State Corporation Commission 2025 General Assembly Session State Fiscal Impact Statement

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Bill Number: HB2087 ER Patron: Shin

Bill Title: Electric utilities; electric vehicle charging stations; transportation electrification.

Bill Summary: Permits Dominion Energy and Appalachian Power Company to develop, own, maintain, and operate public-facing fast-charging stations, as defined in the bill, at or beyond a radial distance from privately owned fast-charging stations, which radial distance shall be determined by the State Corporation Commission in a rulemaking proceeding initiated by June 1, 2027, with a final order entered no later than December 31, 2027. The bill repeals current law related to the recovery of costs associated with investment in transportation electrification on December 31, 2027, to coincide with such final order. The Commission shall review the final rule on the radial distance to assess its effectiveness by December 31, 2029.

The bill has an expiration date of July 1, 2030.

Budget Amendment Necessary: No **Items Impacted:** None

Explanation: No Budget Amendment needed for the 2024-26 Biennium.

Fiscal Summary: The State Corporation Commission anticipates that this bill will result in additional work, which will likely require the use of a consultant, which is estimated to cost approximately \$50,000 in FY27.

General Fund Expenditure Impact: None

Nongeneral Fund Expenditure Impact:

<u>Agency</u>	FY2025	FY2026	FY2027	FY2028	FY2029	<u>FY2030</u>
SCC (1 7100)			\$50,000			
TOTAL			\$50,000			

Position Impact: None

Fiscal Analysis: This bill requires a rulemaking proceeding that will involve expert technical analysis and may also involve a workgroup to gather and evaluate comments from case participants. The State Corporation Commission anticipates that these tasks will likely require the use of an external consultant and/or facilitator at an estimated cost of approximately \$50,000, based on a review of previous contracts for comparable proceedings.

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This bill will also result in other new proceedings, or additional work to be performed in existing recurring proceedings. There are several bills passed in the 2025 Regular Session that involve a proceeding, new regulations, establish a deadline 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, enrolled bills HB2663 and SB1336 adjust the 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 HB2087 can be absorbed from the revenue that would result from the passage of HB2663/SB1336.

Other: None