

# VIRGINIA ACTS OF ASSEMBLY -- 2021 SPECIAL SESSION I

## CHAPTER 268

*An Act to direct the State Corporation Commission to recommend policy proposals to accelerate transportation electrification in the Commonwealth; report.*

[H 2282]

Approved March 18, 2021

### **Be it enacted by the General Assembly of Virginia:**

**1.** *§ 1. It is the policy of the Commonwealth that transportation electrification will reduce dependence on petroleum, improve air quality and public health, reduce vehicle fueling costs, and reduce emissions of greenhouse gases from the transportation sector. To achieve these goals, among other steps, it is necessary to ensure there is adequate electric vehicle charging infrastructure deployed throughout the Commonwealth. It is further the policy of the Commonwealth to promote, to the greatest extent possible, private competition and investment in transportation electrification and to enable public utilities and the public sector to complement such private investment where most effective.*

*Therefore, the State Corporation Commission (Commission) shall submit a report to the General Assembly, no later than May 1, 2022, recommending policy proposals that could govern public electric utility programs to accelerate widespread transportation electrification in the Commonwealth. To guide policy proposal development, the Commission shall utilize a public process, in which the Commission, the Department of Environmental Quality, the Department of Mines, Minerals and Energy, the Department of Transportation, and appropriate stakeholders shall participate. The Commission shall identify and retain a third-party facilitator with expertise in transportation electrification to facilitate such public process.*

*In developing its policy recommendations, the Commission shall evaluate, among other things:*

*1. Areas where utility or other public investment may best complement private efforts to effectively deploy charging infrastructure, with particular focus on low-income, minority, and rural communities;*

*2. How smart growth policies can complement and enhance the Commonwealth's transportation electrification goals; and*

*3. How utility programs, investments, or incentives to customers or third parties to facilitate the deployment of charging infrastructure and related upgrades can support or enhance (i) statewide transportation electrification, including electrification of public transit; (ii) the electrification of medium-duty and heavy-duty vehicles, school buses, vehicles at ports and airports, personal vehicles, and vehicle fleets; (iii) increased access to electric transportation and improved air quality in low-income and medium-income communities; (iv) achievement of the energy storage targets established in subsection E of § 56-585.5 of the Code of Virginia; (v) improvements to the distribution grid or to specific sites necessary to accommodate charging infrastructure; and (vi) customer education and outreach programs that increase awareness of such programs and the benefits of transportation electrification.*

*The report shall also address whether and how transportation electrification can, under current law:*

*a. Reduce total ratepayer rates and costs;*

*b. Assist in grid management and more efficient use of the grid, in a manner that does not increase peak demand, through time-of-use rates, managed charging programs, vehicle-to-grid programs, or other alternative rate designs;*

*c. Utilize increased generation from renewable energy resources; and*

*d. Reduce fueling costs for vehicles.*

*To the extent that the Commission and stakeholders conclude that transportation electrification cannot currently deliver these benefits, then the report shall include recommendations on how public policy can change in order to do so.*

*§ 2. Beginning July 1, 2021, any approved costs of any investor-owned electric utility associated with investment in transportation electrification, other than those costs approved prior to July 1, 2021, shall be recovered only through the utility's rates for generation and distribution, shall not be recovered through a rate adjustment clause pursuant to subdivision A 6 of § 56-585.1 of the Code of Virginia, and shall not be eligible for a customer credit reinvestment offset pursuant to subdivision A 8 d of § 56-585.1 of the Code of Virginia. To the extent that the provisions of this act are inconsistent with the provisions of § 56-585.1 of the Code of Virginia, the provisions of this act shall control.*