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HOUSE BILL NO. 2113

Offered January 13, 2025

Prefiled January 7, 2025

A *BILL to amend the Code of Virginia by adding in Chapter 17 of Title 45.2 an article numbered 4, consisting of a section numbered 45.2-1918, relating to Solar Interconnection Grant Fund and Program; established.*

Patrons—Herring and Bennett-Parker; Senator: Ebbin

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 in Chapter 17 of Title 45.2 an article numbered 4, consisting of a section numbered 45.2-1918, as follows:

Article 4.

Solar Interconnection Grant Fund and Program.

§ 45.2-1918. Solar Interconnection Grant Fund and Program.

A. *As used in this section:*

"Division" means the Division of Renewable Energy and Energy Efficiency of the Department.

"Previously developed project site" has the same meaning as provided in § 56-576.

"Public body" means a locality or other political subdivision of the Commonwealth or a school board.

"Solar facility" means a facility that generates electricity by means of a solar photovoltaic device, including any additions or enhancements such as battery storage or a smart inverter, and is located on land owned or leased by the public body.

B. There is hereby created in the state treasury a special nonreverting fund to be known as the Solar Interconnection Grant Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the Comptroller. All funds appropriated for such purpose and any gifts, donations, grants, bequests, and other funds received on its behalf shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes of (i) awarding grants on a competitive basis through the Solar Interconnection Program established pursuant to subsection C or (ii) implementing and administering the Solar Interconnection Program. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the Director.

C. The Solar Interconnection Program (the Program) is hereby established for the purpose of awarding grants on a competitive basis to public bodies to offset costs associated with the interconnection of solar facilities to the grid. In the allocation of funds, priority shall be given to solar facilities located on previously developed project sites. The Division shall administer the Program and shall establish and publish guidelines and criteria for the awarding of grants and general requirements of the Program.

D. The Division shall submit an annual report to the General Assembly regarding administration of the Fund and Program for the preceding fiscal year. The report shall be furnished to the Chairmen of the House Committee on Appropriations and the Senate Committee on Finance and Appropriations no later than November 1 of each year. However, no annual report shall be required if the Fund and Program do not receive funding.

E. The provisions of this section shall expire on July 1, 2030.

2. That the Commission on Electric Utility Regulation (the Commission) shall review and identify any issues associated with the process and cost of interconnecting solar projects to the grid. In conducting its review, the Commission shall review the findings and recommendations of the State Corporation Commission's case number PUR-2022-00073 and any related proceedings. The State Corporation Commission and any other state agency shall, upon request, assist the Commission in its review. The Commission shall report its findings and recommendations to the General Assembly by December 1, 2025.

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