



Fiscal Impact Statement for Proposed Legislation

Virginia State Corporation Commission

Published: February 2, 2026

House Bill 1191

Version: Introduced

Patron: Shin

Title: Utility consumer services cooperatives; substation construction.

Summary: Permits a member of a cooperative in good standing that had an electric demand of more than twenty megawatts during the most recent calendar year and that requires the delivery of service at a voltage of 34.5 kilovolts at its point of interconnection with a transmission line system of at least 230 kilovolts to petition the State Corporation Commission to (i) construct and install a substation in accordance with all applicable laws, regulations, and reliability standards, as determined by the Commission and (ii) transfer ownership of such substation to the cooperative prior to its operation. Under the bill, the member shall establish an agreement with the cooperative regarding reasonable and necessary terms and conditions for such construction, installation, and transfer and any applicable modifications to the cooperative's tariff to reflect the revised cost of service as part of such petition, which agreement shall be subject to the Commission's review and approval.

Effective Date(s): July 1, 2026

Amendment Necessary: ☒ Budget, Item 475
☐ Technical, see *Technical Note* below
☐ None

Fiscal Summary

TYPE OF IMPACT	FY2027	FY2028	FY2029	FY2030	FY2031
REVENUE					
<i>General (XXXX)</i>					
<i>Nongeneral (XXXX)</i>					
EXPENDITURES					
<i>General (XXXX)</i>					
<i>Nongeneral (0208)</i>	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000
CHANGE IN FTE					
<i>General (XXXX)</i>					
<i>Nongeneral (0208)</i>	1				

Fiscal Analysis

Revenue

When considered individually, the SCC can meet this bill's requirements with the adjustments identified in the fiscal impact summary table and within its existing funding authority. If enacted, the SCC will review operational and fiscal impacts of this legislation along with other enacted 2026 electric utility bills to determine implementation.

Expenditures

To meet the requirements of this bill, the SCC will need to hire one full-time employee.

Change in FTE

One full-time employee.

Other Comments

The bill expands the circumstances under which members of an electric cooperative may petition the State Corporation Commission to (i) construct and install a substation and (ii) transfer ownership of the substation to the cooperative prior to its operation. Virginia has 13 electric cooperatives, but it is unknown how many large-load customers within these cooperatives would have the capability to construct and install a substation. Based on available information, it is estimated that approximately three petitions per year will be filed beginning in fiscal year 2027. This increase in workload cannot be absorbed by current staffing levels

Technical Note

None.