

PUBLISHED: 1/26/2025 6:43 PM ORIGINAL

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Bill Title: Electric utilities; electric distribution infrastructure serving data centers.

Bill Summary: Prohibits the costs associated with the construction or extension of any electric distribution infrastructure that primarily serves the load of a data center from being recovered from any other customer.

Items Impacted: None

Explanation: Not Applicable

Fiscal Summary: A potential fiscal impact will result if the provisions of this bill require additional rates cases for the State Corporation Commission to review. The fiscal impact is indeterminate at this time.

General Fund Expenditure Impact: None

Nongeneral Fund Expenditure Impact: None

Position Impact: None

Fiscal Analysis: If the provision of this bill can be addressed in conjunction with a biennial review, a fiscal impact will not result. However, if the SCC has to conduct additional rate cases to evaluate the provisions of this bill, a fiscal impact will exist. In such cases the fiscal impact is indeterminant at this time.

There are several legislative proposals advancing in the 2025 Regular Session that involve a proceeding, new regulations, or direct the Commission to lead a work group or author a report. The cumulative effect of enactment of these types of proposals will exceed the capacity of Commission Staff responsible for public utility regulation and may result in the need for additional appropriations, positions, or both.

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 SB1243 can be absorbed from the revenue that would result from the passage of HB2663/SB1336.

Other: None