

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend the Code of Virginia by adding a section numbered 56-585.1:17, relating to electric*
 3 *utilities; pilot program for electric energy conservation, generation, and storage.*

4 [S 327]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That the Code of Virginia is amended by adding a section numbered 56-585.1:17 as follows:**8 **§ 56-585.1:17. Pilot program for electric energy conservation, solar energy generation, and energy**
 9 **storage resources.**10 *A. As used in this section, "Phase I Utility" and "Phase II Utility" have the same meanings as provided in*
 11 *subdivision A 1 of § 56-585.1*12 *B. Notwithstanding the provisions of §§ 56-249.6 and 56-585.1:*13 *1. Each Phase I and Phase II Utility shall conduct a pilot program for electric energy conservation, solar*
 14 *energy generation, and energy storage resources for low-income, elderly, and disabled individuals in their*
 15 *respective service territories in the Commonwealth. No later than December 31, 2026, each Phase I and II*
 16 *Utility shall petition the Commission for approval to design, implement, and operate such program until the*
 17 *earlier of amendment or repeal of this section or July 1, 2034. Each pilot program established under this*
 18 *subsection shall be funded by the utility and shall continue at the following levels of funding:*19 *a. For the first year, each Phase II Utility shall operate such program at an amount of \$23 million, and*
 20 *the Phase II Utility shall continue the pilot program at increased levels of funding each year, with the first*
 21 *year's amount adjusted by the larger of (i) the percentage of change in the Consumer Price Index for All*
 22 *Urban Customers, or (ii) the Phase II Utility's 15-year compound annual growth rate as reported in the most*
 23 *recent integrated resource plan filed pursuant to § 56-599. Such funding shall be incremental to existing*
 24 *programs or funding streams targeted at low-income, elderly, and disabled individuals by the Phase II*
 25 *Utility.*26 *b. For the first year, each Phase I Utility shall operate such program at an amount of \$5 million, and the*
 27 *Phase I Utility shall continue the pilot program at increased levels of funding each year, with the first year's*
 28 *amount adjusted by the larger of (i) the percentage of change in the Consumer Price Index for All Urban*
 29 *Customers, or (ii) the Phase I Utility's 15-year compound annual growth rate as reported in the most recent*
 30 *integrated resource plan filed pursuant to § 56-599. Such funding shall be incremental to existing programs*
 31 *or funding streams targeted at low-income, elderly, and disabled individuals by the Phase I Utility.*32 *C. Notwithstanding any other provision of law, the costs of conducting a pilot program under this section,*
 33 *including the cost of implementing energy storage resources, shall be recovered pursuant to subdivision A 5*
 34 *of § 56-585.1.*35 *D. In conducting a pilot program under this section, the Phase I or Phase II Utility shall provide*
 36 *incentives directly to customers. Such incentives, including costs and any associated energy generated, shall*
 37 *count toward the annual energy savings goals and annual program spending to benefit low-income, elderly,*
 38 *and disabled individuals that a Phase II Utility is required to develop pursuant to § 56-596.2. In developing*
 39 *such incentives, the Phase II Utility shall make reasonable efforts to prioritize low-income, moderate-income,*
 40 *elderly, and disabled persons residing in housing that a redevelopment and housing authority owns or*
 41 *controls.*42 **2. That, no later than November 1, 2026, the State Corporation Commission (the Commission) shall**
 43 **convene a technical conference to evaluate the creation of a program that is modeled after the essential**
 44 **elements and minimum program requirements of the Pay As You Save program, as developed and**
 45 **maintained by the Energy Efficiency Institute, Inc., and consistent with the essential customer**
 46 **protections listed on the U.S. Environmental Protection Agency's inclusive utility investment website at**
 47 **the time of program design. If the Commission determines that such a program is feasible for**
 48 **implementation by Phase I and Phase II Utilities, as such terms are defined in subdivision A 1 of**
 49 **§ 56-585.1 of the Code of Virginia, and in the public interest, the Commission shall require the Phase I**
 50 **and Phase II Utilities to petition the Commission for approval to implement such program, the**
 51 **requirements of which shall be determined by the Commission, by May 1, 2027.**52 **3. That the provisions of the first enactment of this act shall expire on July 1, 2034.**

ENROLLED

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