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HOUSE BILL NO. 285

House Amendments in [] - February 16, 2026

A BILL to establish the Distributed Energy Resources Task Force; reports; sunset.

Patron Prior to Engrossment—Delegate Helmer

Referred to Committee on Rules

Be it enacted by the General Assembly of Virginia:

1. § 1. That the Distributed Energy Resources Task Force (Task Force) is hereby created as an advisory commission within the executive branch. The purposes of the Task Force are to develop a comprehensive strategy to advance energy affordability and the Commonwealth's transition toward integrated distributed energy resource markets and to support the Commonwealth's compliance with Federal Energy Regulatory Commission (FERC) Order No. 2222.

As used in this act:

"Commission" means State Corporation Commission.

"Data center" means the same as such term is defined in subdivision A 43 of § 58.1-3506 of the Code of Virginia.

"Distributed energy resource" means a resource of up to five megawatts that is located on the customer's premises or is interconnected with the distribution system and produces or stores electricity or modifies the timing or amount of a customer's electricity consumption.

"Including" means including, but not limited to.

§ 2. Notwithstanding § 2.2-2101 of the Code of Virginia, the Task Force shall consist of the following members: (i) one member of the House of Delegates appointed by the Speaker of the House of Delegates; (ii) one member of the Senate appointed by the Senate Committee on Rules; (iii) the Secretary of Commerce and Trade, or his designee; (iv) the Secretary of Natural and Historic Resources, or his designee; (v) the Chair and the executive director of the Commission on Electric Utility Regulation; (vi) a representative of the Commission; (vii) the Directors of the Department of Energy and the Department of Environmental Quality, or their designee; and (viii) a representative of the Division of Consumer Counsel within the Office of the Attorney General. The Governor shall appoint the following additional members: (a) representatives of distributed energy resource customers, including nonprofits, developers, municipalities, universities, schools, hospitals, and commercial entities; (b) nongovernmental organizations representing small energy consumers; (c) representatives of local governments; (d) representatives of high-demand energy customers, including data centers; (e) representatives of investor-owned electric utilities, electric cooperatives, and municipal utilities; and (f) energy policy experts. The total number of Task Force members shall be between 25 and 35, and appointments shall be made in a manner that ensures balanced representation. The Governor's office shall provide staff to coordinate the work of the Task Force, manage stakeholder engagement, oversee deliverables, and ensure actionable outcomes as needed. Full meetings of the Task Force shall be open to the public, and published agendas and draft recommendations shall be made available for public comment.

§ 3. In conducting its work, the Task Force shall:

1. Review existing state laws, regulations, and practices that impact behind-the-meter and front-of-the-meter distributed energy resource deployment, aggregation, and market access in the Commonwealth and best practices and lessons from other states;

2. Invite and welcome national experts and those with experience in other states, when possible, to educate the Task Force and help evaluate market differences, challenges, and opportunities in the Commonwealth;

3. Make recommendations to the Commission on strategies to modernize and streamline interconnection standards and timelines for distributed energy resources in compliance with Institute of Electrical and Electronics Engineers Standard 1547-2018 and Underwriters Laboratories Standard 1741;

4. Make recommendations to the Commission on specific regulatory, tariff, and coordination actions to harmonize the Commonwealth's interconnection and retail frameworks with the plan developed by PJM Interconnection LLC for compliance with FERC Order No. 2222. Such recommendations shall support Commission action on or before February 1, 2027;

5. [Examine options for high-demand energy customers to purchase commitments of solar renewable energy certificates from distributed energy resources;

6.] Review recently enacted legislation affecting distributed generation and identify areas for potential future improvements;

[7. 6.] Make recommendations to the Commission on policies or actions to advance or help implement solar and storage microgrids, community resiliency hubs, and virtual power plants;

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59 [~~8~~- 7.] Convene stakeholders and conduct a participative planning process to build consensus and
60 support for policy change, including distributed energy resource developers, academics, nongovernmental
61 organizations, agency representatives, elected officials, commercial and industrial scale energy customers,
62 utilities, regulators, community representatives, and other representatives deemed necessary by the Task
63 Force;

64 [~~9~~- 8.] Coordinate with other relevant commissions or work groups related to distributed energy
65 resources, including utilizing the stakeholder process established pursuant to Chapters 709 and 712 of the
66 2025 Acts of Assembly; and

67 [~~10~~- 9.] Support compliance with the Virginia Energy Plan developed pursuant to § 45.2-1710 of the
68 Code of Virginia and advise relevant government officials and agencies during its implementation.

69 § 4. The Task Force shall complete its meetings by June 20, 2027, and shall submit:

70 1. A draft summary of the participative planning process described in subdivision [~~8~~ 7] of § 3, if the Task
71 Force conducts such process, on or before September 1, 2026;

72 2. An interim report by October 1, 2026;

73 3. A final report of its findings and recommendations by November 1, 2026, that includes any legislative
74 and regulatory recommendations, a recommendation on whether to establish a permanent distributed energy
75 resource council, and a roadmap for implementing distributed energy resource aggregation under FERC
76 Order No. 2222, designed to take effect on or before February 1, 2027; and

77 4. A deployment report by June 30, 2027, summarizing policies implemented and actions taken by the
78 Commission, utilities, and other stakeholders to increase market access to distributed energy resources in
79 compliance with FERC Order No. 2222.

80 The Task Force shall submit such summary and reports to the Governor, the Commission, PJM
81 Interconnection, the Commission on Electric Utility Regulation, and the Chairs of the House Committee on
82 Labor and Commerce and the Senate Committee on Commerce and Labor by the dates specified in this
83 section. Upon submission of the Task Force's final report, the Governor may, by executive action or by
84 recommending legislation to the General Assembly, establish a permanent distributed energy resources
85 advisory council to sustain market-driven growth, strengthen resilience, ensure energy affordability, and
86 maintain the Commonwealth's competitiveness in the clean energy economy.

87 § 5. The provisions of this act shall expire on July 1, 2027.