

## State Corporation Commission 2024 Session Fiscal Impact Statement

**1. Bill Number:** SB737

**House of Origin**     Introduced     Substitute     Engrossed  
**Second House**     In Committee     Substitute     Enrolled

**2. Patron:** Surovell

**3. Committee:** Commerce and Labor

**4. Title:** Energy efficiency programs.

**5. Summary:** Provides that for the purposes of the Virginia Electric Utility Regulation Act, "energy efficiency program" includes electrification, including measures that electrify space heating, water heating, cooling, drying, cooking, industrial processes, and other building and industrial end uses that would otherwise be served by onsite, nonelectric fuels, provided that the electrification measures reduce site energy consumption and that, to the maximum extent practical, seek to combine with federally authorized customer rebates for heat pump technology.

The bill provides that electricity consumption increases that result from Commission-approved electrification measures shall not be considered as a reduction in energy savings under the energy savings requirements and that utilities may apply verified total site energy reductions that are attributable to Commission-approved electrification measures to the energy savings requirements. Under the bill energy efficiency programs and energy efficiency measures do not include electrification of any process or activity primarily fueled by natural gas.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Preliminary. See Item 8.

**8. Fiscal Implications:** No anticipated fiscal impact on the State Corporation Commission.

**9. Specific Agency or Political Subdivisions Affected:** State Corporation Commission.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.