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SENATE BILL NO. 340**AMENDMENT IN THE NATURE OF A SUBSTITUTE**

(Proposed by the Senate Committee on Agriculture, Conservation and Natural Resources
on February 3, 2026)

(Patron Prior to Substitute—Senator Perry)

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

Be it enacted by the General Assembly of Virginia:

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

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

As used in this article:

"Agrivoltaics" means the intentional co-location of agricultural production and solar energy generation on the same land that (i) is designed to prioritize and sustain agricultural productivity while simultaneously integrating renewable energy generation, (ii) allows the ongoing production and sale of marketable agricultural products throughout the solar array's life, (iii) is a part of a farm business that is consistent with commercial agricultural production, (iv) has provisions for decommissioning to protect the land's agricultural resources and productivity, (v) does not significantly displace farming activity, and (vi) ensures flexibility for farmers to adapt to market conditions and support operational needs.

"Energy storage facility" means energy storage equipment or technology that is capable of absorbing energy, storing such energy for a period of time, and redelivering energy after it has been stored.

"Small renewable energy project" means (i) an electrical generation facility with a rated capacity not exceeding 150 megawatts that generates electricity only from sunlight or wind; (ii) an electrical generation facility with a rated capacity not exceeding 100 megawatts that generates electricity only from falling water, wave motion, tides, or geothermal power; (iii) an electrical generation facility with a rated capacity not exceeding 20 megawatts that generates electricity only from biomass, energy from waste, or municipal solid waste; (iv) an energy storage facility that uses electrochemical cells to convert chemical energy with a rated capacity not exceeding 150 megawatts; or (v) a hybrid project composed of an electrical generation facility that meets the parameters established in clause (i), (ii), or (iii) and an energy storage facility that meets the parameters established in clause (iv).

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

As used in this article:

"Agrivoltaics" means the intentional co-location of agricultural production and solar energy generation on the same land that (i) is designed to prioritize and sustain agricultural productivity while simultaneously integrating renewable energy generation, (ii) allows the ongoing production and sale of marketable agricultural products throughout the solar array's life, (iii) is a part of a farm business that is consistent with commercial agricultural production, (iv) has provisions for decommissioning to protect the land's agricultural resources and productivity, (v) does not significantly displace farming activity, and (vi) ensures flexibility for farmers to adapt to market conditions and support operational needs.

"Energy storage facility" means energy storage equipment or technology that is capable of absorbing energy, storing such energy for a period of time, and redelivering energy after it has been stored.

"Interconnection facilities" means generation tie lines, collector lines, substations, switching stations, and any other component required to connect an electrical generation facility with the electrical grid.

"Small renewable energy project" means (i) an electrical generation facility with a rated capacity not exceeding 150 megawatts that generates electricity only from sunlight or wind and its dedicated associated interconnection facilities; (ii) an electrical generation facility with a rated capacity not exceeding 100 megawatts that generates electricity only from falling water, wave motion, tides, or geothermal power and its dedicated associated interconnection facilities; (iii) an electrical generation facility with a rated capacity not exceeding 20 megawatts that generates electricity only from biomass, energy from waste, or municipal solid waste and its dedicated associated interconnection facilities; (iv) an energy storage facility that uses electrochemical cells to convert chemical energy with a rated capacity not exceeding 150 megawatts and its dedicated associated interconnection facilities; or (v) a hybrid project composed of an electrical generation facility that meets the parameters established in clause (i), (ii), or (iii) and an energy storage facility that meets the parameters established in clause (iv).