

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

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ORIGINAL

Bill Number: SB69

Patron: Peake

Bill Title: Electric utilities; construction and development of renewable energy facilities, etc.

Bill Summary: Repeals provisions (i) requiring the State Air Pollution Control Board to adopt regulations to reduce carbon dioxide emissions from any electricity generating unit in the Commonwealth and authorizing the Board to establish an auction program for energy allowances; (ii) prohibiting the State Corporation Commission from approving any new utility-owned generation facilities that emit carbon dioxide as a by-product of energy generation under certain circumstances; (iii) declaring that statutory allowances for energy derived from sunlight, onshore wind, offshore wind, and storage facilities are in the public interest; and (iv) relating to the development of solar and wind generation and energy storage capacity, development of offshore wind capacity, and generation of electricity from renewable and zero-carbon sources. The bill provides that planning and development activities for new nuclear generation facilities are in the public interest.

Budget Amendment Necessary: No.

Items Impacted: N/A

Explanation: This bill involves the Departments of Environmental Quality (DEQ), Energy, Taxation (TAX), and Housing and Community Development (DHCD); the State Corporation Commission(SCC); the Virginia Employment Commission(VEC); and localities. No budget action is required. See Fiscal Analysis section below.

Fiscal Summary: It is anticipated that this bill will result in indeterminate reductions in workload to DEQ and TAX anticipates any impact resulting from this bill to be absorbable. It is anticipated that this bill will not have a fiscal impact on the SCC. Information from Energy is not available.

Fiscal Analysis: This fiscal impact estimate is preliminary. This bill repeals several provisions related to regulating carbon dioxide emissions from electricity generation, including requirements affecting utility-owned generation facilities and declarations that certain renewable energy sources and energy storage are in the public interest. It removes statutory language related to the development of solar, wind, offshore wind, and other renewable or zero-carbon energy sources, and provides that planning and development of new nuclear generation facilities are in the public interest. The bill also retains the applicability of the minimum tax on electric suppliers.

DEQ anticipates indeterminate but absorbable workload changes resulting from the repeal of certain provisions in the bill. To the extent the bill alters the timing or frequency of facility closures, potential impacts on DHCD and VEC are indeterminate and likely negligible. TAX considers implementation of the bill to be routine and expects any fiscal impact to be absorbable. The SCC anticipates no fiscal impact. Information from Energy is not available.

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Other: None.