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INTRODUCED

HB466

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4 **HOUSE BILL NO. 466**
5 Offered January 14, 2026
6 Prefiled January 12, 2026
A BILL to amend and reenact § 56-580 of the Code of Virginia, relating to State Corporation Commission;
time frame for completion of certain proceedings.

7 Patron—Cohen
8
9 Committee Referral Pending

10 **Be it enacted by the General Assembly of Virginia:**

11 **1. That § 56-580 of the Code of Virginia is amended and reenacted as follows:**

12 **§ 56-580. Transmission and distribution of electric energy.**

13 A. Subject to the provisions of § 56-585.1, the Commission shall continue to regulate pursuant to this title
14 the distribution of retail electric energy to retail customers in the Commonwealth and, to the extent not
15 prohibited by federal law, the transmission of electric energy in the Commonwealth.

16 B. The Commission shall continue to regulate, to the extent not prohibited by federal law, the reliability,
17 quality and maintenance by transmitters and distributors of their transmission and retail distribution systems.

18 C. The Commission shall develop codes of conduct governing the conduct of incumbent electric utilities
19 and affiliates thereof when any such affiliates provide, or control any entity that provides, generation,
20 distribution, or transmission services, to the extent necessary to prevent impairment of competition. Nothing
21 in this chapter shall prevent an incumbent electric utility from offering metering options to its customers.

22 D. The Commission shall permit the construction and operation of electrical generating facilities in
23 Virginia upon a finding that such generating facility and associated facilities (i) will have no material adverse
24 effect upon reliability of electric service provided by any regulated public utility, (ii) are required by the
25 public convenience and necessity, if a petition for such permit is filed after July 1, 2007, and if they are to be
26 constructed and operated by any regulated utility whose rates are regulated pursuant to § 56-585.1, and (iii)
27 are not otherwise contrary to the public interest. In review of a petition for a certificate to construct and
28 operate a generating facility described in this subsection, the Commission shall give consideration to the
29 effect of the facility and associated facilities on the environment and establish such conditions as may be
30 desirable or necessary to minimize adverse environmental impact as provided in § 56-46.1, unless exempt as
31 a small renewable energy project for which the Department of Environmental Quality has issued a permit by
32 rule pursuant to Article 5 (§ 10.1-1197.5 et seq.) of Chapter 11.1 of Title 10.1. In order to avoid duplication
33 of governmental activities, any valid permit or approval required for an electric generating plant and
34 associated facilities issued or granted by a federal, state or local governmental entity charged by law with
35 responsibility for issuing permits or approvals regulating environmental impact and mitigation of adverse
36 environmental impact or for other specific public interest issues such as building codes, transportation plans,
37 and public safety, whether such permit or approval is prior to or after the Commission's decision, shall be
38 deemed to satisfy the requirements of this section with respect to all matters that ~~(i)~~ (a) are governed by the
39 permit or approval or ~~(ii)~~ (b) are within the authority of, and were considered by, the governmental entity in
40 issuing such permit or approval, and the Commission shall impose no additional conditions with respect to
41 such matters. Nothing in this section shall affect the ability of the Commission to keep the record of a case
42 open. Nothing in this section shall affect any right to appeal such permits or approvals in accordance with
43 applicable law. In the case of a proposed facility located in a region that was designated as of July 1, 2001, as
44 serious nonattainment for the one-hour ozone standard as set forth in the federal Clean Air Act, the
45 Commission shall not issue a decision approving such proposed facility that is conditioned upon issuance of
46 any environmental permit or approval. The Commission shall complete any proceeding under this section, or
47 under any provision of the Utility Facilities Act (§ 56-265.1 et seq.), involving an application for a certificate,
48 permit, or approval required for the construction or operation by a public utility of a small renewable energy
49 project as defined in § 10.1-1197.5 or a facility subject to the requirements of subsection B of § 56-46.1,
50 within ~~nine~~ months 180 days following the utility's submission of a complete application therefore. *The*
51 *Commission may, for good cause shown, grant a one-time extension of 30 additional days after such 180-day*
52 *period has elapsed.* Small renewable energy projects as defined in § 10.1-1197.5 are in the public interest and
53 in determining whether to approve such project, the Commission shall liberally construe the provisions of this
54 title.

55 E. Nothing in this section shall impair the distribution service territorial rights of incumbent electric
56 utilities, and incumbent electric utilities shall continue to provide distribution services within their exclusive
57 service territories as established by the Commission. Subject to the provisions of § 56-585.1, the Commission
58 shall continue to exercise its existing authority over the provision of electric distribution services to retail

59 customers in the Commonwealth including, but not limited to, the authority contained in Chapters 10
60 (§ 56-232 et seq.) and 10.1 (§ 56-265.1 et seq.) of this title.

61 F. Nothing in this chapter shall impair the exclusive territorial rights of an electric utility owned or
62 operated by a municipality as of July 1, 1999, or by an authority created by a governmental unit exempt from
63 the referendum requirement of § 15.2-5403. Nor shall any provision of this chapter apply to any such electric
64 utility unless (i) that municipality or that authority created by a governmental unit exempt from the
65 referendum requirement of § 15.2-5403 elects to have this chapter apply to that utility or (ii) that utility,
66 directly or indirectly, sells, offers to sell or seeks to sell electric energy to any retail customer eligible to
67 purchase electric energy from any supplier in accordance with § 56-577 if that retail customer is outside the
68 geographic area that was served by such municipality as of July 1, 1999, except (a) any area within the
69 municipality that was served by an incumbent public utility as of that date but was thereafter served by an
70 electric utility owned or operated by a municipality or by an authority created by a governmental unit exempt
71 from the referendum requirement of § 15.2-5403 pursuant to the terms of a franchise agreement between the
72 municipality and the incumbent public utility, or (b) where the geographic area served by an electric utility
73 owned or operated by a municipality is changed pursuant to mutual agreement between the municipality and
74 the affected incumbent public utility in accordance with § 56-265.4:1. If an electric utility owned or operated
75 by a municipality as of July 1, 1999, or by an authority created by a governmental unit exempt from the
76 referendum requirement of § 15.2-5403 is made subject to the provisions of this chapter pursuant to clause (i)
77 or (ii) of this subsection, then in such event the provisions of this chapter applicable to incumbent electric
78 utilities shall also apply to any such utility, mutatis mutandis.

79 G. The applicability of all provisions of this chapter except § 56-594 to any investor-owned incumbent
80 electric utility supplying electric service to retail customers on January 1, 2003, whose service territory
81 assigned to it by the Commission is located entirely within Dickenson, Lee, Russell, Scott, and Wise
82 Counties shall be suspended effective July 1, 2003, so long as such utility does not provide retail electric
83 services in any other service territory in any jurisdiction to customers who have the right to receive retail
84 electric energy from another supplier. During any such suspension period, the utility's rates shall be (i) its
85 capped rates established pursuant to § 56-582 for the duration of the capped rate period established
86 thereunder, and (ii) determined thereafter by the Commission on the basis of such utility's prudently incurred
87 costs pursuant to Chapter 10 (§ 56-232 et seq.) of this title.

88 H. The expiration date of any certificates granted by the Commission pursuant to subsection D, for which
89 applications were filed with the Commission prior to July 1, 2002, shall be extended for an additional two
90 years from the expiration date that otherwise would apply.