

SENATE BILL NO. 347

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Commerce and Labor

on \_\_\_\_\_)

(Patron Prior to Substitute--Senator Bell)

A BILL to direct the State Corporation Commission to establish for certain electric utilities annual energy efficiency savings targets for certain customers.

**Be it enacted by the General Assembly of Virginia:**

1. § 1. The State Corporation Commission (the Commission) shall establish for Phase II Utilities annual energy efficiency savings targets for customers who are low-income, elderly, disabled, or veterans of military service to be achieved through utility energy efficiency programs designed to benefit such customers, provided that each year's target shall be measured by the total combined kilowatt-hour savings achieved by electric utility energy efficiency and demand response programs and measures installed for such customers in that program year, as well as savings still being achieved by measures and programs implemented for such customers in prior years, and that such annual targets shall be at least one percent of the average annual energy retail sales by that utility to those customer classes, to the extent that the potential exists and is reasonably achievable as determined by the Commission.

In establishing such targets, the Commission shall seek to optimize energy efficiency and the health and safety benefits of utility energy efficiency programs.

Health and safety measures and improvements, including for the purpose of maximizing both energy savings through low-income energy efficiency programs and reducing the relative energy burden of low-income customers, are in the public interest.

In advance of the effective date of such annual energy efficiency targets, the first of which shall be for 2024, the Commission shall, after notice and opportunity for hearing, initiate proceedings to establish such targets and the appropriate retail sales against which the energy efficiency targets will be measured.

27 In setting such targets, the Commission shall consider the impact and savings of energy efficiency  
28 programs authorized by subdivision C 2 of § 10.1-1330 of the Code of Virginia.

29 The Commission shall, for the period 2026 through 2028, review and, at its discretion, revise such  
30 minimum annual targets to ensure continued consistency with the provisions of this section.

31 All savings from low-income energy efficiency programs shall be applied to the energy efficiency  
32 savings set forth in subsection B of § 56-596.2 of the Code of Virginia.

33 In providing such energy efficiency programs, Phase II Utilities shall make best efforts to  
34 coordinate such energy efficiency programs with any health and safety upgrades provided through energy  
35 efficiency programs authorized by subdivision C 2 of § 10.1-1330 of the Code of Virginia, when  
36 reasonably feasible to do so and at the utility's sole discretion.

37 For the purposes of this act, "Phase II Utility" has the same meaning as provided in subdivision A  
38 1 of § 56-585.1 of the Code of Virginia.

39 **2. That the provisions of this act shall expire on January 1, 2029.**

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