

Department of Planning and Budget

2023 Fiscal Impact Statement

1. Bill Number: HB2386

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

2. Patron: O'Quinn

3. Committee: Finance and Appropriations

4. Title: Virginia Power Innovation Fund and Program; created.

5. Summary: Creates the Virginia Power Innovation Fund with funding to be used solely for the purposes of research and development of innovative energy technologies, including hydrogen and carbon capture and utilization. The bill also creates the Virginia Power Innovation Program to use moneys from the Fund to (i) establish a Virginia energy innovation hub and (ii) award competitive grants to support energy innovation.

6. Budget Amendment Necessary: See item 8.

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

8. Fiscal Implications: Item 122 of HB1400/SB800, as introduced, establishes the Virginia Power Innovation Fund and includes \$10.0 million from the general fund in FY 2024 to capitalize the Fund. Additionally, budget language directs the use of \$5.0 million of the funds to support establishing a Virginia Nuclear Innovation Hub, and \$5.0 million for grants to support energy innovation.

It is anticipated that the Virginia Department of Energy can absorb any fiscal impact that may result from this bill within the appropriations included in HB1400/SB800, as introduced. An amendment may be necessary to modify budget bill language in Item 122 to ensure consistency between the bill and the language.

It is anticipated that the Secretary of Commerce and Trade can absorb any fiscal impact that may result from this bill.

9. Specific Agency or Political Subdivisions Affected: Department of Energy; Secretary of Commerce and Trade

10. Technical Amendment Necessary: No.

11. Other Comments: None.

