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SENATE BILL NO. 1342

Offered January 13, 2025 Prefiled January 13, 2025

A BILL to direct the Department of Energy to convene a work group to identify barriers to reducing energy-related costs of living in low-income households in the Commonwealth; report.

Patron—Bagby

Referred to Committee on Rules

Be it enacted by the General Assembly of Virginia:

1. § 1. The Department of Energy (the Department) shall convene a work group to identify the existing barriers to reducing energy-related costs of living in low-income households in the Commonwealth and recommend policy options to reduce, wherever feasible and cost effective, the heating-related costs of living in low-income households in the Commonwealth. The work group shall consist of installers, representatives of Phase I and Phase II Utilities, and representatives of stakeholder groups with relevant energy or regulatory expertise. The work group shall submit a report of its findings to the Commission on Electric Utility Regulation no later than November 15, 2025.

§ 2. In addition to any findings that the Department deems relevant, the report required by this act shall assess and address the following: (i) cost-effectiveness testing as it relates to load increases caused by lower-cost heating technologies; (ii) how the administration of existing weatherization programs, including utility-funded, state-funded, and federally funded programs, may be reformed for greater cost savings to low-income households; (iii) existing gaps in efficiency program marketing and outreach and potential reforms; (iv) administrative burdens placed on installers and related remedies, including increasing funding; (v) workforce gaps and potential workforce training solutions and sources of funding; (vi) data access reforms needed to enhance delivery of energy efficiency upgrades; and (vii) existing and potential sources of state, federal, and utility funding, including an assessment of how such sources of funding may be combined.

§ 3. The report required by this act shall also include a proposal on the practicality of Phase I and Phase II Utilities in making best, reasonable efforts to provide energy efficiency upgrades that lower the costs of living in at least 25 percent of low-income households in their respective utility territories by December 31, 2030, in a manner reasonably expected to lower the total household energy bills of such households and reduce on-site air pollution, with emphasis on improving air quality where feasible. Such proposal shall include any statutory or regulatory reforms recommended by the work group and shall rely upon the findings in the work group's report and any other information or findings that the Department deems relevant, including the experiences of other states and other electric utilities.

§ 4. As used in this act:

"Installer" means an entity that directly provides energy efficiency or weatherization upgrades to low-income residents of the Commonwealth and that receives federal, state, or Phase I or Phase II Utility funding, in whole or in part, to do so.

"Low-income household" means any household in the Commonwealth with an income no more than 80 percent of the median income of the locality in which the household is located that currently relies on fuel delivered to the household, stored on site, and used for household heating purposes.

"Phase I Utility" and "Phase II Utility" have the same meanings as provided in subdivision A 1 of § 56-585.1.