#### **VAEEC Webinar Series**



## **2020 General Assembly Preview**

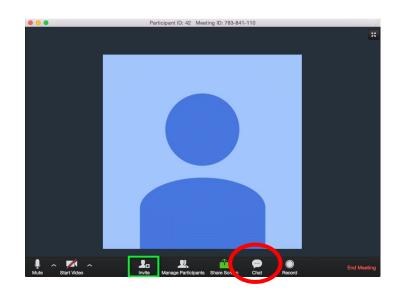
January 15, 2020



Connecting Leaders. Amplifying Voices.

#### 2020 General Assembly Preview

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#### How the legislative process works

2020 is a budget year and is considered a "long session," running from January 8th-March 7th, 2020.

All bills can be viewed on the Virginia Legislative Information System (LIS) website: http://lis.virginia.gov.

The **SB** or **HB** before a bill number denotes the chamber the bill originated in.

Bills are assigned to committees in each chamber for review. Committees have until "crossover" to review bills in their respective chamber. After crossover (Feb. 11th), the House can only review Senate bills and vice versa.

Energy bills are typically referred to the Labor and Commerce committees in both chambers and are generally sent to a special subcommittee on Energy before being reviewed by the full Committee.

Once a bill passes a committee, it can be referred to another committee or it is sent to the full chamber. A bill is "read" three times in each chamber and can only be debated on the chamber floor during a specific reading (2nd reading in the House; 3rd reading in the Senate).



#### Timeline

January 8: General Assembly Session began January 29: Clean Energy Lobby Day February 6: Clean Energy Lobby Day February 11: Crossover March 7: General Assembly Session ends

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The Virginia Clean Economy Act/Clean Energy Standards

HB 1526 (Sullivan) and SB 851 (McClellan)- *The Virginia Clean Economy Act*. These bills establish a carbon-free by 2050 plan that aligns with Governor Northam's EO 43, which includes a mandatory Energy Efficiency Resource Standard (EERS). Additionally, it establishes a mandatory Renewable Portfolio Standard, codifies the Governor's carbon rule, and includes provisions for coastal resiliency, battery storage, and offshore wind.

HB 1450 (Sullivan) and SB 354 (Bell)- Establishes a mandatory statewide Energy Efficiency Resource Standard (EERS) that would require annual incremental energy savings from investor-owned utilities based on the annual average retail sales of the previous three years. *The language in this bill is identical to the EERS portion of the Virginia Clean Economy Act*.

**SB 876 (Marsden)-** Establishes a mandatory Clean Energy Standard to meet the 2030 and 2050 goals laid out in Governor Northam's EO43. However, this bill solely relies on renewables to reach those goals. It does not mandate energy savings targets or mention energy efficiency at all.



Carbon Rule Codification/ Regional Greenhouse Gas Initiative (RGGI)

**HB 20 (Lindsey)-** Codifies carbon rule, would use carbon cap and trade revenues to assist in resiliency, energy efficiency and renewable investments, as well as Southwest VA workforce training programs. This bill does not include a provision to join RGGI.

**HB 981 (Herring)-** Directs DEQ to sell carbon allowances on the RGGI market. The funds from this auction would support low-income energy efficiency programs and coastal resiliency and floodwater management projects. This legislation is supported by Governor Northam.

**HB 1152 (Lopez)-** Establishes a carbon cap and trade program with the a specific mandate that Virginia joins RGGI. The funds from this bill would establish an Energy Efficiency Fund, with 50% of the allowances going to general energy efficiency programs and 20% going toward low-income EE programs.



#### Tax Credits, Rebate Programs and Financing

**HB 461 (Sullivan)-** Establishes a property tax credit for renewable energy products and energy-efficient geothermal heat pumps.

**HB 633 (Willett)-** Establishes an "energy-saving products" tax credit for solar panels and Energy Star-rated products. VAEEC has been working with the delegate's office to more clearly delineate between renewables and energy efficiency.

HB 654 (Guy)- Establishes a clean-energy financing program administered by DMME

**SB 634 (Surovell)-** Creates the Energy Efficiency Subsidy Program, to provide subsidies for residential energy efficiency measures and establishes a rebate program for the lease or purchase of zero-emission vehicles.

**SB 754 (Marsden)-** Provides a regulatory framework for both investor-owned electric utilities and electric cooperatives to seek approval from the State Corporation Commission to establish an On-Bill Tariff program for customers who want to perform energy efficiency upgrades to their residences. The IOU programs would be limited to households who make less than \$100,000 annually.



Other Energy Efficiency Bills

**HB 413 (Delaney)-** Includes provisions to establish minimum standards for energy efficiency, as well as maintaining access to renewables in subdivision ordinances. This bill could pave the way for newly-built smart communities.

HB 518 (Bulova), HB 574 (Keam), and SB 628 (Surovell)- Adds an energy audit as an option for homebuyers to consider as part of the homebuying process in the Virginia Residential Disclosure Act.

HB 547 (Delaney)- Establishes an Energy and Economy Transition Council to identify new economic development and job opportunities in areas that rely heavily on a fossil-fuel economy. *After meeting with VAEEC members and staff, the patron has agreed to include clean energy representatives as members to the council.* 



Other Energy Efficiency Bills

HB 575 (Keam)- Expands the scope of the SCC-mandated energy efficiency stakeholder process. *The language in this bill is identical to language in the Virginia Clean Economy Act.* 

HB 714 (Reid)- Updates language in the Virginia Energy Plan to align with Executive Order 43. While this bill does not currently conform to Senator Favola's SB 94 (below), the intent is for the language in these two bills to be identical.

SB 94 (Favola)- Expands the scope of the Virginia Energy Plan to align with the Governor's carbon-free by 2050 goals in EO43 and creates a stakeholder group to review these goals. *After meeting with* VAEEC members and staff, the patron has amended the bill to include clean energy representatives in the list of stakeholders. The amended bill passed the Senate Energy Subcommittee on Monday.



#### Updates from the General Assembly since Friday

**SB 613 (Suetterlein)-** Prohibits all utilities and their affiliates from distributing "promotional" mail- both physical and electronic- to customers. The VAEEC Board has voted to oppose this bill.

Both the House and Senate Commerce and Labor committees have qualified SCC Commissioner Patricia West for reappointment to the State Corporation Commission. We anticipate other candidates will be qualified as well.

#### Two new bills related to EE have been introduced:

HB 1576 (Kilgore)- Revises the definition of "Large General Service Customer" to 1MW and allows those customers to opt-out of EE programs only after they have provided M&V savings from their own programs.

**SB 963 (Surovell)-** Establishes the Efficient and Resilient Buildings Board to advise the Governor on ways to accelerate improvements to state buildings in order to reduce greenhouse gas emissions.

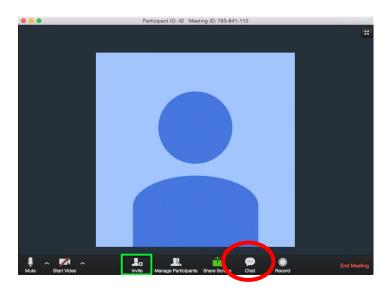
The VAEEC Policy Committee meets later today to review legislation and make recommendations to the full Board to support key pieces of legislation.



#### Webinar Name

### **Questions?**

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#### **Contact information**



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