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SENATE BILL NO. 619
AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the House Committee on Labor and Commerce
on _____)
(Patron Prior to Substitute—Senator Srinivasan)

A BILL to amend the Code of Virginia by adding a section numbered 56-580.1, relating to electric utilities; certificate of operation for high-load facilities.

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 56-580.1 as follows:

§ 56-580.1. Certificate of operation required for new high-load facilities.

A. As used in this section, "high-load facility" means any facility, or a combination of facilities that in the Commission's discretion effectively operate together as one facility, with a contracted or measured electric demand of 90 megawatts or greater that (i) was not in operation prior to January 1, 2027, and (ii) has received approval from the locality in which it seeks to operate.

B. No person shall operate a high-load facility without first having obtained a certificate of operation from the Commission pursuant to this section, subject to compliance with applicable notice and hearing requirements.

C. The Commission shall issue a certificate of operation for a high-load facility upon a finding that such facility (i) will have no material adverse effect upon the rates paid by other electric service customers in the Commonwealth, taking into account any likely generation, transmission, or distribution needs attributable to the operation of the high-load facility; (ii) will have no material adverse effect upon the reliability of electric service; (iii) will have no material adverse effect upon the incumbent electric utility's ability to comply with applicable energy and environmental laws and regulations, including any obligation to retire electric generating units under subdivision B 2 of § 56-585.5; and (iv) is not otherwise contrary to the public interest.

D. In reviewing a petition for a certificate to operate a high-load facility, the Commission shall give consideration to the effect of the facility and any associated facilities on the environment and public health and shall establish such conditions as may be desirable or necessary to minimize adverse environmental and public health impacts. In its review, the Commission shall consider (i) whether adequate notice was provided to the incumbent electric utility or cooperative serving the area where the high-load facility would be located; (ii) whether the applicant has provided adequate information to the locality, the public, and interested stakeholders regarding the high-load facility's energy use and its impacts on the electric grid, the environment and public health, and natural resources; (iii) whether, after consideration of all generation

33 *resources located in the Commonwealth and in the service territory of the regional transmission entity and*
34 *the ability to construct or procure additional generation resources to serve the incremental electric load,*
35 *there is sufficient electric infrastructure to support the operation of the high-load facility; (iv) the cumulative*
36 *effect of any and all other previously approved certificates to operate on the reliability of electric service,*
37 *public health, and the environment; (v) the high-load facility's expected contributions to economic and*
38 *workforce development, tax revenue, and community benefits in the Commonwealth; and (vi) whether the*
39 *costs of electric service attributable to the high-load facility would be unreasonably subsidized by other*
40 *electric service customers.*

41 *E. The operation of a high-load facility shall be presumed to have no material adverse effect upon the*
42 *incumbent electric utility's or cooperative's ability to comply with applicable energy and environmental laws*
43 *and regulations, including any obligation to retire electric generating units under subdivision B 2 of*
44 *§ 56-585.5 and to be not otherwise contrary to the public interest, if the petition for a certificate to operate a*
45 *high-load facility demonstrates to the satisfaction of the Commission that the applicant for such certificate*
46 *has taken actions that are reasonably designed to offset its contribution to the incumbent electric utility's or*
47 *cooperative's system peak demand, including by (i) securing contracts with sufficient energy storage capacity*
48 *or zero-carbon electric generation capacity within the Commonwealth or (ii) planning or implementing*
49 *measurable and verifiable energy efficiency, demand response, load shedding, or load reassignment*
50 *measures.*

51 **2. That the State Corporation Commission may issue rules and guidance as necessary to implement the**
52 **provisions of this act.**