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HOUSE BILL NO. 403

Offered January 10, 2024

Prefiled January 8, 2024

A BILL to amend and reenact § 56-265.4 of the Code of Virginia, relating to electric utilities; temporary power purchase agreements.

Patron—Ware

Referred to Committee on Labor and Commerce

Be it enacted by the General Assembly of Virginia:**1. That § 56-265.4 of the Code of Virginia is amended and reenacted as follows:****§ 56-265.4. Certificate to operate in territory of another certificate holder.**

A. Except as provided in § 56-265.4:4, no certificate shall be granted to an applicant proposing to operate in the territory of any holder of a certificate unless and until it shall be proved to the satisfaction of the Commission that the service rendered by such certificate holder in such territory is inadequate to the requirements of the public necessity and convenience; and if the Commission shall be of opinion that the service rendered by such certificate holder in such territory is in any respect inadequate to the requirements of the public necessity and convenience, such certificate holder shall be given reasonable time and opportunity to remedy such inadequacy before any certificate shall be granted to an applicant proposing to operate in such territory. For the purposes of this section, the transportation of natural gas by pipeline, without providing service to end users within the territory, shall not be considered operating in the territory of another certificate holder.

B. *Notwithstanding the provisions of subsection A or any other provision of law, if the Commission determines that, due to transmission constraints, a certificate holder is not able to furnish electric service sufficient to meet the current and reasonably anticipated requirements of a customer located in such certificate holder's service territory, such customer shall be permitted to enter into a temporary power purchase agreement with a third party that shall be authorized to own and operate a facility generating zero-carbon electricity located on such customer's site to serve part or all of such customer's electric service requirements. Such authority shall extend for at least six years. A third party that enters into a temporary power purchase agreement with a customer pursuant to this subsection shall not be considered a public utility.*

INTRODUCED

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