



Fiscal Impact Statement for Proposed Legislation

Virginia State Corporation Commission

Published: March 24, 2026

Senate Bill 827

Version: Senate Substitute 2

Patron: Srinivasan

Title: Pilot program for underground transmission lines; qualifying projects; levy; report.

Summary as Passed Senate: Authorizes the State Corporation Commission, in reviewing any application submitted by a public utility for a certificate of public convenience and necessity for the construction of an electrical transmission line of 500 kilovolts filed between January 1, 2025, and July 1, 2033, to approve up to four applications for qualifying projects to be constructed in whole or in part underground as part of the pilot program for underground transmission lines and to provide an expedited review of any such application. The bill removes certain provisions related to the existing pilot program.

Under the bill, a project shall be qualified if (i) the Commission finds that an engineering analysis demonstrates that it is technically feasible to place the proposed line in whole or in part underground, (ii) the application contains certain information regarding projections of project costs, (iii) the application contains evidence that the governing body of each locality in which at least a portion of the proposed line will be placed underground supports the project's inclusion in the program and agrees to meet its related funding obligations, and (iv) the Commission finds the overall cost of the project reasonable and consistent with the public interest. The bill permits the Commission to deny an application for a project that otherwise meets the criteria to qualify, provided that the Commission publicly shares its rationale for doing so.

The bill requires at least fifty percent of the marginal costs, as defined in the bill, of the portion of a qualifying project chosen to be placed underground within a locality pursuant to its provisions to be paid by such locality. The bill permits such a locality to meet such requirement through imposing a levy on electric utility customers within the locality, issuing a general obligation bond subject to a referendum, or allocating its own funds. The bill extends the Commission's final report deadline for the pilot program from December 1, 2024, to December 1, 2034.

Effective Date(s): July 1, 2026

Amendment Necessary: ☐ Budget, Item ###
☐ Technical, see *Technical Note* below
☒ None

Fiscal Summary

The State Corporation Commission does not anticipate a fiscal impact.

Fiscal Analysis

Revenue

None.

Expenditures

None.

Change in FTE

None.

Other Comments

None.

Technical Note

None.