

2024 SESSION

LEGISLATION NOT PREPARED BY DLS
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HOUSE BILL NO. 1491

Offered January 19, 2024

A *BILL to amend the Code of Virginia by adding a section numbered 56-585.1:14, relating to Phase I Utility; recovery of development costs associated with small modular nuclear facility.*

Patron—O'Quinn

Referred to Committee on Labor and Commerce

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. Recovery of development costs associated with small modular nuclear facility.

A. As used in this section:

"Phase I Utility" means an investor-owned incumbent electric utility that was, as of July 1, 1999, not bound by a rate case settlement adopted by the Commission that extended its application beyond January 1, 2002.

"Project development costs" means all capital and operation and maintenance costs associated with a potential small modular nuclear facility incurred by a Phase I Utility before issuance of a certificate for a small modular nuclear facility located in the Commonwealth or in West Virginia to serve customers in the Commonwealth or in West Virginia, including the costs of evaluation, design, engineering, environmental analysis and permitting, land option, and early site permitting.

"Small modular nuclear facility" means a nuclear reactor that has a rated electric generating capacity of not more than 500 megawatts that is capable of being constructed and operated either alone or in combination with one or more similar reactors.

B. At any time prior to the filing of an application for a certificate to construct a small modular nuclear facility to serve customers in the Commonwealth or in West Virginia, a Phase I Utility may request the Commission to review the Phase I Utility's decision to incur project development costs. The Commission shall hold a hearing regarding the request and shall issue a final order within 180 days after the date on which the Phase I Utility files its request.

C. All project development costs incurred for a potential small modular nuclear facility shall be recovered through a rate adjustment clause filed pursuant to subdivision A 6 of § 56-585.1, amortized over a period equal to the period during which the costs were incurred or five years, whichever is greater.

D. If a Phase I Utility serves customers in more than one jurisdiction, such utility shall recover all project development costs from customers located in the Commonwealth through the applicable cost recovery mechanism, and all associated energy and capacity from the small modular nuclear facility, once in service, shall be assigned to the Commonwealth to the extent that such costs are requested but not recovered from any system customers outside of the Commonwealth.

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