

26103616D

## 1 SENATE BILL NO. 340

2 Offered January 14, 2026

3 Prefiled January 13, 2026

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

6 Patron—Perry

7 Referred to Committee on Agriculture, Conservation and Natural Resources

8 Be it enacted by the General Assembly of Virginia:

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

## 11 § 10.1-1197.5. (Effective until July 1, 2026) Definitions.

12 As used in this article:

13 "Agrivoltaics" means the intentional co-location of agricultural production and solar energy generation  
14 on the same land that (i) is designed to prioritize and sustain agricultural productivity while integrating  
15 renewable energy, (ii) allows the ongoing production and sale of agricultural products throughout the solar  
16 array's life, (iii) is a part of an existing farm business, and (iv) ensures flexibility for farmers to adapt to  
17 market conditions and support operational needs. "Agrivoltaics" does not include solar energy generation  
18 that replaces the farmer's primary income.19 "Energy storage facility" means energy storage equipment or technology that is capable of absorbing  
20 energy, storing such energy for a period of time, and redelivering energy after it has been stored.21 "Small renewable energy project" means (i) an electrical generation facility with a rated capacity not  
22 exceeding 150 megawatts that generates electricity only from sunlight or wind; (ii) an electrical generation  
23 facility with a rated capacity not exceeding 100 megawatts that generates electricity only from falling water,  
24 wave motion, tides, or geothermal power; (iii) an electrical generation facility with a rated capacity not  
25 exceeding 20 megawatts that generates electricity only from biomass, energy from waste, or municipal solid  
26 waste; (iv) an energy storage facility that uses electrochemical cells to convert chemical energy with a rated  
27 capacity not exceeding 150 megawatts; or (v) a hybrid project composed of an electrical generation facility  
28 that meets the parameters established in clause (i), (ii), or (iii) and an energy storage facility that meets the  
29 parameters established in clause (iv).

## 30 § 10.1-1197.5. (Effective July 1, 2026) Definitions.

31 As used in this article:

32 "Agrivoltaics" means the intentional co-location of agricultural production and solar energy generation  
33 on the same land that (i) is designed to prioritize and sustain agricultural productivity while integrating  
34 renewable energy, (ii) allows the ongoing production and sale of agricultural products throughout the solar  
35 array's life, (iii) is a part of an existing farm business, and (iv) ensures flexibility for farmers to adapt to  
36 market conditions and support operational needs. "Agrivoltaics" does not include solar energy generation  
37 that replaces the farmer's primary income.38 "Energy storage facility" means energy storage equipment or technology that is capable of absorbing  
39 energy, storing such energy for a period of time, and redelivering energy after it has been stored.40 "Interconnection facilities" means generation tie lines, collector lines, substations, switching stations, and  
41 any other component required to connect an electrical generation facility with the electrical grid.42 "Small renewable energy project" means (i) an electrical generation facility with a rated capacity not  
43 exceeding 150 megawatts that generates electricity only from sunlight or wind and its dedicated associated  
44 interconnection facilities; (ii) an electrical generation facility with a rated capacity not exceeding 100  
45 megawatts that generates electricity only from falling water, wave motion, tides, or geothermal power and its  
46 dedicated associated interconnection facilities; (iii) an electrical generation facility with a rated capacity not  
47 exceeding 20 megawatts that generates electricity only from biomass, energy from waste, or municipal solid  
48 waste and its dedicated associated interconnection facilities; (iv) an energy storage facility that uses  
49 electrochemical cells to convert chemical energy with a rated capacity not exceeding 150 megawatts and its  
50 dedicated associated interconnection facilities; or (v) a hybrid project composed of an electrical generation  
51 facility that meets the parameters established in clause (i), (ii), or (iii) and an energy storage facility that  
52 meets the parameters established in clause (iv).53 2. That the Virginia Cooperative Extension, in consultation with the Department of Energy, shall  
54 convene a stakeholder advisory panel (the Advisory Panel) that includes representatives from the  
55 Virginia Association of Counties, Virginia Farm Bureau Federation, Virginia Agribusiness Council,  
56 Virginia Association of Soil and Water Conservation Districts, Virginia Forestry Association, Piedmont

INTRODUCED

SB340

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