



Fiscal Impact Statement for Proposed Legislation

Virginia State Corporation Commission

Published: February 3, 2026

House Bill 1062

Version: Introduced

Patron: Hernandez

Title: Energy upgrade programs; implementation plans; capital investment requirements; cost recovery.

Summary: Requires American Electric Power and Dominion Energy Virginia to implement an energy upgrade program by January 1, 2027. The bill requires that such a program allow a program operator, as defined in the bill, to implement an energy upgrade project at a customer's location and recover the costs of such project by imposing a special rate charge that is payable directly through the customer's utility bill. The bill contains provisions related to setting the special rate charge, successor customers, identifying eligible customers, and marketing, designing, and implementing such program. The bill includes capital investment requirements for each utility. The bill also outlines the duties of program operators and requires each utility to hire a program operator by January 1, 2027, and to file an implementation plan once the State Corporation Commission's program rules become effective. The bill requires the State Corporation Commission to convene a stakeholder process for interested parties to evaluate issues related to energy projects within 180 days of the effective date of the bill. The bill states a number of factors for the Commission to consider and include in its rules to implement such program. In promulgating the rules, the Commission is required to determine how best to include access to such program for customers who need emergency upgrades. Additionally, the Commission is required to consider in promulgating rules how best to serve residents of environmental justice communities through the implementation of such program.

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>	\$250,000				
CHANGE IN FTE					
<i>General (XXXX)</i>					
<i>Nongeneral (XXXX)</i>					

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

Enactment clause 2 requires the SCC to convene a stakeholder group and complete its meetings by November 30, 2026, with its findings and recommendations due by the first day of the 2027 Regular Session of the General Assembly. This expedited timeline will require the SCC to hire a consultant to meet the requirements of this bill.

Change in FTE

None.

Other Comments

None.

Technical Note

None.