

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

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SUBSTITUTE (H1)

**Bill Number:** HB1883

**Patron:** Callsen

**Bill Title:** Electric utilities; renewable energy portfolio standard program requirements; power purchase agreements.

**Bill Summary:** Amends certain renewable energy portfolio standard program requirements for Dominion Energy Virginia, including (i) the annual percentage of program requirements to be met with behind-the meter solar, wind, or anaerobic digestion resources of three megawatts or less located in the Commonwealth and (ii) the date by which 75 percent of such requirements shall be met with resources located in the Commonwealth. The bill also removes the requirement for a solar-powered or wind-powered generation facility to have a capacity of no less than 50 kilowatts to qualify for a third party power purchase agreement under a pilot program. The bill permits Dominion Energy Virginia to recover certain costs prior to December 31, 2032, and provides that it is the policy of the Commonwealth to encourage the development on previously developed project sites, as defined in existing law, to reduce the land use impacts of solar development.

**Budget Amendment Necessary:** No

**Items Impacted:** None

**Explanation:** Not Applicable

**Fiscal Summary:** There is an indeterminate budget impact on the State Corporation Commission based on the expected increased workload.

**General Fund Expenditure Impact:** None

**Nongeneral Fund Expenditure Impact:** Indeterminate

**Position Impact:** None

**Fiscal Analysis:** This bill will require additional workload for the State Corporation Commission (SCC) to ensure compliance with new RPS requirements. During the course of an RPS proceeding at the Commission at least one existing full-time employee (FTE) will be required to review and analyze this new requirement to determine compliance. This will add additional hours of work to cases with a statutory deadline. The processing of additional Third Party PPA participants could lead to increased workload. The substitute requires a new proceeding and a recurring proceeding every three years after to set the RPS Program requirements. This cumulative workload could lead to the need for additional employees.

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

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expenses and potential new expenses from electric utility SCC oversight legislation passed during the 2025 GA Session. The costs associated with HB1883 can be absorbed from the revenue that would result from the passage of HB2663/SB1336.

**Other:** None