

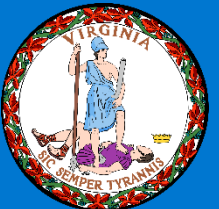
Clean Energy Virginia

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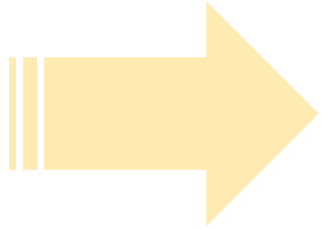
CLEAN ENERGY
VIRGINIA



Clean Energy Virginia Policy Objectives

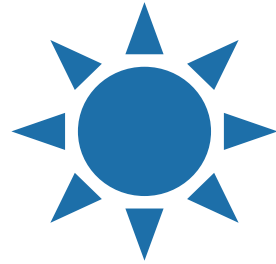
- Transition Virginia's electric grid to 100% carbon-free resources by 2050;
- Significant build-out of clean energy assets that will drive new investment across the Commonwealth;
- Provide the landscape for clean energy businesses to expand or locate in the Commonwealth; and
- Ensure energy equity and environmental justice while providing benefits to historically economically disadvantaged communities.

State Energy Goals: Executive Order 43



30% by 2030

Produce 30 percent of Virginia's electricity from renewable energy sources by 2030



100% by 2050

Produce 100 percent of Virginia's electricity from carbon-free sources by 2050



Energy Equity

Achieve energy goals in a just manner that advance social, energy, and environmental equity



Virginia Clean Economy Act

- **Establishes a mandatory renewable portfolio standard (RPS):**
 - Dominion Energy: 40% by 2030; 100% by 2045
 - Appalachian Power: 30% by 2030; 100% by 2050
- **Establishes a mandatory energy efficiency resource standard (EERS):**
 - Dominion Energy: 5% by 2025
 - Appalachian Power: 2% by 2025
- **Deems 16,100 MW of solar and onshore wind, 5,200 MW of offshore wind, and 2,700 MW of energy storage in the public interest.**



VCEA – Major Regulatory Changes

- Requires State Corporation Commission (SCC) to consider the ***social cost of carbon*** in any application to construct new generating facility.
- The SCC must ensure development of new energy resources or facilities does not have disproportionate adverse impact on historically economically disadvantaged communities (HEDCs).
- Establishes a Percentage of Income Payment Program (PIPP) for low income households to provide an alternative payment structure.

Webinar Series

Webinars addressed the Commonwealth's clean energy policies and next steps, with a focus on the following subjects:

- Webinar 1: July 22, 2020 – Energy Efficiency
- Webinar 2: July 29, 2020 – Distributed Generation Solar
- Webinar 3: August 5, 2020 – Energy Storage
- Webinar 4: August 12, 2020 – Utility Scale Solar and Onshore Wind
- Webinar 5: August 19, 2020 – Offshore Wind

Energy Efficiency

- Energy Efficiency Resource Standards (EERS) - a quantitative, mandatory energy savings target for utilities
- Creates new program and business opportunities for large customers; facilitates pilot programs
- Addresses energy system impacts on historically economically disadvantaged communities (HEDCs)
- Affordable housing investments - 50% of Regional Greenhouse Gas Initiative (RGGI) revenues to Dept. of Housing and Community Development for energy efficiency, durability and occupant health

Distributed Generation Solar

- Uncertainty due to pandemic, growth contingent on economic recovery
- Mandatory Renewable Portfolio Standard (RPS), DG carve-out
- Net Metering Cap Increases from 1% to 6% system-wide
- Third party Power Purchase Agreements (PPAs)
 - Capacity raised from 50 MW to 1,000 MW for Dominion
 - Capacity raised from 7 MW to 40 MW for APCO
- New Shared Solar, Multifamily Shared Solar Programs
- Clean Energy Advisory Board
 - LMI Solar Access Fund
- SolSmart technical assistance



Energy Storage

- Creation of Virginia Solar Energy Development and Energy Storage Authority VSEDESA
- Grid Transformation and Security Act of 2018
 - Potentially more pump hydro generation and storage facilities in Southwest Virginia
 - Established an Energy Storage Pilot Program
- Governor Northam's Executive Order 43 calls for grid integration of storage and pairing with renewable generation
- VCEA Provisions on the Energy Storage targets 3,100 MW by 2035
- HB 1183 - Bulk energy storage resources
- Battery Storage Pilot - Virginia Code § 56-585.1:6



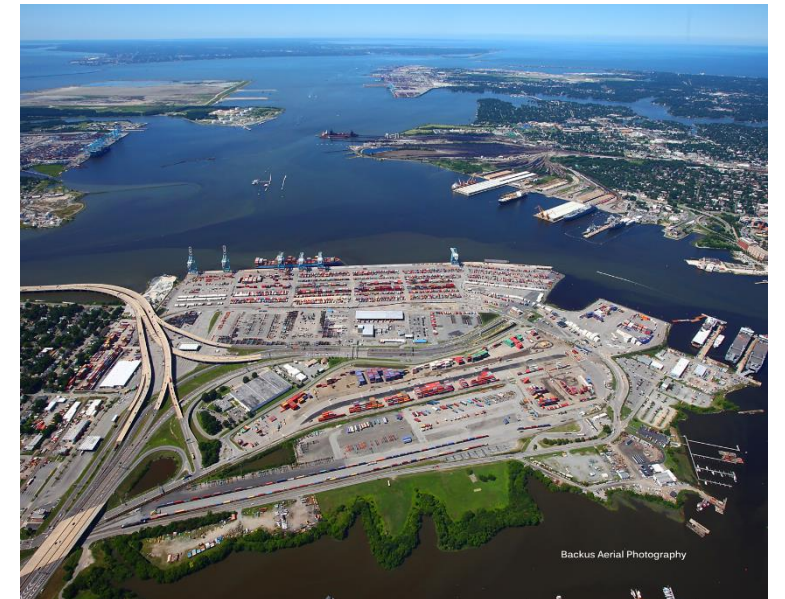
Utility Scale Solar & Onshore Wind

- Clean Energy Standard (CES)
- Renewable Portfolio Standard (RPS)
- Renewable Energy Certificates (RECs)
- Deficiency Payments (DPs)
- Technology changes open up onshore wind for the Southeast
- Utility-scale solar land use legislation (Siting agreements for Opportunity Zones, Revenue share, Local options)
- Permit by Rule (PBR) regulatory development
- Virginia Pollinator Smart Program (DCR)
- Leveraging Brownfields and Previously Disturbed Lands



Offshore Wind

- Commercial lease areas
- Advantages of Virginia's port
- Favorable Chesapeake waterway approach and harbor terminals
- Strength in supply chain and other maritime resources
- Access to Virginia's higher education and research & development assets



Resources for Localities

- C-PACE, Commercial property-assessed clean energy financing
- SolSmart Technical Assistance
- “SolTax” Revenue share analysis tool currently in Beta testing, soon to be released
 - <https://solar-tax-webapp.herokuapp.com/>
- Statewide solar survey to gain insights into gaps and opportunities
- Guidance for localities and developers under consideration
- Education and outreach – webinars, conferences and virtual tools



Summary

- Sustainable goals
- Advantages of clean energy businesses
- Increase economic resilience
- Increase grid resilience
- Address current policy landscape and existing barriers
- Transforming workforce
- Equity for all
- Leverage the Virginia advantages
- Engage key stakeholders