

Commission on Electric Utility Regulation

December 4, 2025

Carrie Hearne, Executive Director

Agenda

December 4, 2025

- Welcome and Call to Order
 - Subcommittee 1 Recommendations
 - Subcommittee 2 Recommendations
 - Subcommittee 3 Recommendations
 - Subcommittee 4 Recommendations
 - Next steps
 - Adjourn
-

Members of the CEUR (§ 30-202: 14 members)

Senate Members:

The Honorable Scott A. Surovell, Chair

The Honorable L. Louise Lucas

The Honorable Mark D. Obenshain

The Honorable R. Creigh Deeds

House of Delegates Members:

The Honorable Terry G. Kilgore, Vice Chair

The Honorable Don Scott

The Honorable Richard C. (Rip) Sullivan Jr.

The Honorable Michael J. Webert

The Honorable Charniele L. Herring

The Honorable Candi Mundon King

Citizen Members:

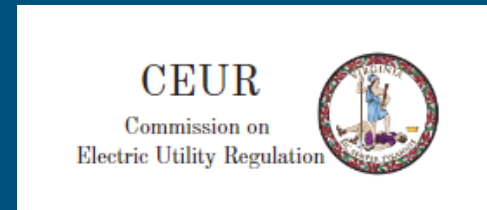
Cassidy Rasnick (Senate appointment)

Josephus Allmond (House appointment)

Jesse Lynch (Governor appointment)

Ex Officio Members:

Meade Browder (Attorney General's Office)





CEUR Subcommittee 1 – Energy Affordability:



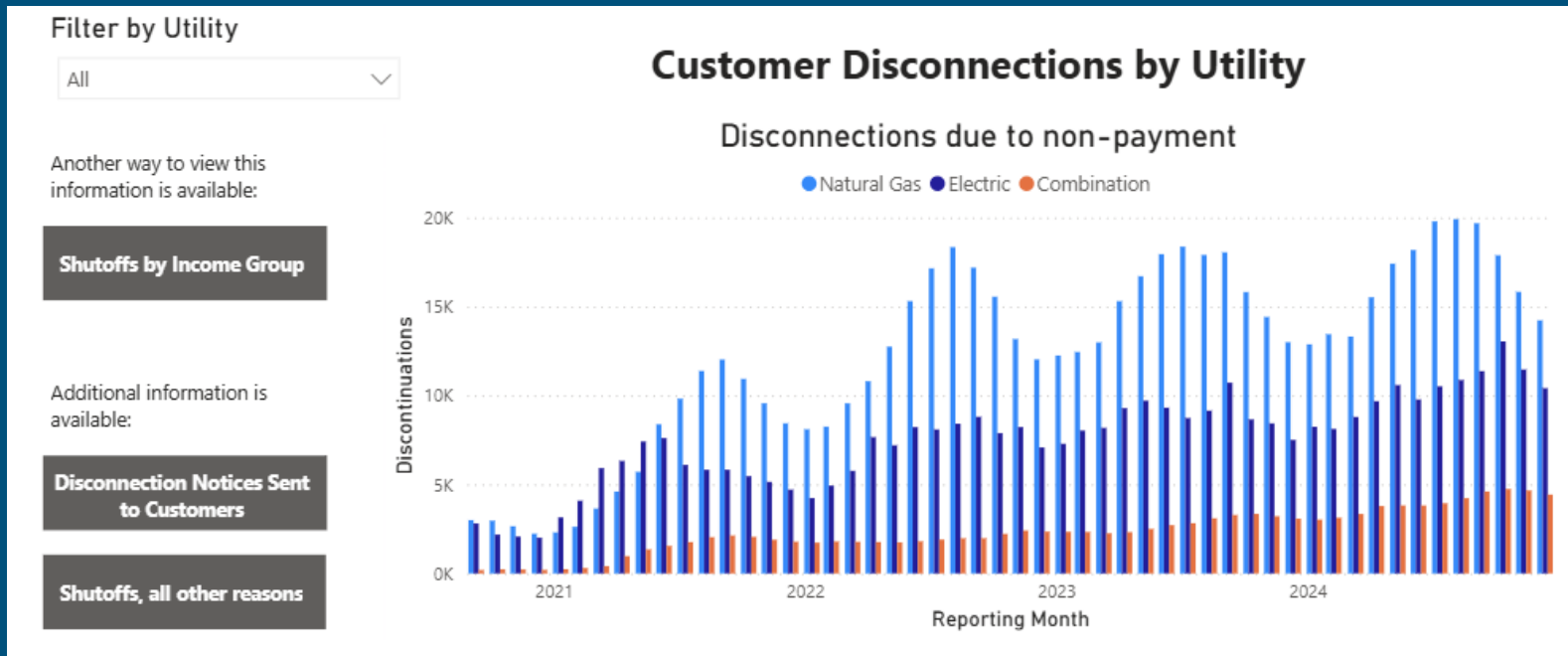
Subcommittee Report



Draft Legislation - Increasing Transparency on Electric Utility Disconnections

- Create a publicly accessible utility disconnection dashboard
 - Require investor-owned utilities (IOUs) and electric cooperatives (co-ops) to report monthly data on involuntary disconnections to the State Corporation Commission (SCC)
 - Require the SCC to maintain a public data visualization dashboard
- Data should be at the aggregate level and not include information about individual households
- Public dashboard should display disconnection information separately for each utility

Michigan Requires Monthly Disconnection Reports and Maintains a Dashboard



Draft Legislation - Increasing Transparency on Electric Utility Disconnections

- Electric utilities to provide SCC with monthly reports on involuntary disconnections of residential customers (9-10)*
- Monthly reports to include
 - Total number of residential customers disconnected, including by each 5-digit zip code (14-15)
 - Amount of time disconnected (16-18)
 - Amount of arrearages owed (19-23)
 - Numbers of disconnected customers receiving payment assistance or with serious medical conditions (24-28)
- Disconnection information to be maintained in comprehensive, easily accessible online database, by each utility (35-36)
- Annual reports by SCC on seasonal and long-term trends (41-61)

* Numbers correspond to line numbers in draft legislation.

Draft Legislation - Increasing Transparency on Electric Utility Disconnections

- Subcommittee 1 voted to recommend draft legislation for consideration by CEUR commission
- CEUR staff recommend two additional edits*
- Line 15: add “unless the utility is exempted by the Commission from providing such information in the report to protect customer privacy”
 - Provides privacy protections for disconnected customers in small electric cooperative territories
- Line 57: add “as known to the utility”
 - Utilities may not always know whether a disconnected customer is enrolled in a payment assistance program

* Highlighted yellow in bill draft.

Draft Legislation – Extending IOU Spending Commitments

- Renew Dominion and APCo spending commitments to customer assistance and energy efficiency programs
 - Extend to 2038 current statutory commitments for the companies to fund programs for low-income households*
 - Current statutory commitments will expire July 1, 2028
- Spending commitments are funded by utilities and not ratepayers

* See § 56-585.1:2 of Code of Virginia.

Draft Legislation – Extending IOU Spending Commitments

- Two options for setting annual minimum spending levels
- Option 1: Maintain current spending levels
 - Dominion: \$13 million
 - APCo: \$1 million
- Option 2: Increase spending levels to reflect increases in typical monthly electricity costs since 2018*
 - Dominion: \$17 million
 - APCo: \$1.5 million

* Assuming 1,000 kWh per month.

Draft Legislation – Extending IOU Spending Commitments

- Dominion (Phase II) and APCo (Phase I) spending commitments for customer assistance and energy efficiency extended to 2038 (16)
- Annual minimum spending levels set in statute for both companies (11-12)
- Annual reporting requirement continued and includes CEUR (17-18)

Draft Legislation – Extending IOU Spending Commitments

- Subcommittee 1 voted to recommend draft legislation for consideration by CEUR commission
- CEUR commission must determine annual minimum spending levels for utilities



CEUR Subcommittee 2 –
Advanced Energy
Technologies:



Subcommittee Report




Draft Legislation – Promoting Geothermal Energy Systems in Virginia

- Revised version of SB 893 (Surovell)
 - Approved by 2025 General Assembly and vetoed by Governor
- Creates geothermal RPS “carve out” for Dominion and APCo (376-383)
 - Carve out phases up to 1 percent in 2029
- Sets deficiency payment of \$100/MWh for shortfalls below carve out percentage (535)
 - Utilities are exempt from deficiency payments for any RECs for which the price from a request for proposals is greater than \$100/MWh (536)
- Requires the SCC to evaluate the procurement and retirement of geothermal RECs and issue a report by November 1, 2028 (655)
- Requires the Real Estate Appraiser Board to develop regulations for a continuing education curriculum on assessing the real estate value increases from solar, geothermal, and solar water heating investments (661)

Draft Legislation – Promoting Geothermal Energy Systems in Virginia

- Subcommittee 2 voted to recommend draft legislation for consideration by CEUR commission
- CEUR staff recommend one additional edit*
- Line 655: delete “on Electric Utility Regulation (the Commission)”
 - Designates the SCC as responsible for preparing a report on the procurement and retirement of geothermal RECs

* Highlighted yellow in bill draft.



CEUR Subcommittee 3 –
Solar and Storage
Deployment:



Subcommittee Report



2025 General Assembly Legislation for Consideration

- HB2113 (Herring) Solar Interconnection Grant Program; established, sunset, report.
 - Establishes the Solar Interconnection Grant Program to award grants on a competitive basis to public bodies to offset costs associated with the interconnection of solar facilities to the grid. Requires that priority be given to solar facilities located on previously developed project sites.
 - Requires budget allocation from general fund: \$2M requested in 2025
- HB2635 (Webert) Virginia Brownfields and Coal Mine Renewable Energy Grant Fund
 - Increases the dollar amount a project developer can receive for projects located on brownfields from \$100/kw of nameplate capacity to \$200/kw.
 - Requires budget allocation from general fund: \$20M requested in 2025

Draft Legislation - Portable Solar Energy/Balcony Solar

- Define a new class of small photovoltaic systems no larger than 1,200 watts.
- Exempt these small systems from utility interconnection requirements.
- Exempt these small systems from net metering.
- Additional changes requested by bill patron (lines 67-72)
 - Prohibits localities from banning portable solar systems if such systems are in compliance with any height and setback requirements in the zoning district where such property is located; (ii) are in compliance with any provisions pertaining to any local historic, architectural preservation, or corridor protection district

Draft Legislation - Energy Storage

- Inclusion of National Fire Protection Association (NFPA) 855 into legislation;
- Creates a new full-time position at the Department of Energy to support the development of energy storage projects in the Commonwealth;
- Directs the Department of Fire Programs to lead a workgroup on fire safety and suppression for energy storage;
- Additional changes requested by bill patron (lines 330-334):
 - If utilities establish project requirements beyond NFPA 855 standards that increase a project's cost by more than 10% compared to implementation of NFPA 855, the SCC may reject the utility's petition or require that additional requirements be revised to adhere to NFPA 855 to reduce total project costs and ensure project safety.

Draft Legislation - Shared Solar Programs for Dominion and APCo

- Directs the SCC to establish a minimum bills for IOUs by December 31, 2026.
- Requires IOUs to file any tariffs, agreements, or forms necessary for implementation of such shared solar programs by March 1, 2027.
- Requires a new net crediting functionality for APCo's program. The net crediting fee shall not exceed one percent of the bill credit value.
- Expands Dominion's shared solar program.
- Additional changes requested by Subcommittee members:
 - Dominion:
 - Remove cap from Dominion's shared solar program (lines 113-116)
 - Allow the SCC to determine what the Dominion program expansion should be (lines 169-178)

Draft Legislation - Virginia Clean Energy Research Hub and Support Center


- The Center will be established by July 1, 2026;
- The Center shall serve as an interdisciplinary study, research and information resource for individuals and businesses;
- The Center shall provide technical assistance to state agencies, planning district commissions, localities or other public bodies.
- Additional changes added since December 2 Subcommittee meeting:
 - The Center will coordinate interdisciplinary research efforts on energy related topics (lines 10-13)
 - The Center will gather reliable data, conduct analysis, and disseminate information to inform policy and implementation (lines 59-60)

Draft Legislation - Solar Siting Standards

- Includes setback distances between 100 and 250 feet from the edge of tidal and non-tidal wetlands, or perennial streams
- Localities will provide a record of special exception decisions to the SCC, including (i) the reason for any adverse decision, (ii) any finding of nonconformity with the local comprehensive plan, and (iii) the date of the last revision to the comprehensive plan.
- The SCC shall compile and maintain on the Commission's public website a searchable database of all solar special exception decisions and the reasons for any adverse decisions made over a period of not less than 5 years.
- No additional changes

Subcommittee 3 Votes

- Subcommittee 3 voted to recommend for consideration by CEUR commission - Block of 2025 legislation:
 - HB2113 (Herring) – Solar Interconnection Grant Program
 - HB2635 (Webert) – Virginia Brownfields and Coal Mine Renewable Energy Grant Fund
- Subcommittee 3 voted to recommend draft legislation for consideration by CEUR commission - Block of legislation:
 - Balcony Solar
 - Energy Storage
 - Shared Solar – Dominion
 - Shared Solar – APCo
 - Virginia Clean Energy Research Hub and Support Center
- Subcommittee 3 voted to recommend draft legislation for consideration by CEUR commission:
 - Solar Siting Standards



CEUR Subcommittee 4 –
Carryover Policy
Recommendations:



Subcommittee Report



Draft Legislation - CEUR Merger, Scope and Name Change: “The Energy Commission”

- CEUR scope would be broadened to include monitoring the SCC’s regulation of both electric and natural gas utilities (17)
 - Examine the production, transmission, distribution, storage, and use of energy, including energy efficiency and conservation (21-24)
 - Monitor the development and implementation of the Energy Policy of the Commonwealth and the Virginia Energy Plan (21-24)
 - Monitor the SCC’s regulation of electric utilities and natural gas utilities (25-26)
 - Act in advisory capacity to the General Assembly on energy-related issues (31)
 - Coordinate with other state entities and authorities, e.g., Virginia Nuclear Energy Consortium Authority, Clean Energy Advisory Board (50-55)
- CEUR would be renamed to the Energy Commission of Virginia (“The Energy Commission”)
- Virginia Coal and Energy Commission would be repealed (481)

Draft Legislation - CEUR Merger, Scope and Name Change

- Subcommittee 4 voted to recommend draft legislation for consideration by CEUR commission
- Subcommittee 4 recommended one change to the draft legislation
 - Line 33: delete “persons” and replace with “other members of the General Assembly”

Draft Legislation – Performance-Based Regulation Work Group

- SCC-led work group to design an effective regulatory framework for improving electric utility performance
 - Feasibility of consolidating rate adjustment clauses (8-13)
 - Incentives for fuel cost management and recommendations for fuel cost-sharing mechanisms (14-15)
 - Incentives for utility compliance with energy efficiency and renewable portfolio standard (RPS) requirements (16-19)
 - Recommendations for performance-incentive mechanisms (20-23)
 - All-source competitive procurement framework (24-27)
- Work group report required by October 31, 2026 (32)
- Work group to build on SCC report, *“Opportunities for Performance-Based and Alternative Regulatory Tools in Virginia”* (PUR-2024-00152)*

* Report required by SJR 47 (Surovell) and HJR 30 (Sullivan) approved by 2024 General Assembly.

Draft Legislation – Performance-Based Regulation Work Group

- Subcommittee 4 voted to recommend draft legislation for consideration by CEUR commission
- Additional changes requested by Subcommittee members:*
- Line 31: after “group,” add “which shall include as stakeholders Phase I and Phase II electric utilities, representatives of all customer classes, Commission staff, the Office of the Attorney General, environmental organizations, consumer protection groups, and local communities. The Commission shall”
 - Specifies the stakeholders included in the work group, including consumer protection groups
- Line 31: add “as known to the utility” add “Commission” after “any”
 - Ensures that the work group report includes any findings and recommendations by the SCC

* Highlighted yellow in bill draft.

Draft Legislation – IRP Reform

- Added provision requiring utilities to consider developing surplus interconnection service projects to maximize existing transmission capacity (line 243)
 - Definition of surplus interconnection service (118-122)
- Added provision requiring utilities to include the reasons for any annual or cumulative limit placed on the amount of new generation that can come from a given technology in a modeling scenario (175-177)
- Added provision requiring utilities to incorporate up to 3 modeling scenarios or sensitivities identified by SCC staff (180)

Draft Legislation – IRP Reform

- Changed the year for each utility’s first triennial IRP (183)
 - Dominion in 2027
 - APCo in 2028
- Changed to July 1, 2027 the date by which the SCC must conduct the first proceeding to consider reducing previously issued orders (293)
- Clarified language in key provisions
 - Requiring utilities to reference the intent for a new generation facility in the most recently approved IRP when seeking SCC approval of the facility (24-30)
 - Clarifying the definition of grid-enhancing technologies (229-233)

Draft Legislation – IRP Reform

- Changes to SCC-led work group on IRP recommendations and guidelines
 - Identified modeling software that can incorporate regional nodes (305)
 - Included electric cooperatives and clean/advanced energy business associations (320)
 - Updated deadline for work group recommendations to October 1, 2026 (324)
 - Updated deadline for IRP regulations to March 1, 2027 (327)

Draft Legislation – IRP Reform

- Added enactment clause requiring CEUR to convene work group to make recommendations on planning procedures and requirements for electric cooperatives (326)
 - Projected load growth in electric cooperative service territories, including load growth from large-load users (332)
 - Electric cooperatives' planning processes to meet the needs of existing and new users (334)
 - Coordination between electric cooperatives and generation and transmission providers, including PJM (336)
 - Methods for accurately predicting demand growth (338)
 - Appropriate threshold for determining which cooperatives, if any, should participate in planning and coordination (343)
- Added work group participants, including VMDAEC, VACO, VEDA, etc. (347)

Draft Legislation – IRP Reform

- Subcommittee 4 voted to recommend draft legislation for consideration by CEUR commission

Draft Legislation - Utility Load Interconnection Delays

- Clarify that utilities can delay customer interconnection due to a lack of available generation capacity
- Subcommittee 4 voted to recommend draft legislation for consideration by CEUR commission

Draft Legislation - SCC Work Group on Load Flexibility

- SCC regulatory workgroup to study mechanisms to (i) facilitate serving the growing energy demands from data centers and large load users while (ii) increasing participation in load flexibility
 - Work group to be established by July 1, 2026
 - Final report required by November 1, 2026
- Subcommittee 4 voted to recommend draft legislation for consideration by CEUR Commission

Draft Legislation - Utility Demand Response Curtailment Proceedings

- By December 1, 2026, the SCC will begin a rulemaking proceeding to establish demand response curtailment policies for investor-owned utilities, and cooperatives with one or more customers with consistent demand of 50MW or greater
 - Utilities will submit demand response curtailment policies by November 1, 2027
 - SCC final orders are due by March 1, 2028
- Subcommittee 4 requested that legislation for the load flexibility workgroup be merged with utility demand response curtailment proceedings
- Subcommittee 4 voted to recommend (merged) draft legislation for consideration by CEUR Commission

TIMELINE ON WORKGROUP + SCC PROCEEDINGS

July 1, 2026

SCC workgroup is established to study incentives and implementing load flexibility

November 1, 2026

Workgroup report is due with findings and recommendations

December 1, 2026

SCC rulemaking proceeding starts on demand response curtailment policies

November 1, 2027

Utilities submit their demand response curtailment policies

March 1, 2028

SCC final order is due on demand response curtailment policies*

Utilities will implement their policies within 30 days of Commission approval

*If SCC requests modifications, the utilities have until June of that year to resubmit their policy

CEUR Budget Request for 2026


- Current allocation = \$691,000 per year
- Requesting \$1.75M per year



NEXT STEPS & ADJOURN

Please see DLS-CEUR website for
future 2025 meeting dates*

*subject to change





Thank You!

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