

## Department of Planning and Budget

### 2022 Fiscal Impact Statement

**1. Bill Number:** HB206

<b>House of Origin</b>	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron:** Webert

**3. Committee:** Agriculture, Conservation and Natural Resources

**4. Title:** Small renewable energy projects; impact on natural resources.

**5. Summary:** Requires, as a condition for a permit by rule for a small energy project, that the applicant conduct an analysis of the beneficial and adverse impacts of the proposed project on natural resources. The bill requires that if the Department of Environmental Quality (DEQ) determines that there will be a significant adverse impact on wildlife, historic resources, prime agricultural soils, or forest lands, the applicant must also submit a mitigation plan with a 45-day public comment period, if such a plan was not submitted as part of the initial application. The bill specifies that a disturbance of more than 10 acres of prime agricultural soils, as defined in the bill, or 50 acres of contiguous forest lands if it would disturb forest lands enrolled in a program for forestry preservation, as defined in relevant law, is deemed to be a significant adverse impact on natural resources.

In addition, the bill requires that DEQ, in consultation with the Department of Forestry (DOF), the State Corporation Commission (SCC), the Department of Energy (DEN), the Virginia Economic Development Partnership Authority (VEDP), and other relevant stakeholders as listed in the bill, convene an advisory panel to assist in further developing regulations regarding certain evaluation criteria. The bill lists specific considerations for the development of such criteria, and includes a reporting requirement. An enactment clause requires that the provisions of the first enactment of the bill become effective immediately upon the adoption of regulations pursuant to its second enactment. Finally, the bill provides that any small renewable energy project for which an initial interconnection request application has been received and accepted by the regional transmission organization or electric utility by December 31, 2024 is exempt from the provisions of this act.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Preliminary. See item 8.

**8. Fiscal Implications:** It is anticipated that any fiscal impact to DEQ, DOF, SCC, DEN, or VEDP as a result of this bill can be absorbed within existing resources.

**9. Specific Agency or Political Subdivisions Affected:** Department of Environmental Quality; State Corporation Commission; Department of Forestry; Virginia Economic Development Partnership Authority; Department of Energy

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.