

**State Corporation Commission
2025 General Assembly Session
State Fiscal Impact Statement**

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ORIGINAL

Bill Number: HB2365

Patron: Wilt

Bill Title: Electric utilities; renewable energy portfolio standard program; zero-carbon electricity.

Bill Summary: Amends the definition of renewable energy for purposes of the Virginia Electric Utility Regulation Act to include energy derived from hydrogen and nuclear power. The bill provides that the existing renewable energy portfolio standard program that establishes goals for the sale of renewable energy shall also include goals for the sale of zero-carbon electricity and adds zero-carbon electricity generating resources and certain other resources approved by the State Corporation Commission to the list of eligible sources for purposes of the renewable portfolio standard program.

Budget Amendment Necessary: No

Items Impacted: None

Explanation: Not Applicable

Fiscal Summary: There is an indeterminate budget impact based on expected increased workload.

General Fund Expenditure Impact: None

Nongeneral Fund Expenditure Impact: Indeterminate

Position Impact: None

Fiscal Analysis: This bill will require additional SCC workload to adjust the Generation Attribute Tracking System (GATS) Business Rules. This would likely be accomplished through a new proceeding established at the Commission. Additionally, the need for an additional employee may be evaluated if the cumulative workload of this and other related bills were to pass.

The SCC costs to implement the requirements in this bill will impact its Public Utility Fund (02080). The current rate cap authorization (58.1-2900) as approved by the General Assembly (GA) is not sufficient to generate the revenue needed for the Fund to cover the costs of this bill's requirements. However, bills HB2663 and SB1336 have been introduced in the 2025 GA session to adjust electric consumption rate caps to fund SCC existing expenses and potential new expenses from electric utility SCC oversight legislation passed during the 2025 GA Session. The costs associated with HB2365 can be absorbed from the revenue that would result from the passage of HB2663/SB1336.

Other: None