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HOUSE BILL NO. 508

Offered January 14, 2026

Prefiled January 12, 2026

A BILL to amend and reenact § 10.1-1197.5, as it is currently effective and as it shall become effective, of the Code of Virginia, relating to small renewable energy projects; agrivoltaics definition; advisory panel.

Patron—McAuliff

Committee Referral Pending

Be it enacted by the General Assembly of Virginia:

1. That § 10.1-1197.5, as it is currently effective and as it shall become effective, of the Code of Virginia is amended and reenacted as follows:

§ 10.1-1197.5. (Effective until July 1, 2026) Definitions.

As used in this article:

"Agrivoltaics" means the intentional co-location of agricultural production and solar energy generation on the same land that (i) is designed to prioritize and sustain agricultural productivity while integrating renewable energy, (ii) allows the ongoing production and sale of agricultural products throughout the solar array's life, (iii) is a part of an existing farm business, and (iv) ensures flexibility for farmers to adapt to market conditions and support operational needs. "Agrivoltaics" does not include solar energy generation that replaces the farmer's primary income.

"Energy storage facility" means energy storage equipment or technology that is capable of absorbing energy, storing such energy for a period of time, and redelivering energy after it has been stored.

"Small renewable energy project" means (i) an electrical generation facility with a rated capacity not exceeding 150 megawatts that generates electricity only from sunlight or wind; (ii) an electrical generation facility with a rated capacity not exceeding 100 megawatts that generates electricity only from falling water, wave motion, tides, or geothermal power; (iii) an electrical generation facility with a rated capacity not exceeding 20 megawatts that generates electricity only from biomass, energy from waste, or municipal solid waste; (iv) an energy storage facility that uses electrochemical cells to convert chemical energy with a rated capacity not exceeding 150 megawatts; or (v) a hybrid project composed of an electrical generation facility that meets the parameters established in clause (i), (ii), or (iii) and an energy storage facility that meets the parameters established in clause (iv).

§ 10.1-1197.5. (Effective July 1, 2026) Definitions.

As used in this article:

"Agrivoltaics" means the intentional co-location of agricultural production and solar energy generation on the same land that (i) is designed to prioritize and sustain agricultural productivity while integrating renewable energy, (ii) allows the ongoing production and sale of agricultural products throughout the solar array's life, (iii) is a part of an existing farm business, and (iv) ensures flexibility for farmers to adapt to market conditions and support operational needs. "Agrivoltaics" does not include solar energy generation that replaces the farmer's primary income.

"Energy storage facility" means energy storage equipment or technology that is capable of absorbing energy, storing such energy for a period of time, and redelivering energy after it has been stored.

"Interconnection facilities" means generation tie lines, collector lines, substations, switching stations, and any other component required to connect an electrical generation facility with the electrical grid.

"Small renewable energy project" means (i) an electrical generation facility with a rated capacity not exceeding 150 megawatts that generates electricity only from sunlight or wind and its dedicated associated interconnection facilities; (ii) an electrical generation facility with a rated capacity not exceeding 100 megawatts that generates electricity only from falling water, wave motion, tides, or geothermal power and its dedicated associated interconnection facilities; (iii) an electrical generation facility with a rated capacity not exceeding 20 megawatts that generates electricity only from biomass, energy from waste, or municipal solid waste and its dedicated associated interconnection facilities; (iv) an energy storage facility that uses electrochemical cells to convert chemical energy with a rated capacity not exceeding 150 megawatts and its dedicated associated interconnection facilities; or (v) a hybrid project composed of an electrical generation facility that meets the parameters established in clause (i), (ii), or (iii) and an energy storage facility that meets the parameters established in clause (iv).

2. That the Virginia Cooperative Extension, in consultation with the Department of Energy, shall convene a stakeholder advisory panel (the Advisory Panel) that includes representatives from the Virginia Association of Counties, Virginia Farm Bureau Federation, Virginia Agribusiness Council, Virginia Association of Soil and Water Conservation Districts, Virginia Forestry Association, Piedmont

Environmental Council, American Farmland Trust, and Virginia, Maryland & Delaware Association of Electric Cooperatives, and representatives of the solar industry, electric utilities, and other relevant stakeholders deemed appropriate by the Virginia Cooperative Extension. The Advisory Panel shall develop recommendations to (i) establish criteria to determine qualifying agrivoltaic projects, as that term is defined in § 10.1-1197.5 of the Code of Virginia, as amended by this act, that are eligible for grant funding through the Virginia Power Innovation Fund and Program pursuant to § 45.2-1734 of the Code of Virginia; (ii) identify how to monitor and sustain the integrity of agrivoltaic projects; and (iii) consider permitting or providing other incentives that may be effective in promoting agrivoltaic projects in the Commonwealth. In developing such recommendations, the Advisory Panel shall consider (a) a cap on the size of projects qualifying as a bona fide agrivoltaic project determined by land area or nameplate capacity; (b) requirements for an applicant of a solar project to incorporate farmers into the design process of agrivoltaic projects from the beginning of development; (c) development of best practices and design specifications for agrivoltaic projects and applicability of such requirements in addition to state and local regulations on behind-the-meter solar, shared solar, and permit by rule projects; (d) applicability of land use valuation and mechanisms for monitoring agrivoltaic projects; (e) evaluation of the economics of the location of agrivoltaic projects through existing data; (f) incentive and permitting mechanisms, which may include an analysis of agrivoltaics policies in other states and existing applicable agricultural policies within the Commonwealth; and (g) the impact of agrivoltaics on new or existing conservation easements and aggregate and agricultural net metering in facilitating projects. The Advisory Panel shall submit a report of its recommendations to the Secretaries of Agriculture and Forestry and Natural and Historic Resources by November 1, 2026.