

# SUPPORT HB 2346 and SB1100

Topic: Community Energy Act

Bill Patron: Del. Hernandez and Sen. Hashmi

## OVERVIEW:

- Requires the utilities to propose a virtual power plant (“VPP”) program to the SCC in December 2025 that coordinates distributed energy resources (“DERs”) to help utilities meet power demand when it’s at its highest (“peak demand”).
  - Dominion’s pilot is 450 MW and APCo’s pilot is 150 MW.
  - Participating DERs include residential, commercial, and industrial solar and battery storage; smart thermostats; water heaters; heat pumps; and electric vehicles.
  - Participating customers get bill credits when their resources are used.
- Utilities submit VPP tariff proposals in November 2026.
- The SCC evaluates the VPP pilot and initiates a proceeding to establish a permanent VPP program in 2028, including performance metrics for achieving, or failing to achieve the SCC established targets.

## REASONS TO SUPPORT:

- The Community Energy Act can help the utilities meet peak demand in the same way a more expensive, large conventional power plant would, with some important distinctions:
  - No pollution to communities near the resources;
  - Low-income customers receive increased upfront incentives; and
  - Capitalizes on and maximizes the effectiveness of incoming federal investments.
- The United States Department of Energy estimates that the United States could deploy 80-160 gigawatts of distributed power plants like these by 2030 to support the rapid electrification of homes and vehicles and provide up to \$10 billion in ratepayer savings annually.
  - To put that in perspective, Virginia’s Coastal Offshore Wind project is 2.6 gigawatts
- The Community Power Program will help Virginia’s utilities maintain a reliable grid while paying participating customers when they help meet peak demand.



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This position was taken by Virginia Conservation Network (VCN)’s Legislative Committee and Board of Directors and is supported by Virginia’s conservation community. For a complete list of VCN positions, visit [www.vcnva.org/bill-tracker](http://www.vcnva.org/bill-tracker). VCN is committed to building a powerful, diverse, and highly-coordinated conservation movement focused on protecting our Commonwealth’s natural resources today and for tomorrow.

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