



2018 GENERAL ASSEMBLY ROUNDUP

VIRGINIA NUCLEAR ENERGY CONSORTIUM AUTHORITY

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2018 SESSION BY THE NUMBERS

- 19 new Delegates (16 D, 3 R)
- 3,722 bills and resolutions introduced
- 1,833 passed

ENERGY LEGISLATION

- Dozens of bills related to energy were introduced
- Most did not pass
- One notable casualty: Energy Storage Study (HJ101)
 - But it was resurrected in the budget!
- The big one: The Grid Transformation & Security Act (SB966)

THE BIG BILL – SB966

- Customer bill credits from Dominion Energy totaling \$133 million (additional \$67 million in 2019)
- \$10 million in fuel costs for which Appalachian Power will not pursue recovery
- Customer refunds from Dominion Energy and Appalachian Power will take 2017 earnings into consideration

THE BIG BILL – SB966

- Savings from federal tax relief passed through to customers via rate reductions
 - \$125 million annually for Dominion Energy customers
 - \$50 million annually for Appalachian Power customers
- EnergyShare program extended through 2028 with increased funding
 - \$13 million per year—\$130 million total over ten years

THE BIG BILL – SB966

- Ends the freeze on base rates
- SB 966 calls for implementation of triennial reviews:
- Appalachian Power's first review in 2020 would consider earnings for 2017-2019

THE BIG BILL – SB966

- Dominion Energy's first review in 2021 would consider earnings for 2017-2020
- Dominion Energy's 2021 review is eligible for refunds and a base rate cut up to \$50 million; subsequent reviews are eligible for both refunds and rate cuts
- Removes requirement that Dominion Energy or Appalachian Power over-earn for two consecutive review periods before base rate cuts can be ordered

THE BIG BILL – SB966

- Capital invested in SCC-approved grid transformation projects may offset excess earnings; provision sunsets in 10 years
- SCC approval of planned grid transformation investments required
- SCC may order customer refunds if enough investments in grid transformation and renewable energy have not been made during a given triennial review period

THE BIG BILL – SB966

- SB 966 declares 5,000 MW (up from 500) of utility solar or wind, including 50 MW of rooftop solar, in the public interest as a goal
- Energy storage pilot program will support new intermittently generating renewable resources
- Supports development of a pumped hydroelectric storage facility in Southwest Virginia

THE BIG BILL – SB966

- Sets path forward for offshore wind:
 - Pilot program declared to be in the public interest
 - Surcharge rolled into base rates if there is no full-scale commercial offshore wind deployment by 2023
- Streamlines approval of EE programs by ending reliance on the Ratepayer Impact Measure (RIM) test
- Calls for filings of over \$1 billion in energy efficiency programs over ten years, subject to SCC approval—\$140 million from Appalachian Power and \$870 million from Dominion Energy