

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to direct certain electric utilities to petition the State Corporation Commission for approval of electric*
3 *grid utilization metrics.*

4 [H 434]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**

7 **1. § 1.** *No later than October 15, 2026, each Phase I and Phase II Utility, as such terms are defined in*
8 *subdivision A 1 of § 56-585.1 of the Code of Virginia, shall petition the State Corporation Commission (the*
9 *Commission) for approval of electric grid utilization metrics. Such petition may include a request that the*
10 *Commission consolidate such petition with the integrated resource plan, if such plan is filed in 2026*
11 *pursuant to § 56-599 of the Code of Virginia. Such petition shall include an overview of electric grid*
12 *utilization metrics, including industry standard metrics. Each Phase I and Phase II Utility shall include in*
13 *such filing an assessment of current electric distribution and transmission system performance as compared*
14 *with optimal utilization of existing electric grid assets, including any information necessary for the*
15 *Commission to evaluate the efficiency and performance of electric distribution and transmission system*
16 *infrastructure owned and operated by each Phase I and Phase II Utility. Any electric grid utilization metrics*
17 *proposed by a Phase I or Phase II Utility shall include (i) the ratio of distribution system peak load to total*
18 *distribution electric grid capacity, (ii) the ratio of current electric load delivered to total potential*
19 *deliverable electric load over the distribution system, (iii) the percentage of kilowatt-hours of electricity lost*
20 *during the distribution process or by the distribution system, (iv) an analysis of constrained circuits on the*
21 *distribution system, and (v) an evaluation of the performance of the distribution system at system peaks. In*
22 *conducting such proceeding, the Commission shall determine which electric grid utilization metrics shall be*
23 *approved, how such metrics may be reasonably applied at the feeder and substation level, and how such*
24 *metrics may be reported in future integrated resource plan filings and shall include, as appropriate, a*
25 *requirement to submit seasonal assessments of electric grid utilization and implementation of the metrics. In*
26 *approving any electric grid utilization metrics, the Commission shall include, as appropriate, (a) a timeline*
27 *for each Phase I and Phase II Utility to increase electric grid utilization in accordance with the approved*
28 *metrics and (b) a description of the ways in which such metrics may inform the Commission's consideration*
29 *of future utility requests for approval of cost recovery for capital investments. In subsequent integrated*
30 *resource plan filings, each Phase I and Phase II Utility shall include an assessment of current system*
31 *performance relative to each proposed metric and may propose new or modified electric grid utilization*
32 *metrics for Commission approval.*

33 **§ 2.** *The Commission shall include in its annual report to the Commission on Electric Utility Regulation*
34 *and the Governor required by § 56-596 of the Code of Virginia its findings on each Phase I and Phase II*
35 *Utility's assessment of relevant grid utilization metrics and performance against those metrics relative to the*
36 *requirements of this act, including the timeline established by the Commission for each such utility. In such*
37 *report, the Commission shall also analyze the potential for each Phase I or Phase II Utility to increase*
38 *electric grid utilization through the deployment of non-wires alternatives, including (i) energy storage*
39 *resources; (ii) customer-owned or customer-financed capacity resources; (iii) utility-owned or utility-*
40 *contracted distributed generation resources; (iv) virtual power plants, including by using the pilot program*
41 *investments and tariff under § 56-585.1:16 of the Code of Virginia; (v) flexible transmission and transmission*
42 *static synchronous compensators; (vi) synchronous condensers; and (vii) power quality monitoring*
43 *equipment installed at the point of interconnection for all customers with a measured or contracted demand*
44 *of 25 megawatts or greater. In conducting such analysis, the Commission may request any information*
45 *necessary from each Phase I or Phase II Utility to properly evaluate such utility's deployment of non-wires*
46 *alternatives or other methods to improve electric grid utilization in the Commonwealth.*

ENROLLED

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