



Fiscal Impact Statement for Proposed Legislation

Virginia State Corporation Commission

Published: February 3, 2026

Senate Bill 598

Version: Introduced

Patron: Deeds

Title: Electric utilities; renewable energy portfolio standard; zero-carbon electricity; zero emission credits; power purchase agreements.

Summary: Amends the definition of "zero-carbon electricity" for purposes of the renewable energy portfolio standard (RPS) for Dominion Energy and Appalachian Power Company, and includes zero-carbon electricity in the measure of total electric energy for the purposes of determining percentage obligations for the RPS. The bill adds compliance with RPS obligations through the procurement of Zero Emission Credits (ZECs) as well as Renewable Energy Certificates (RECs) for compliance year 2035 and all years thereafter. Under the bill, all zero-carbon electricity generation resources located in the regional transmission area shall be RPS eligible sources, provided that their ZECs are verified. The bill raises the percentages for certain types of generation capacity to be procured through power purchase agreements from 35 percent to at least 50 percent. The bill also (i) increases the amount of generating capacity to be procured by Dominion Energy from resources using sunlight or onshore wind from 3,000 to 6,000 megawatts by December 31, 2027; (ii) decreases the amount of such capacity to be procured by December 31, 2035, from 6,100 to 3,100 megawatts; and (iii) adds requirements for the procurement of zero-carbon electricity for Dominion Energy and Appalachian Power company to achieve between January 1, 2035, and December 31, 2045, with at least 50 percent of such electricity to be procured from a party other than the utility. The bill directs the State Corporation Commission to adopt regulations to achieve the deployment of zero-carbon electricity pursuant to the provisions of the bill by January 1, 2028. The bill also directs the Commission to initiate a proceeding to determine if the zero-carbon electricity targets under the bill are appropriate in light of changes to anticipated energy load growth by July 1, 2030.

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>	\$181,000	\$81,000	\$181,000	\$81,000	\$81,000
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

This bill requires an additional review within the RPS for this new type of RPS eligible resource and development targets. The SCC to hire a consultant in FY27 and FY29 to provide assistance with the rulemaking and the following proceeding.

Change in FTE

This bill will require the SCC to hire one full-time employee to handle the increased workload of RPS cases.

Other Comments

None.

Technical Note

None.