Danville Utility Commission Meeting Agenda
4:00 p.m., March 22, 2021

City Council Chambers, Danville City Hall

I. Call to Order

A. Roll Call

II. Discussion/Business Items

A. Minutes of the February 22, 2021 Commission Meeting

B. Review of Utilities' Financial Statements

C. Budget Appropriation-Substation Upgrades

D. State Legislative Update-Tom Dick, Municipal Electric Power Association of Virginia

III. Communications

A. City Manager

B. Utilities Staff

C. Commission Members

D. Public Comments

E. Director's Report

IV. Adjournment

Next Utility Commission Meeting

4:00 p.m. Monday, April 26, 2021

City Council Chambers
4th Floor, City Hall

	Danville Utility Commission 4:00 p.m. February 22, 2021 Meeting Council Chambers, City Hall **<u>Minutes</u>**

Commission Members Present: Earl Reynolds, Helm Dobbins, Gary Miller, Sheila Williamson-Branch, Paul Liepe, Bert Eades, Anna Kautzman, Vanessa Cain

Commission Members Absent:

Staff Present: Ryan Dodson, Jason Grey, Janet Davis, Michael Adkins, Lori Flanigan, Laura Blackwell, Carol Henley

Others Present:

Call to Order

Chairman Cain opened the meeting and asked that the attendance be recorded. As a quorum was present, the meeting was called to order.

Discussion/Business Items

Minutes of January 25, 2021 Commission Meeting

Ms. Cain asked for any corrections, deletions, or adjustments to the minutes from January 25, 2021.

Mr. Dobbins made a motion to approve the minutes. Mr. Eades seconded, all members voted in favor, and the motion carried unanimously.

Review of Utilities' Financial Statements

Mr. Adkins presented the December financial statements for each utility fund.

Fiscal Year 2022 Utilities Budget

Should on-going evaluations reveal additional revenue shortfalls, staff will make the budget expenditure adjustments necessary to bring the budgets back into balance without further FY 2022 increases and brief the Commission on the matter at the April 26th meeting. This was determined to allow the City Manager to finalize his budget proposals and present them to City Council by March 1st. Ms. Flanigan asked the commission if they had any questions regarding the budget as presented.

Mr. Eades made a motion that the Danville Utility Commission approve the Utility Department's Proposed Fiscal Year 2022 Budget for submission to City Council with the Commission's recommendation for its adoption by the Council. Mr. Liepe seconded, all members voted in favor, and the motion carried unanimously.

Customer Accounts Service Policy Revisions

Mr. Adkins presented the recommended changes to the City's Customer Accounts Service Policies.

Mr. Liepe expressed concerns that the policies need to allow for more services to be performed online versus in person.

Mr. Adkins responded that IT is working with Finance to create forms to allow customer to perform more services online in the future.

Mr. Liepe made a motion that the Danville Utility Commission approve the revisions presented to the Customer Accounts Service Policies. Mr. Dobbins seconded, all members voted in favor, and the motion carried unanimously.

Department Discussions

Mr. Dobbins asked if Utilities should look at areas not served by Comcast for Telecommunications for broadband.

Mr. Grey responded that most of the City is covered by Comcast, and that the County presents the most opportunity to expand service.

Mr. Eades expressed his gratitude toward the employees that worked during the storm the past weekend.

Mr. Grey provided an update on the injured City employee and thanked the employees for their hard work during the ice storm.

Mr. Grey announced that the closing occurred on the Pinnacles plant on February 10.

Adjournment
Chairman Cain stated the next meeting is scheduled for March 22, 2021. Mr. Dobbins made a motion to adjourn the meeting, and the motion was seconded by Ms. Williamson-Branch. All members voted in favor. There being no further business, Chairman Cain adjourned the meeting at 4:33 p.m.

March 22, 2021
Date Approved

Submitted by Janet C. Davis
Secretary to the DUC

Chairman
Danville Utility Commission

Commission Item Number: DUC210322 - 1
Utility Commission Meeting: March 22, 2021
Item: II. B. Review of Utilities' Financial Statements

Financial Report

January financials will be reviewed.

UTILITY FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE PERIOD ENDED JANUARY 31, 2021 (YTD)
UNAUDITED

	WASTEWATER	WATER	GAS	ELECTRIC	TELECOM	TOTAL	CURRENT 20-21 BUDGET	LAST YEAR TO DATE
OPERATING REVENUE	5,158,203.14	5,056,499.77	10,517,434.80	69,404,065.28	395,460.24	90,531,663.23	169,322,180.00	93,328,510.78
COST OF SALES								
PURCHASED SERVICES	-	-	7,109,627.80	53,674,455.90	32,225.00	60,816,308.70	109,277,060.00	61,354,943.77
PRODUCTION	-	-	-	304,793.64	-	304,793.64	1,161,914.34	418,223.33
TOTAL COST OF SALES	-	-	7,109,627.80	53,979,249.54	32,225.00	61,121,102.34	110,438,974.34	61,773,167.10
GROSS PROFIT	5,158,203.14	5,056,499.77	3,407,807.00	15,424,815.74	363,235.24	29,410,560.89	58,883,205.66	31,555,343.68
GROSS PROFIT %	100.00%	100.00%	32.40%	22.22%	91.85%	32.49%	34.78%	33.81%
OPERATING EXPENSES								
TRANSMISSION & TREATMENT	1,505,353.83	1,102,072.41	-	834,790.52	-	3,442,216.76	6,881,796.06	3,286,346.42
ENGINEERING	-	123,387.39	125,095.32	504,946.18	-	753,428.89	1,821,407.95	716,519.34
DISTRIBUTION	1,419,159.01	509,808.20	352,843.10	7,317,211.24	-	9,599,021.55	17,385,554.40	9,838,427.24
SERVICE	41,609.15	35,910.78	30,310.00	-	-	107,829.93	382,580.00	75,748.00
METERS & REGULATORS	-	45,713.39	51,568.73	204,944.60	127.36	302,354.08	699,846.14	330,224.35
GENERAL & ADMINISTRATIVE	1,052,660.25	1,971,375.38	2,231,718.98	2,606,542.34	519,570.19	8,381,867.14	15,792,518.82	8,725,280.89
TOTAL OPERATING EXPENSES	4,018,782.24	3,788,267.55	2,791,536.13	11,468,434.88	519,697.55	22,586,718.35	42,963,703.37	22,972,546.24
OPERATING INCOME (LOSS)	1,139,420.90	1,268,232.22	616,270.87	3,956,380.86	(156,462.31)	6,823,842.54	15,919,502.29	8,582,797.44
NON-OPERATING REVENUE (EXPENSE)								
INTEREST INCOME ON INVESTMENTS	80,447.21	75,690.56	85,498.62	210,751.11	6,040.75	458,428.25	951,800.00	870,758.29
ENERGY EFFICIENCY RECOVERY	-	-	-	-	-	-	(110,160.09)	(211,016.29)
RECOVERIES AND REBATES	2,516.45	5,871.72	316.47	(63,715.84)	-	(55,011.20)	(122,050.00)	16,667.55
GAIN/LOSS ON DISPOSAL	-	-	-	5,450.46	-	5,450.46	48,970.00	29,182.74
JOBBING INCOME (LOSS)	20,625.64	46,099.07	9,634.24	360,535.02	(1,101.92)	435,792.05	495,850.00	174,242.40
INTEREST ON LONG TERM INDEBTEDNESS	(44,557.66)	(44,101.17)	(21,750.06)	(883,036.94)	-	(993,445.83)	(1,774,700.00)	(1,214,695.04)
NET INCOME (LOSS)	1,198,452.54	1,351,792.40	689,970.14	3,586,364.67	(151,523.48)	6,675,056.27	15,409,212.20	8,247,937.09
OPERATING TRANSFERS IN(OUT)	(411,693.31)	(554,341.69)	(1,858,692.50)	(6,083,939.19)	(47,250.00)	(8,955,916.69)	(15,353,000.00)	(8,955,916.69)
NET INCOME AFTER TRANSFERS	786,759.23	797,450.71	(1,168,722.36)	(2,497,574.52)	(198,773.48)	(2,280,860.42)	56,212.20	(707,979.60)
NET ASSETS JULY 1, AS RESTATED	62,156,573.90	47,244,511.09	56,214,191.52	170,688,476.88	8,647,107.61	344,950,861.00		
NET INCOME AFTER TRANSFERS	786,759.23	797,450.71	(1,168,722.36)	(2,497,574.52)	(198,773.48)	(2,280,860.42)		
FEDERAL GRANT	-	-	-	-	-	-		
CONTRIBUTION IN AID	25,563.00	-	-	-	-	25,563.00		
NET ASSETS JANUARY 2021	62,968,896.13	48,041,961.80	55,045,469.16	168,190,902.36	8,448,334.13	342,695,563.58		
NET ASSETS								
CONTRIBUTED CAPITAL - FIXED ASSETS	3,948,494.44	4,676,282.92	1,340,510.58	13,721,622.53	337,248.59	24,024,159.06		
RESTRICTED FOR INVESTMENT IN FIXED ASSETS	45,429,668.55	30,566,990.43	38,908,169.97	116,784,087.61	6,948,388.41	238,637,304.97		
RESTRICTED FOR PROJECTS IN PROGRESS	8,917,622.51	9,624,188.02	6,018,375.58	11,903,639.97	607,046.26	37,070,872.34		
RESTRICTED FOR ENCUMBRANCES	1,223,911.81	47,589.86	50,155.20	669,339.47	2,289.06	1,993,285.40		
RESTRICTED FOR ENERGY EFFICIENCY	-	-	-	-	-	-		
NET PENSION ASSETS	165,573.00	333,715.00	287,208.00	1,158,908.00	35,936.00	1,981,340.00		
DEFERRED OUTFLOWS - PENSION	205,037.00	413,258.00	355,665.00	1,435,139.00	44,502.00	2,453,601.00		
UNRESTRICTED	3,283,625.82	2,793,195.57	8,441,049.83	23,953,304.78	517,425.81	38,988,601.81		
TOTAL NET ASSETS	62,968,896.13	48,041,961.80	55,045,469.16	168,190,902.36	8,448,334.13	342,695,563.58		

CITY OF DANVILLE
UTILITY FUNDS
COMBINING STATEMENT OF NET ASSETS - UNAUDITED
JANUARY 31, 2021

		WASTEWATER	WATER	GAS	ELECTRIC	TELECOM	JANUARY 31, 2021
ASSETS							
Equity in pooled Cash and Investments	$	12,261,780.45	11,290,696.53	11,469,698.60	28,346,041.78	905,061.10	64,273,278.46
Receivables (Net of allowances for Uncollectible):							
Accounts		1,064,558.55	466,587.88	2,934,209.65	16,720,984.57	43,588.11	21,229,928.76
Power/Gas Cost Recovery		-	-	757,373.06	2,120,511.20	-	2,877,884.26
Pension Assets		165,573.00	333,715.00	287,208.00	1,158,908.00	35,936.00	1,981,340.00
Inventory of Gas, Materials and Supplies, at Cost		-	526,727.91	739,893.62	1,598,353.05	191,818.22	3,056,792.80
Fixed Assets		99,844,387.22	78,225,682.53	72,137,757.67	322,664,308.89	10,981,678.32	583,853,814.63
Accumulated Depreciation		(48,512,065.30)	(41,044,781.72)	(30,942,103.96)	(146,540,824.80)	(3,696,041.32)	(270,735,817.10)
Deferred Outflows - Pension		205,037.00	413,258.00	355,665.00	1,435,139.00	44,502.00	2,453,601.00
TOTAL ASSETS	$	65,029,270.92	50,211,886.13	57,739,701.64	227,503,421.69	8,506,542.43	408,990,822.81
LIABILITIES AND NET ASSETS							
Liabilities							
Accounts Payable	$	71,683.46	80,236.34	1,664,723.25	7,954,240.31	47,601.87	9,818,485.23
Accrued Interest Payable		34,532.40	33,632.09	17,610.92	620,360.67	-	706,136.08
Customer Deposits		-		-	3,962,751.08	-	3,962,751.08
Accrued Vacation, Sick Leave & Workers Comp.		-	118,428.44	64,925.15	552,506.27	10,606.43	746,466.29
Deferred Gain / Loss - Refunding Bonds		(129,803.08)	(123,763.30)	(69,312.09)	(1,267,774.71)	-	(1,590,653.18)
Original Issue Premium/Discount (Refunding Bonds)		160,704.43	156,720.87	80,941.41	4,297,943.41	-	4,696,310.12
General Obligation Bonds Payable		1,923,257.75	1,904,669.89	935,343.84	42,587,605.25	-	47,350,876.73
Revenue Bonds Payable		(0.17)	-	-	-	-	(0.17)
Long-Term Leases, Notes, and Contracts Payable		-	-	-	604,887.05	-	604,887.05
TOTAL LIABILITIES	$	2,060,374.79	2,169,924.33	2,694,232.48	59,312,519.33	58,208.30	66,295,259.23
Net Assets							
Contributed Capital	$	3,948,494.44	4,676,282.92	1,340,510.58	13,721,622.53	337,248.59	24,024,159.06
Retained Earnings:							
Restricted for Investment in Fixed Assets	$	45,429,668.55	30,566,990.43	38,908,169.97	116,784,087.61	6,948,388.41	238,637,304.97
Restricted for Incomplete Projects		8,917,622.51	9,624,188.02	6,018,375.58	11,903,639.97	607,046.26	37,070,872.34
Restricted for Subsequent Expenses		1,223,911.81	47,589.86	50,155.20	669,339.47	2,289.06	1,993,285.40
Net Pension Assets		165,573.00	333,715.00	287,208.00	1,158,908.00	35,936.00	1,981,340.00
Deferred Outflows - Pension		205,037.00	413,258.00	355,665.00	1,435,139.00	44,502.00	2,453,601.00
Unrestricted		3,283,625.82	2,793,195.57	8,441,049.83	23,953,304.78	517,425.81	38,988,601.81
Total Retained Earnings	$	59,020,401.69	43,365,678.88	53,704,958.58	154,469,279.83	8,111,085.54	318,671,404.52
TOTAL NET ASSETS	$	62,968,896.13	48,041,961.80	55,045,469.16	168,190,902.36	8,448,334.13	342,695,563.58
TOTAL LIABILITIES AND NET ASSETS	$	65,029,270.92	50,211,886.13	57,739,701.64	227,503,421.69	8,506,542.43	408,990,822.81

CITY OF DANVILLE
UTILITY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE PERIOD ENDED JANUARY 31, 2021

	WASTEWATER	WATER	GAS	ELECTRIC	TELECOM	JANUARY 31, 2021
Operating revenues:						
Charges for Services	$ 5,158,203.14	5,056,499.77	10,517,434.80	69,404,065.28	395,460.24	90,531,663.23
Operating Expenses:						
Purchased Services	$ -	-	7,109,627.80	53,674,455.90	32,225.00	60,816,308.70
Production	-	-	-	304,793.64	-	304,793.64
Transmission & Treatment	1,505,353.83	1,102,072.41	-	834,790.52	-	3,442,216.76
Engineering	-	123,387.39	125,095.32	504,946.18	-	753,428.89
Distribution	1,419,159.01	509,808.20	352,843.10	7,317,211.24	-	9,599,021.55
Service	41,609.15	35,910.78	30,310.00	-	-	107,829.93
Meters & Regulators	-	45,713.39	51,568.73	204,944.60	127.36	302,354.08
Administrative	1,052,660.25	1,971,375.38	2,231,718.98	2,606,542.34	519,570.19	8,381,867.14
Total Operating Expenses	$ 4,018,782.24	3,788,267.55	9,901,163.93	65,447,684.42	551,922.55	83,707,820.69
Operating Income (Loss)	$ 1,139,420.90	1,268,232.22	616,270.87	3,956,380.86	(156,462.31)	6,823,842.54
Non-Operating Revenues (Expenses):						
Jobbing Income (Loss)	20,625.64	46,099.07	9,634.24	360,535.02	(1,101.92)	435,792.05
Interest Income	80,447.21	75,690.56	85,498.62	210,751.11	6,040.75	458,428.25
Energy Efficiency Recovery	-	-	-	-	-	-
Gain (Loss) on Disposal of Property	-	-	-	5,450.46	-	5,450.46
Recoveries and Rebates	2,516.45	5,871.72	316.47	(63,715.84)	-	(55,011.20)
Interest Expense	(44,557.66)	(44,101.17)	(21,750.06)	(883,036.94)	-	(993,445.83)
Total Non-Operating Revenues (Expenses)	$ 59,031.64	83,560.18	73,699.27	(370,016.19)	4,938.83	(148,786.27)
Income (Loss) Before Operating Transfers	$ 1,198,452.54	1,351,792.40	689,970.14	3,586,364.67	(151,523.48)	6,675,056.27
Operating Transfers:						
Transfers In (Out)	(411,693.31)	(554,341.69)	(1,858,692.50)	(6,083,939.19)	(47,250.00)	(8,955,916.69)
Total Operating Transfers	$ (411,693.31)	(554,341.69)	(1,858,692.50)	(6,083,939.19)	(47,250.00)	(8,955,916.69)
Net Income (Loss)	$ 786,759.23	797,450.71	(1,168,722.36)	(2,497,574.52)	(198,773.48)	(2,280,860.42)
Net Assets - July 1, 2020, as restated	62,156,573.90	47,244,511.09	56,214,191.52	170,688,476.88	8,647,107.61	344,950,861.00
Net Income (Loss)	786,759.23	797,450.71	(1,168,722.36)	(2,497,574.52)	(198,773.48)	(2,280,860.42)
Contribution In Aid of Construction	25,563.00	-	-	-	-	25,563.00
Net Assets - January 31, 2021	$ 62,968,896.13	48,041,961.80	55,045,469.16	168,190,902.36	8,448,334.13	342,695,563.58

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED JANUARY 31, 2021

WASTEWATER - FINAL

	ORIGINAL BUDGET 2020-21	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2020-21	JANUARY 2021	PERCENT OF CURRENT BUDGET	JANUARY 2020
OPERATING REVENUE	9,118,040.00		9,118,040.00	5,158,203.14	56.57%	5,246,133.40
OPERATING EXPENSES						
TRANSMISSION & TREATMENT	3,088,200.00	27,977.16	3,116,177.16	1,505,353.83	48.31%	1,425,350.36
ENGINEERING	-		-	-		-
DISTRIBUTION	2,509,070.00	127,017.58	2,636,087.58	1,419,159.01	53.84%	1,211,748.83
SERVICE	140,230.00		140,230.00	41,609.15	29.67%	4,185.60
METERS & REGULATORS	-		-	-		-
BAD DEBT	36,000.00		36,000.00	17,720.30	49.22%	20,881.76
GENERAL & ADMINISTRATIVE	1,808,530.00		1,808,530.00	1,034,939.95	57.23%	1,030,939.46
TOTAL OPERATING EXPENSES	7,582,030.00	154,994.74	7,737,024.74	4,018,782.24	51.94%	3,693,106.01
OPERATING INCOME (LOSS)	1,536,010.00	(154,994.74)	1,381,015.26	1,139,420.90	82.51%	1,553,027.39
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	118,200.00		118,200.00	80,447.21	68.06%	128,339.63
RECOVERIES AND REBATES	-		-	2,516.45		6,849.38
GAIN/LOSS ON DISPOSAL	-		-	-		-
JOBBING INCOME (LOSS)	48,500.00		48,500.00	20,625.64	42.53%	19,905.80
INTEREST ON LONG TERM INDEBTEDNESS	(78,250.00)		(78,250.00)	(44,557.66)	56.94%	(90,871.40)
NET INCOME (LOSS)	1,624,460.00	(154,994.74)	1,469,465.26	1,198,452.54	81.56%	1,617,250.80
OPERATING TRANSFERS IN (OUT)	(705,760.00)		(705,760.00)	(411,693.31)	58.33%	(411,693.31)
NET INCOME AFTER TRANSFERS	918,700.00	(154,994.74)	763,705.26	786,759.23	103.02%	1,205,557.49
CONTRIBUTION IN AID	38,000.00		38,000.00	25,563.00	67.27%	
REGULAR CAPITAL MAINTENANCE	(126,300.00)	(236,178.50)	(362,478.50)	(146,271.54)	40.35%	
CAPITAL PROJECTS	(4,150,000.00)		(4,150,000.00)	(891,068.30)	21.47%	
DEBT SERVICE	(333,340.00)		(333,340.00)	(120,321.00)	36.10%	
DEPRECIATION	2,145,750.00		2,145,750.00	1,150,205.14	53.60%	

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED JANUARY 31, 2021

WATER - FINAL

	ORIGINAL BUDGET 2020-21	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2020-21	JANUARY 2021	PERCENT OF CURRENT BUDGET	JANUARY 2020
OPERATING REVENUE	8,473,100.00		8,473,100.00	5,056,499.77	59.68%	5,176,784.92
OPERATING EXPENSES						
TRANSMISSION & TREATMENT	1,897,720.00	58,994.85	1,956,714.85	1,102,072.41	56.32%	978,504.61
ENGINEERING	309,270.00	7,233.25	316,503.25	123,387.39	38.98%	123,378.53
DISTRIBUTION	662,080.00	148,840.63	810,920.63	509,808.20	62.87%	323,866.18
SERVICE	124,940.00		124,940.00	35,910.78	28.74%	48,445.75
METERS & REGULATORS	140,980.00		140,980.00	45,713.39	32.43%	55,847.69
BAD DEBT	31,000.00		31,000.00	14,984.18	48.34%	16,573.22
GENERAL & ADMINISTRATIVE	3,557,220.00	1,045.18	3,558,265.18	1,956,391.20	54.98%	1,795,464.77
TOTAL OPERATING EXPENSES	6,723,210.00	216,113.91	6,939,323.91	3,788,267.55	54.59%	3,342,080.75
OPERATING INCOME (LOSS)	1,749,890.00	(216,113.91)	1,533,776.09	1,268,232.22	82.69%	1,834,704.17
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	190,000.00		190,000.00	75,690.56	39.84%	135,654.37
RECOVERIES AND REBATES	17,980.00		17,980.00	5,871.72	32.66%	8,110.36
GAIN/LOSS ON DISPOSAL	1,970.00		1,970.00	-	0.00%	8,525.00
JOBBING INCOME (LOSS)	105,180.00		105,180.00	46,099.07	43.83%	9,140.51
INTEREST ON LONG TERM INDEBTEDNESS	(77,440.00)		(77,440.00)	(44,101.17)	56.95%	(89,276.06)
NET INCOME (LOSS)	1,987,580.00	(216,113.91)	1,771,466.09	1,351,792.40	76.31%	1,906,858.35
OPERATING TRANSFERS IN (OUT)	(950,300.00)		(950,300.00)	(554,341.69)	58.33%	(554,341.69)
NET INCOME AFTER TRANSFERS	1,037,280.00	(216,113.91)	821,166.09	797,450.71	97.11%	1,352,516.66
CONTRIBUTION IN AID	2,500,000.00		2,500,000.00	-	0.00%	
REGULAR CAPITAL MAINTENANCE	(926,490.00)	(204,980.91)	(1,131,470.91)	(776,157.29)	68.60%	
CAPITAL PROJECTS	(4,500,000.00)	145,047.93	(4,354,952.07)	(757,244.74)	17.39%	
DEBT SERVICE	(359,710.00)		(359,710.00)	(105,009.00)	29.19%	
DEPRECIATION	1,752,540.00		1,752,540.00	937,788.53	53.51%	

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED JANUARY 31, 2021

GAS - FINAL

	ORIGINAL BUDGET 2020-21	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2020-21	JANUARY 2021	PERCENT OF CURRENT BUDGET	JANUARY 2020
OPERATING REVENUE	22,389,840.00		22,389,840.00	10,517,434.80	46.97%	11,438,014.74
COST OF SALES						
PURCHASED SERVICES	12,730,400.00		12,730,400.00	7,109,627.80	55.85%	7,688,506.78
PRODUCTION	-		-	-		-
TOTAL COST OF SALES	12,730,400.00	-	12,730,400.00	7,109,627.80		7,688,506.78
GROSS PROFIT	9,659,440.00	-	9,659,440.00	3,407,807.00		3,749,507.96
GROSS PROFIT %	43.14%		43.14%	32.40%		32.78%
OPERATING EXPENSES						
TRANSMISSION & TREATMENT	-			-		-
ENGINEERING	398,510.00	36,339.88	434,849.88	125,095.32	28.77%	173,052.83
DISTRIBUTION	668,480.00	1,818.86	670,298.86	352,843.10	52.64%	383,660.28
SERVICE	117,410.00		117,410.00	30,310.00	25.82%	23,116.65
METERS & REGULATORS	171,960.00	(673.86)	171,286.14	51,568.73	30.11%	83,358.63
BAD DEBT	57,000.00		57,000.00	24,083.55	42.25%	31,557.95
GENERAL & ADMINISTRATIVE	3,651,460.00	5,644.37	3,657,104.37	2,207,635.43	60.37%	2,177,084.09
TOTAL OPERATING EXPENSES	5,064,820.00	43,129.25	5,107,949.25	2,791,536.13	54.65%	2,871,830.43
OPERATING INCOME (LOSS)	4,594,620.00	(43,129.25)	4,551,490.75	616,270.87	13.54%	877,677.53
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	177,900.00		177,900.00	85,498.62	48.06%	154,354.03
RECOVERIES AND REBATES	(20,000.00)		(20,000.00)	316.47		225.52
GAIN/LOSS ON DISPOSAL	2,000.00		2,000.00	-		-
JOBBING INCOME (LOSS)	148,610.00		148,610.00	9,634.24	6.48%	8,756.87
INTEREST ON LONG TERM INDEBTEDNESS	(38,180.00)		(38,180.00)	(21,750.06)	56.97%	(45,368.59)
NET INCOME (LOSS)	4,864,950.00	(43,129.25)	4,821,820.75	689,970.14	14.31%	995,645.36
OPERATING TRANSFERS IN (OUT)	(3,186,330.00)		(3,186,330.00)	(1,858,692.50)	58.33%	(1,858,692.50)
NET INCOME AFTER TRANSFERS	1,678,620.00	(43,129.25)	1,635,490.75	(1,168,722.36)	-71.46%	(863,047.14)

CONTRIBUTION IN AID	-		-	-	0.00%	
REGULAR CAPITAL MAINTENANCE	(845,400.00)	(176,319.77)	(1,021,719.77)	(297,517.37)	29.12%	
CAPITAL PROJECTS	(3,500,000.00)		(3,500,000.00)	(638,519.24)	18.24%	
DEBT SERVICE	(123,160.00)		(123,160.00)	(77,691.00)	63.08%	
DEPRECIATION	1,542,230.00		1,542,230.00	912,249.38	59.15%	

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED JANUARY 31, 2021

ELECTRIC - FINAL

	ORIGINAL BUDGET 2020-21	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2020-21	JANUARY 2021	PERCENT OF CURRENT BUDGET	JANUARY 2020
OPERATING REVENUE	128,714,030.00		128,714,030.00	69,404,065.28	53.92%	71,101,038.97
COST OF SALES						
PURCHASED SERVICES	96,489,660.00		96,489,660.00	53,674,455.90	55.63%	53,640,573.64
PRODUCTION	978,580.00	183,334.34	1,161,914.34	304,793.64		418,223.33
TOTAL COST OF SALES	97,468,240.00	183,334.34	97,651,574.34	53,979,249.54		54,058,796.97
GROSS PROFIT	31,245,790.00	(183,334.34)	31,062,455.66	15,424,815.74		17,042,242.00
GROSS PROFIT %	24.28%		24.13%	22.22%		23.97%
OPERATING EXPENSES						
TRANSMISSION & TREATMENT	1,511,680.00	297,224.05	1,808,904.05	834,790.52	46.15%	882,491.45
ENGINEERING	1,044,490.00	25,564.82	1,070,054.82	504,946.18	47.19%	420,087.98
DISTRIBUTION	13,492,900.00	(224,652.67)	13,268,247.33	7,317,211.24	55.15%	7,919,151.95
SERVICE	-		-	-		-
METERS & REGULATORS	383,580.00	4,000.00	387,580.00	204,944.60	52.88%	191,018.03
BAD DEBT	310,000.00		310,000.00	268,386.66	86.58%	301,845.08
GENERAL & ADMINISTRATIVE	5,315,840.00	91,066.77	5,406,906.77	2,338,155.68	43.24%	2,840,998.70
TOTAL OPERATING EXPENSES	22,058,490.00	193,202.97	22,251,692.97	11,468,434.88	51.54%	12,555,593.19
OPERATING INCOME (LOSS)	9,187,300.00	(376,537.31)	8,810,762.69	3,956,380.86	44.90%	4,486,648.81
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	452,100.00		452,100.00	210,751.11	46.62%	439,642.11
ENERGY EFFICIENCY RECOVERY	-	(110,160.09)	(110,160.09)	-	0.00%	(211,016.29)
RECOVERIES AND REBATES	(120,030.00)		(120,030.00)	(63,715.84)	53.08%	1,482.29
GAIN/LOSS ON DISPOSAL	45,000.00		45,000.00	5,450.46	12.11%	20,657.74
JOBBING INCOME (LOSS)	185,640.00		185,640.00	360,535.02	194.21%	133,419.73
INTEREST ON LONG TERM INDEBTEDNESS	(1,580,830.00)		(1,580,830.00)	(883,036.94)	55.86%	(989,178.99)
NET INCOME (LOSS)	8,169,180.00	(486,697.40)	7,682,482.60	3,586,364.67	46.68%	3,881,655.40
OPERATING TRANSFERS IN (OUT)	(10,429,610.00)		(10,429,610.00)	(6,083,939.19)	58.33%	(6,083,939.19)
NET INCOME AFTER TRANSFERS	(2,260,430.00)	(486,697.40)	(2,747,127.40)	(2,497,574.52)	90.92%	(2,202,283.79)
CONTRIBUTION IN AID			-		0.00%	
FEDERAL AID - CAPITAL PROJECTS			-		0.00%	
REGULAR CAPITAL MAINTENANCE	(3,306,680.00)	(162,422.50)	(3,469,102.50)	(1,846,366.51)	53.22%	
CAPITAL PROJECTS	-	-	-	(1,398,213.96)	100.00%	
DEBT SERVICE	(3,152,550.00)		(3,152,550.00)	(2,042,094.39)	64.78%	
DEPRECIATION	8,871,610.00		8,871,610.00	4,964,962.03	55.96%	

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED JANUARY 31, 2021

TELECOMMUNICATIONS - FINAL

	ORIGINAL BUDGET 2020-21	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2020-21	JANUARY 2021	PERCENT OF CURRENT BUDGET	JANUARY 2020
OPERATING REVENUE	627,170.00		627,170.00	395,460.24	63.05%	366,538.75
COST OF SALES						
PURCHASED SERVICES	57,000.00		57,000.00	32,225.00	56.54%	25,863.35
PRODUCTION	-		-	-		-
TOTAL COST OF SALES	57,000.00	-	57,000.00	32,225.00		25,863.35
GROSS PROFIT	570,170.00	-	570,170.00	363,235.24		340,675.40
GROSS PROFIT %	90.91%		90.91%	91.85%		92.94%
OPERATING EXPENSES						
TRANSMISSION & TREATMENT			-	-		-
ENGINEERING			-	-		-
DISTRIBUTION			-	-		-
SERVICE			-	-		-
METERS & REGULATORS			-	-		-
BAD DEBT			-	127.36		(270.45)
GENERAL & ADMINISTRATIVE	926,650.00	1,062.50	927,712.50	519,570.19	56.01%	510,206.31
TOTAL OPERATING EXPENSES	926,650.00	1,062.50	927,712.50	519,697.55	56.02%	509,935.86
OPERATING INCOME (LOSS)	(356,480.00)	(1,062.50)	(357,542.50)	(156,462.31)	43.76%	(169,260.46)
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	13,600.00		13,600.00	6,040.75	44.42%	12,768.15
RECOVERIES AND REBATES	-		-	-		-
GAIN/LOSS ON DISPOSAL	-		-	-		-
JOBBING INCOME (LOSS)	7,920.00		7,920.00	(1,101.92)	-13.91%	3,019.49
INTEREST ON LONG TERM INDEBTEDNESS	-		-	-		-
NET INCOME (LOSS)	(334,960.00)	(1,062.50)	(336,022.50)	(151,523.48)	45.09%	(153,472.82)
OPERATING TRANSFERS IN (OUT)	(81,000.00)		(81,000.00)	(47,250.00)	58.33%	(47,250.00)
NET INCOME AFTER TRANSFERS	(415,960.00)	(1,062.50)	(417,022.50)	(198,773.48)	47.66%	(200,722.82)
CONTRIBUTION IN AID	-		-		0.00%	
REGULAR CAPITAL MAINTENANCE	(25,000.00)		(25,000.00)	(13,571.99)	54.29%	
CAPITAL PROJECTS	(250,000.00)		(250,000.00)	(95,201.48)	38.08%	
DEPRECIATION	482,230.00		482,230.00	256,576.74	53.21%	
CONTINGENCY	-		-	-	0.00%	

GAS OPERATING STATISTICS
YTD January 2021 and 2020

	YTD 2021	YTD 2020	YTD Change	YTD % Change
NUMBER OF CUSTOMERS:				
Residential	13,177	13,087	90	0.6877%
Commercial	1,493	1,497	-4	-0.2672%
Small Firm Industrial	14	14	0	0.0000%
Municipal	52	54	-2	-3.7037%
Large Firm Industrial	5	5	0	0.0000%
Interruptible Industrial	6	6	0	0.0000%
Industrial Transportation	7	8	-1	-12.5000%
Interruptible Commercial	1	1	0	0.0000%
Commercial Transportation	-	8	-8	-100.0000%
TOTAL CUSTOMERS	14,755	14,680	75	0.5109%
NATURAL GAS SALES-DEKATHERMS:				
Residential	356,017	359,564	-3,547	-0.9865%
Commercial	200,738	218,328	-17,590	-8.0567%
Small Firm Industrial	17,960	25,152	-7,192	-28.5941%
Municipal	10,593	10,678	-85	-0.7960%
Large Firm Industrial	35,977	28,270	7,707	27.2621%
Interruptible Industrial	905,578	950,254	-44,676	-4.7015%
Industrial Transportation	121,216	136,762	-15,546	-11.3672%
Interruptible Commercial	58,806	59,255	-449	-0.7577%
Commercial Transportation	-	3,378	-3,378	-100.0000%
TOTAL DEKATHERMS	1,706,885	1,791,641	-84,756	-4.7306%

ELECTRIC OPERATING STATISTICS
YTD January 2021 and 2020

	YTD 2021	YTD 2020	YTD Change	YTD % Change
NUMBER OF CUSTOMERS:				
Residential	37,136	36,875	261	0.7078%
Commercial	4,759	4,734	25	0.5281%
Industrial	16	17	-1	-5.8824%
High Load Factor	7	8	-1	-12.5000%
Municipal	285	282	3	1.0638%
Outdoor Lighting	6,021	5,933	88	1.4832%
TOTAL CUSTOMERS	48,224	47,849	375	0.7837%
KILOWATT HOURS SALES:				
Residential	275,209,146	277,241,469	-2,032,323	-0.7331%
Commercial	154,176,619	166,992,272	-12,815,653	-7.6744%
Industrial	6,761,540	14,995,830	-8,234,290	-54.9105%
High Load Factor	74,784,000	81,715,200	-6,931,200	-8.4821%
Municipal	12,942,864	13,233,632	-290,768	-2.1972%
Outdoor Lighting	8,449,242	8,610,475	-161,233	-1.8725%
TOTAL KILOWATT HOURS	532,323,411	562,788,878	-30,465,467	-5.4133%

KEY IN YELLOW CELLS ONLY. TWEAK THE PCA IN COLUMN "L" TO ACHIEVE THE DESIRED RECOVERY.

BILLING MONTH	TOTAL POWER COST	HLF POWER COST	**NON-HLF POWER COST**	TOTAL kWh SALES	HLF kWh SALES	NON-HLF kWh SALES	PCA / kWh	POWER COST / kWh RECOVERED IN BASE RATE	TOTAL POWER COST / kWh RECOVERED	HLF STRANDED COSTS RECOVERED	**NON-HLF POWER COST RECOVERED**	NON-HLF POWER COST OVER / (UNDER) RECOVERY	ADJUSTMTS	**CUMULATIVE POWER COST RECOVERY NON-HLF CUSTOMERS (+ / - $4,000,000)**	
Sep-20	$ 7,478,941.40	$ 1,025,891.66	**$ 6,453,049.74**	83,055,635	11,392,800	71,662,835	$0.025000	$0.086200	$0.111200		**$ 7,968,907.29**	$ 1,515,857.55		**$ (2,188,691.38)**	ACTUAL
Oct-20	$ 7,440,523.04	$ 1,259,816.19	**$ 6,180,706.85**	61,701,566	10,447,200	51,254,366	$0.035000	$0.086200	$0.121200		**$ 6,212,029.21**	$ 31,322.36		**$ (2,157,369.02)**	ACTUAL
Nov-20	$ 7,421,644.43	$ 1,263,881.72	**$ 6,157,762.71**	61,544,343	10,480,800	51,063,543	$0.035000	$0.086200	$0.121200		**$ 6,188,901.47**	$ 31,138.76		**$ (2,126,230.25)**	ACTUAL
Dec-20	$ 7,999,851.10	$ 1,152,113.92	**$ 6,847,737.18**	68,208,652	9,823,200	58,385,452	$0.020000	$0.086200	$0.106200		**$ 6,200,534.99**	$ (647,202.19)		**$ (2,773,432.44)**	ACTUAL
Jan-21	$ 7,234,071.46	$ 836,839.71	**$ 6,397,231.75**	82,873,214	9,586,800	73,286,414	$0.010000	$0.086200	$0.096200		**$ 7,050,152.98**	$ 652,921.23		**$ (2,120,511.21)**	ACTUAL
Feb-21	$ 7,545,412.09	$ 1,015,300.95	**$ 6,530,111.14**	88,244,006	11,874,000	76,370,006	$0.012500	$0.086200	$0.098700		**$ 7,537,719.60**	$ 1,007,608.46		**$ (1,112,902.75)**	PROJECTED
Mar-21	$ 7,473,414.54	$ 1,094,593.84	**$ 6,378,820.70**	72,680,833	10,645,200	62,035,633	**$0.018000**	$0.086200	$0.104200		**$ 6,464,112.98**	$ 85,292.28		**$ (1,027,610.47)**	PROJECTED
Apr-21	$ 7,649,350.31	$ 1,300,067.59	**$ 6,349,282.72**	69,017,088	11,730,000	57,287,088	$0.035000	$0.086200	$0.121200		**$ 6,943,195.03**	$ 593,912.31		**$ (433,698.16)**	PROJECTED
May-21	$ 8,087,498.11	$ 1,472,777.87	**$ 6,614,720.24**	63,734,484	11,606,400	52,128,084	$0.030000	$0.086200	$0.116200		**$ 6,057,283.40**	$ (557,436.84)		**$ (991,135.00)**	PROJECTED
Jun-21	$ 8,392,169.97	$ 1,292,282.69	**$ 7,099,887.28**	77,648,257	11,956,800	65,691,457	$0.020000	$0.086200	$0.106200		**$ 6,976,432.71**	$ (123,454.57)		**$ (1,114,589.57)**	PROJECTED
Jul-21	$ 8,253,116.06	$ 1,122,765.43	**$ 7,130,350.63**	84,971,195	11,559,600	73,411,595	$0.012500	$0.086200	$0.098700		**$ 7,245,724.44**	$ 115,373.81		**$ (999,215.76)**	PROJECTED
Aug-21	$ 7,926,626.84	$ 1,047,004.47	**$ 6,879,622.37**	89,790,810	11,860,200	77,930,610	*$0.012500*	$0.086200	$0.098700		**$ 7,691,751.23**	$ 812,128.86		**$ (187,086.90)**	PROJECTED

After PGA's are calculated, hard code them before reconciling the month

Mo Rate Applied	WACOG	WACOG Plus Losses	Demand Rate Firm	Demand Rate Interruptible	Adjustments	PGA (f)	PGA (i)	(Independent of Commod) Cum Over (Under) Demand Recovery Current FY	(Does not include Demand Recovery) Monthly Commodity Cost	Monthly Commodity Recovered	Monthly Commod Over (Under) Recovery	Adjustments	Commodity Recovery Balance Over (Under) +/- $2,000,000	
Sep-20	$ 3.84209	$ 3.84209	$ -	$ -	$ (0.09800)	$ 4.12912	$ 4.12912	$ (923,943.40)	$ 454,684.44	$ 441,344.54	$ (13,339.90)		$ (24,606.80)	Final
Oct-20	$ 4.17663	$ 4.17663	$ -	$ -		$ 3.86782	$ 3.86782	$ (1,181,326.46)	$ 553,173.93	$ 472,220.20	$ (80,953.73)		$ (105,560.53)	Final
Nov-20	$ 4.14921	$ 4.14921	$ 1.98533	$ -	$ (0.16450)	$ 5.59840	$ 3.61307	$ (384,931.48)	$ 888,024.15	$ 686,606.22	$ (201,417.93)		$ (306,978.46)	Final
Dec-20	$ 3.53976	$ 3.53976	$ 1.98533	$ -	$ (0.03345)	$ 5.49867	$ 3.51334	$ (339,857.63)	$ 1,296,269.44	$ 999,801.08	$ (296,468.36)		$ (603,446.82)	Final
Jan-21	$ 3.44575	$ 3.44575	$ 2.08883	$ -	$ (0.01765)	$ 5.63961	$ 3.55078	$ (70,976.12)	$ 1,418,068.77	$ 1,261,729.84	$ (156,338.93)		$ (759,785.75)	Final
Feb-21	$ 5.05951	$ 5.05951	$ 2.23230	$ -		$ 6.61821	$ 4.38591	$ 270,774.63	$ 953,326.82	$ 1,610,451.20	$ 657,124.37		$ (102,661.38)	Est
Mar-21	$ 3.32861	$ 3.32861	$ 2.10200	$ -	$ -	**$ 5.43061**	**$ 3.32861**	$ 386,576.78	$ 901,294.22	$ 984,098.81	$ 82,804.58		$ (19,856.79)	Est
Apr-21	$ 2.61195	$ 2.61195	$ 2.10200	$ -	$ -	$ 4.71395	$ 2.61195	$ 451,143.98	$ 502,953.98	$ 701,799.44	$ 198,845.47		$ 178,988.67	Est
May-21	$ 2.67024	$ 2.68191	$ -	$ -		$ 2.68191	$ 2.68191	$ 221,670.34	$ 462,585.35	$ 494,927.53	$ 32,342.18		$ 211,330.85	Est
Jun-21	$ 2.69861	$ 2.69861	$ -	$ -		$ 2.69861	$ 2.69861	$ 115.20	$430,484.41	$ 424,875.59	$ (5,608.82)		**$ 205,722.03**	Est
Jul-21	$ 2.73737	$ 2.73737	$ -	$ -	$ -	$ 2.73737	$ 2.73737	$ (229,358.44)	$ 405,741.95	$ 395,505.77	$ (10,236.18)		$ 195,485.86	Est
Aug-21	$ 2.74500	$ 2.74500	$ -	$ -	$ -	$ 2.74500	$ 2.74500	$ (458,832.08)	$ 414,119.75	$ 429,807.65	$ 15,687.90		$ 211,173.76	Est

Commission Item Number: DUC210322 - 2
Utility Commission Meeting: March 22, 2021
Item: II. C. Budget Appropriation-Substation Upgrades

Budget Appropriation-Substation Upgrades

Staff would like to recommend to the Utility Commission amending the fiscal year 2021 budget to include the proceeds from the sale of Pinnacles Hydro towards substations upgrades and renovations. The sale was completed on February 10, 2021 and the funds could be re-purposed towards the upgrades at the Westover and Southside substations. In addition, the funds could be used towards the fourth delivery point at West Fork substation and the addition of the Ballou substation at the former Dan River Schoolfield complex.

Recommendation:

I move that the Danville Utility Commission recommend to City Council amending the fiscal year 2021 budget to allocate the $8,200,000 from of the sale of Pinnacles Hydro to substation upgrades and renovations.

Commission Item Number: DUC210322 - 3
Utility Commission Meeting: March 22, 2021
Item: II. D. State Legislative Update-Tom Dick, Municipal Electric Power Association of Virginia

State Legislative Update-Tom Dick, Municipal Electric Power Association of Virginia

Tom Dick, MEPAV, will be in attendance to provide an update on the energy related legislation discussed this past session in Richmond. Attached is a list of bills proposed.

MEPAV Legislative Update
February 19, 2021

Next week should be the final week of the 2021 Special Session 1. The legislature should be able to complete its work by February 27th. They will reconvene six weeks after they adjourn to consider any amendments the Governor proposes to legislation and to override a veto, should he decide to veto any legislation.

There will be another Special Session later this year as legislators will have to come back for redistricting. They will have to act on whatever the independent Redistricting Commission approves. Unfortunately, the census data needed to redraw legislative districts is not expected to be available until sometime after July 31st. The political calendar for nominations means that Delegates, who are all on the ballot in November (along with the Governor, Lt. Governor and Attorney General) will probably have to run in their current districts. The legislature may decide to also have elections next year in the newly drawn districts. This means Delegates could be running three years in a row.

Below is a summary of where things stand on legislation of interest to MEPAV.

The New Green Deal. The New Green Deal legislation (HB1937) died in committee without being considered. The clean energy requirements in the bill went much further than any state has gone and were not achievable within the required time period (80% by 2028 and 100% by 2036).

Renewable Energy Competition. Legislation (HB2048) to allow competitive suppliers to compete to provide renewable energy to Dominion and APCO retail customers died in the Senate Commerce and Labor Committee Monday.

SCC Rate Regulation Authority. Legislation to restore some of the authority of the Virginia State Corporation Commission to more effectively allow the SCC to regulate Dominion and APCO rates (HB1984, HB1914, HB2049, HB2160 and HB2200) also died in Senate Commerce and Labor. The Commission on Electric Utility Regulation (CEUR) is to look at these issues before the next General Assembly session.

Closure of Carbon-emitting Generating Units. Legislation introduced to require certain notices be given when fossil fuel power plants over 80 megawatts are scheduled to be closed, continues to advance. SB1247 has passed the Senate and House and now goes to the Governor for his review and approval. The Senate conformed HB1834 to SB1247 and returned it to the House where it awaits consideration on the House floor. The language limiting the measures to just electric utilities has been removed from both bills.

Energy Efficiency. Legislation (HB2227) directing the Board of Housing and Community Development to consider adopting energy efficiency standards in the Uniform Statewide Building Code that are at least as stringent as those in the most recent edition of the International Energy Conservation Code passed the House and has gone to the Senate Finance and Appropriations Committee for review. A Senate bill (SB1224) that would have mandated the adoption of such standards died in the Senate General Laws and Technology Committee. A House bill (HB2001) requiring that certain state and local buildings being constructed comply with high performance building certification standards is also in Senate Finance and Appropriations awaiting action.

Battery Storage. Legislation putting battery storage on par with solar for siting (HB2201) has passed the House and Senate. An identical bill (SB1207) passed the Senate and is on the House floor. Bills applying the same tax treatment to energy storage as is currently applied to solar facilities (SB1201 and HB2269) have passed and are on their way to the Governor.

Transportation Electrification. Legislation (HB2282) supporting the Commonwealth's transportation electrification goals is also on its way to the Governor. Under that legislation, the SCC will conduct a study and develop recommendations on how to accelerate the effective deployment of electric vehicle charging infrastructure. A related measure, SB1223, would amend the Virginia Energy Plan to include and analysis of electric vehicle charging infrastructure and other infrastructure needed to support the 2045 net-zero carbon target. That bill has passed the House and Senate.

Electric Vehicles. HB1965 directs the State Air Pollution Control Board to implement a low-emissions and zero-emissions vehicle program for motor vehicles with a model year of 2025 and later. Regulations adopted by the Board to implement the program would become effective January 1, 2024. After considerable debate this afternoon, that bill passed the Senate with amendments. The bill goes back to the House for consideration of the Senate's changes to the bill. Another measure, HB1979, would establish an electric vehicle rebate program. That measure has passed the Senate with amendments and goes back to the House. The House version of the Budget Bill contains $5 million for the rebate program.

Electric School Bus Project. SB1380 is a bill that Dominion and certain local governments are supporting. Under the legislation, Dominion would cover the cost difference between electric and diesel buses (more than $200,000 per bus) so that schools would just pay what they have been paying for a diesel bus (around $100,000). Dominion would own the batteries in the bus and the charging infrastructure (which they also would pay for) and Dominion could use the battery storage for grid stabilization. The program would be limited to 250 buses per year for a five year total of 1250. Dominion says the Virginia Clean Economy Act requires them to develop a significant amount of energy storage and this is one way to do that. Concerns have been raised by several environmental groups that this approach is too costly compared to other energy storage options. SB1380 has been amended and failed to pass the House. The House reconsidered that vote and is passing the bill by for the day while its supporters try to work out amendments that can be agreed upon. In the meantime, the patron of SB1380, Senator Lucas, had HB2118 amended in Senate Finance to conform to SB1380. HB2118 is or was a measure that would create an Electric Vehicle Grant Fund and award grants to schools to assist in the replacement of existing diesel school buses with electric school buses. The bill would also support the development of recharging infrastructure or other infrastructure needed to charge or maintain such electric school buses. Senator Lucas wants to use HB2118 as leverage to get SB1380 out of the House. HB2118 is on the Senate floor and has been passed by for the day.

Privacy. Legislation (SB1392 and HB2307) targeted at Google, Amazon and Facebook was introduced to try to protect consumer privacy. The legislation, referred to as The Consumer Data Protection Act, addresses privacy protection standards and outlines responsibilities for data controllers and processors. Local governments, authorities, political subdivisions of the state, are exempt from the bill. SB1392 has passed the Senate and the House. HB2307 has also passed the House and Senate.

SCC Judge Election. The House and Senate have each passed resolutions (HR251 and SR103) electing members of the Virginia State Corporation Commission. Angela Navarro, previously serving in the Northam Administration as Deputy Secretary of Commerce and Trade, was elected to the three member Commission. She succeeds Mark Christie, now serving on the Federal Energy Regulatory Commission (FERC). Jehmal Hudson, previously on the staff of the Federal Energy Regulatory Commission, was also elected. He was appointed to the SCC by Governor Northam when the legislature failed to elect someone in the 2020 General Assembly session. He succeeded Patricia West, whose term had expired.

Have a great weekend.

Thomas Dick
804-387-1197

Energy Related Legislation

Bill	Patron	Topic	Status
HB1756	Samirah	Prohibits contributions from public service corporations	Tabled by H. P & E Sub.

HB1800	Torian	Budget Bill	In Conference Committee
HB1811	Helmer	Procurement Act; preference for energy efficient goods	In Conference Committee
HB1834	Subramanyam	Utilities; closing of carbon emitting generation units	Substitute passed Senate
HB1835	Subramanyam	Removes SCC limits ordering Dominion rate reductions	Incorporated into HB1914
HB1850	Reid	Weight limits; vehicles powered by electric batteries	Passed House and Senate
HB1855	Sullivan	Renames DMME as Dept. of Energy; other changes	Senate Finance & App.
HB1859	Guy	Loan financing of clean energy and other programs	Passed House and Senate
HB1899	Hudson	Sunset of coal tax credits	Passed House and Senate
HB1906	Carter	Corporation campaign contributions prohibited	Left in H. P&E Committee
HB1907	Sullivan	Advanced renewable energy buyers	Passed House and Senate
HB1914	Helmer	Electric utilities; triennial rate cases; test periods	Died in Sen. C&L Comm.
HB1919	Kory	Local green banks	Substitute passed Senate
HB1923	Ayala	Electric utilities; broadband capacity pilots; municipalities	Passed Senate w/amend.
HB1925	Kilgore	Brownfield and coal mine renewable energy grant funds	Passed House and Senate
HB1934	Simon	Gas pipelines in residential areas	House L & C; sub. tabled
HB1937	Rasoul	Green New Deal Act	Left in House L & C
HB1965	Bagby	Low and zero emissions vehicle program	On Senate floor w/amend.
HB1979	Reid	Electric vehicle rebate program[1]	Substitute on Senate floor
HB1984	Hudson	Electric utilities; rates of return	Died in Sen. C&L Comm.
HB1994	Murphy	Small agricultural generators; definition	Passed House and Senate
HB2001	Helmer	Building standards for certain state and local buildings	Senate Finance & App.
HB2006	Heretick	Tax exemptions for energy storage systems	Passed House and Senate
HB2023	Poindexter	Solar and wind farms; reporting of acreage	Tabled in H. CC & T sub.
HB2034	Hurst	3rd party PPAs; non-jurisdictional customers	Passed House and Senate
HB2048	Bourne	Electric utilities; purchasing from competitive suppliers	Died in Sen. C&L Comm.
HB2049	Bourne	Electric utilities; customer credit reinvestment offsets	Died in Sen. C&L Comm.
HB2057	Ware	Electric utilities; triennial review	Incorporated into HB2200
HB2067	Webert	Solar facilities; permit by rule	Tabled in H. ACNR
HB2074	Simonds	Environmental justice; interagency working group	Senate Finance & App.
HB2095	O'Quinn	City of Bristol Charter	Passed House and Senate
HB2118	Keam	Electric vehicle grant fund and program	Substitute on Senate floor
HB2148	Willett	Small renewable energy storage projects[2]	Senate Finance & App.
HB2160	Tran	Electric utilities; fair rate of return; customer credits	Died in Sen. C&L Comm.
HB2200	Jones	Electric utilities; triennial review	Died in Sen. C&L Comm.
HB2201	Jones	Solar and energy storage projects; siting agreements	Passed House and Senate
HB2214	O'Quinn	State to develop broadband map	Left in H. Appropriations
HB2215	Runion	Small agriculture generators; licenses	Incorporated into HB1994
HB2221	Hayes	Environmental permits; environmental justice outreach	Senate Ag., Cons.& NR
HB2224	Head	Broadband service providers; railroad crossings	Tabled in House CCT & I
HB2227	Kory	Uniform Statewide Building Code; energy efficiency	Senate Finance & App.
HB2265	Freitas	Utilities; development of renewable energy facilities	House L & C; sub. #3; PBI
HB2269	Heretick	Revenue share for solar energy projects	Passed House and Senate
HB2281	Ware	Virginia Clean Economy Act; non-bypassable charges	House L & C sub #3 tabled
HB2282	Sullivan	SCC; transportation electrification; utility cost recovery	Passed House and Senate
HB2292	Cole, J.	Fossil fuel projects moratorium	Left in House L & C
HB2304	Tyler	Provision of broadband capacity by Dominion and APCO	Substitute passed Senate
HB2307	Hayes	Consumer Data Protection Act	Substitute passed Senate

[1] HB1979 has a House approved budget amendment - Item 125 #1h

[2] HB2148 has a House approved budget amendment - Item 378 #2h.

HB2330	Kory	Percentage of Income Payment Program (PIPP)	Substitute passed Senate
HJ538	Aird	Access to water; human right	On Senate floor w/amend.
HJ541	McNamara	Study effects of Daylight Saving Time on Commonwealth	Tabled in H. Rules
HJ549	Guy	COVID-19; JLARC Study of impact on schools	Senate Rules
HJ559	Guzman	Recognizing climate change is caused by human activity	Left in House Rules
HR251	Ward	Nominations to the State Corporation Commission	Passed
SB1100	Howell	Budget Bill	In Conference
SB1201	Petersen	Taxation; electric suppliers; storage	Passed Senate and House
SB1207	Barker	Solar energy; siting agreements[3]	On House floor
SB1223	Boysko	Transportation electrification; Virginia Energy Plan	Passed Senate and House
SB1224	Boysko	Building Code; energy efficiency and conservation	Left in Senate GL & T
SB1225	Boysko	Broadband services; education	Passed Senate and House
SB1236	Petersen	Utilities prohibited from making campaign contributions	Failed 5-10 in Senate P & E
SB1247	Deeds	Closure of carbon-emitting generating units	Passed Senate and House
SB1252	McPike	Sunset of coal tax credits	Passed Senate and House
SB1258	Marsden	Solar projects; erosion sediment and control[4]	House Appropriations
SB1282	Morrissey	Greenhouse gas emissions; inventory	On House floor
SB1284	Favola	Commonwealth Clean Energy Policy	Passed Senate and House
SB1292	McClellan	Electric utility overearnings; customer bill credits	PBI in Senate C & L
SB1295	DeSteph	Electric utilities; procurement	On House floor
SB1334	Edwards	Municipal broadband authorities; pilot program	Passed Senate and House
SB1373	McClellan	Environmental permits; environmental justice outreach	Left in Senate Ag, C & NR
SB1374	Lewis	Carbon Sequestration Task Force; report	Passed Senate and House
SB1380	Lucas	Electric school bus projects; report	Substitute on House floor
SB1385	Surovell	Fairfax Co. underground utility lines	On House floor w/amend.
SB1392	Marsden	Consumer Data Protection Act	Passed Senate and House
SB1413	Boysko	Provision of broadband capacity by Dominion and APCO	Passed Senate and House
SB1420	Edwards	3rd party PPAs; non-jurisdictional customers	Passed Senate and House
SB1453	Edwards	DMME; Code Commission bill	Passed Senate and House
SB1462	Mason	Virginia Digital Equity Pilot Program and Fund	Tabled in House Appr. Sub.
SB1463	Cosgrove	Covenants regarding solar power	Struck from Sen. GL&T
SJ289	Mason	Government sale of property; easements	Tabled in House P & E
SJ308	Lucas	COVID-19; JLARC Study of impact on schools	House Rules
SR103	Saslaw	Nominations to the State Corporation Commission	Passed

Budget Amendments

377 #1s	This amendment provides $115,000 the second year from the general fund and one position for the Department of Environmental Quality to administer permit-by-rule applications for energy storage projects pursuant to the provisions of SB 1207 of the 2021 General Assembly.
377 #2s	This amendment provides the funding ($230,000) for staffing dedicated to the erosion and sediment control program to review for solar project permitting and provide this service to projects upon the request of a locality pursuant to the provisions of SB 1258 of the 2021 General Assembly.

[3] SB1207 has a Senate approved budget amendment – Item 377 #1s

[4] SB1258 has a Senate approved budget amendment – Item 377 #2s

378 #2h	This amendment provides $115,500 from the general fund the second year and one position to implement the provisions of House Bill 2148.
125 #1h	This amendment provides $5.0 million the second year from the general fund for the establishment of the Electric Vehicle Rebate Program, established pursuant to House Bill 1979.
125 #2h	This amendment directs the Department of Mines, Minerals, and Energy to establish a work group to assess the feasibility of creating a Virginia Residential Property-Assessed Clean Energy (R-PACE) Program.
135 #2s	This amendment provides $100,000 GF the second year for the Virginia Nuclear Energy Consortium Authority as a one-time planning grant to develop a nuclear research and innovation hub in Virginia.
4-14 #2s	This utility debt forgiveness amendment requires that Dominion Energy write off debt owed as of December 31, 2020.