



## Fiscal Impact Statement for Proposed Legislation

Virginia State Corporation Commission

Published: January 29, 2026

### House Bill 2

**Version:** House Substitute 1

**Patron:** Carr

**Title:** Phase I and Phase II Utilities; energy efficiency upgrades; low-income residents; report.

**Summary:** States that it is the policy of the Commonwealth to reduce, wherever feasible and cost-effective, heating-related costs of living for low-income residents. The bill requires Dominion Energy Virginia and Appalachian Power to make best, reasonable efforts to provide by December 31, 2031, prescriptive efficiency measures, as defined in the bill, and related efficiency improvements to at least 30 percent of the qualifying households, as defined in the bill, identified by such utilities, provided that the State Corporation Commission determines that such measures and improvements are in the public interest. The bill requires such utilities to report to the Commission its activities, plans, and filings regarding the bill's provisions no later than January 1, 2028, annually thereafter, and in any recurring filing that the Commission deems appropriate.

**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
<b>REVENUE</b>					
<i>General (XXXX)</i>					
<i>Nongeneral (XXXX)</i>					
<b>EXPENDITURES</b>					
<i>General (XXXX)</i>					
<i>Nongeneral (0208)</i>	\$86,500	\$86,500	\$86,500	\$86,500	\$86,500
<b>CHANGE IN FTE</b>					
<i>General (XXXX)</i>					
<i>Nongeneral (0208)</i>	1				

#### Fiscal Analysis

##### Revenue

When considered individually, the State Corporation Commission (SCC) can meet the requirements of this bill 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**

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

## **Change in FTE**

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This bill will require an additional full-time employee for the SCC.

## **Other Comments**

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The SCC is already annually handling Demand Side Management (DSM) proceedings and Energy Efficient (EE) target proceedings, a new EE Potential Study that will result in additional proceedings. Adding any additional requirements to the DSM proceedings for additional investigation by Staff will have the effect of increasing existing workload.

## **Technical Note**

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None.