of energy efficiency technology across the Commonwealth; and* (iv) *best practices for evaluation, measurement, and verification for the purposes of assessing compliance with the annual energy efficiency savings programs*. Such stakeholder process shall include *the participation of* representatives from each utility, *relevant directors, deputy directors, and staff members of the State Corporation Commission who participate in approval and oversight of utility energy efficiency savings programs*, the office of Consumer Counsel of the Attorney General, the Department of Mines, Minerals and Energy, energy efficiency program implementers, energy efficiency providers, residential and small business customers, and any other interested stakeholder ~~who~~ *whom* the independent monitor deems appropriate for inclusion in such process. The independent monitor shall convene meetings of the participants in the stakeholder process not less frequently than twice in each calendar year during the period beginning July 1, 2019, and ending July 1, 2028. The independent monitor shall report on the status of the energy efficiency stakeholder process, including (i) ~~(a)~~ *(a)* the objectives established by the stakeholder group during this process related to programs to be proposed, ~~(ii)~~ *(b)* recommendations related to programs to be proposed that result from the stakeholder process, and ~~(iii)~~ *(c)* the status of those recommendations, in addition to the petitions filed and the determination thereon, to the Governor, the ~~State Corporation Commission~~, and the Chairmen of the House *Committee on Labor and Commerce* and the Senate *Committee on Commerce and Labor* ~~Committees~~ on July 1, 2019, and annually thereafter through July 1, 2028.