21101313D

1	**HOUSE BILL NO. 1984**
2	Offered January 13, 2021
3	Prefiled January 11, 2021

4 *A BILL to authorize the State Corporation Commission, in triennial review proceedings for a Phase II*
5 *Utility, to determine fair rates of return on common equity for the utility's generation and*
6 *distribution services and to order increases or decreases to the utility's rates for generation and*
7 *distribution.*
8 —————————

Patrons—Hudson, Helmer, Subramanyam, Adams, D.M., Bourne, Carr, Carter, Coyner, Guzman, Hope,
Jones, Keam, Kory, Levine, Rasoul, Reid, Samirah, Simon, Simonds and Ware

9 —————————
10 Referred to Committee on Labor and Commerce
11 —————————

12 **Be it enacted by the General Assembly of Virginia:**
13 **1.** *§ 1. In any triennial review proceeding pursuant to § 56-585.1 of the Code of Virginia, including the*
14 *first triennial review proceeding conducted after January 1, 2021, by the State Corporation Commission*
15 *(Commission) for a Phase II Utility, as that term is defined in subdivision A 1 of § 56-585.1 of the Code*
16 *of Virginia, the Commission may use any methodology it finds consistent with the public interest to*
17 *determine fair rates of return on common equity for the utility's generation and distribution services. In*
18 *any such triennial review, regardless of whether the utility earned above or below its authorized rate of*
19 *return during the test period under review, the Commission may also order any increases or decreases*
20 *to the utility's rates for generation and distribution that it deems necessary and appropriate, as long as*
21 *the resulting rates provide the utility with the opportunity to (i) fully recover its costs of providing its*
22 *services and (ii) earn an authorized rate of return. To the extent that the provisions of this act are*
23 *inconsistent with the provisions of § 56-249.6 or 56-585.1 of the Code of Virginia or any other*
24 *provision of law, the provisions of this act shall control.*