

Department of Planning and Budget

2024 Session Fiscal Impact Statement

1. **Bill Number:** SB508

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. **Patron:** Surovell

3. **Committee:** Passed Both Houses

4. **Title:** Renewable energy portfolio standard; geothermal heating and cooling systems; Strategic Energy Investment Fund and Program.

5. **Summary:** Provides that geothermal heating and cooling systems, as defined in the bill, located in the Commonwealth are eligible for compliance with renewable energy portfolio standard requirements. The bill also requires the State Corporation Commission (the Commission) to convene a stakeholder work group to examine the feasibility of establishing renewable energy portfolio standard program (RPS program) requirements that require each Phase I and Phase II Utility to procure and retire renewable energy certificates (RECs) from geothermal heating and cooling systems placed in service after August 16, 2022, as a percentage of the number of RECs used for RPS program compliance. The work group shall include representatives from the geothermal industry, Phase I and Phase II Utilities, the Department of Energy, environmental advocacy organizations, environmental justice organizations, consumer advocates, and other interested stakeholders. The Commission is required to report the findings and recommendations of the work group to the Chairmen of the Senate Committee on Commerce and Labor, the House Committee on Labor and Commerce, and the Commission on Electric Utility Regulation no later than December 1, 2024. Portions of the bill have a delayed effective date of January 1, 2025.

6. **Budget Amendment Necessary:** No

7. **Fiscal Impact Estimates:** Preliminary

8. **Fiscal Implications:** It is anticipated that any fiscal impact to the Department of Energy and the State Corporation Commission as a result of this bill can be absorbed within existing resources.

9. **Specific Agency or Political Subdivisions Affected:** Department of Energy, State Corporation Commission

10. **Technical Amendment Necessary:** No

11. **Other Comments:** None