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HOUSE BILL NO. 2333

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Commerce and Energy
on February 2, 2023)

(Patron Prior to Substitute—Delegate Marshall)

A BILL to amend the Code of Virginia by adding a section numbered 56-585.1:14, relating to electric utilities; small modular nuclear reactors; pilot program.

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 56-585.1:14 as follows:

§ 56-585.1:14. *Small modular reactors; pilot program.*

A. As used in this section:

"Phase I Utility" and "Phase II Utility" have the same meanings as provided in subsection A of § 56-585.1.

"Site" means the geographic location of one or more small modular nuclear reactors.

"Small modular nuclear reactor" means an advanced nuclear reactor that produces nuclear power and has a power capacity of up to 400 megawatts per reactor.

B. In order to provide reliable, resilient, secure, and carbon dioxide free emissions electric service for the Commonwealth and to promote the development, construction, and operation of small modular nuclear reactors, as well as to promote economic development, including workforce development and supply chain opportunities, that will benefit the Commonwealth, it is the policy of the Commonwealth to promote the development and operation of small modular nuclear reactors at the earliest reasonable time possible with a goal of having the first small modular nuclear reactor operating by the end of 2032. To that end, the Commission shall establish a small modular nuclear reactor pilot program under which any entity, including that entity's parent or affiliate, that holds a license from the U.S. Nuclear Regulatory Commission to construct or operate one or more existing nuclear electrical generating facilities at the time of the application may apply to the Commission for a certificate of public convenience and necessity, pursuant to subsection D of § 56-580 and consistent with the requirements of this section, to complete site permitting and construct and operate one or more small modular nuclear reactors. One or more small modular nuclear reactors at one site shall only require a single application for a certificate of public convenience and necessity.

C. The pilot program shall be limited to three small modular nuclear reactor sites in the Commonwealth. In considering an application for a certificate of public convenience and necessity for a small modular nuclear reactor under the pilot program, the Commission shall, as part of its public interest determination, consider whether (i) the project is consistent with the goals of the pilot program as provided in subsection B; (ii) the project is located (a) in the coalfield region of the Commonwealth as described in § 15.2-6002, regardless of whether such facility is located within or without the utility's service territory, (b) on or adjacent to an existing or former coal electrical generation site operated by a Phase I or a Phase II Utility in the Commonwealth, or (c) at an existing nuclear facility or adjacent to such facility operated by a Phase I or Phase II Utility within the Commonwealth; (iii) granting the certificate will allow the applicant to apply for, use, or leverage federal, state, or local funds, tax credits, grants, loan guarantees, or any other benefits or incentives that can be used to lower the capital or operating costs, directly or indirectly, of the small modular nuclear reactors subject to the application; and (iv) the project is subject to competitive procurement or solicitation for services and equipment.

D. In determining whether to approve such a project, the Commission may liberally construe the provisions of this section so as to facilitate the development of small modular nuclear reactors in the Commonwealth.

HOUSE SUBSTITUTE

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