

1 **H. B. 4646**

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3 (By Delegates Manchin, Caputo and Longstreth)
4 [Introduced February 20, 2012; referred to the
5 Committee on Government Organization then Finance.]
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10 A BILL to amend the Code of West Virginia, 1931, as amended, by
11 adding thereto a new section, designated §24-2-19, relating to
12 requiring electric utilities to implement integrated resource
13 plans; requiring the Public Service Commission to order
14 development of integrated resource plans; specifying certain
15 items that shall be evaluated and deadlines for the plans;
16 requiring commission review, public hearing and option for
17 requesting further information; addressing the commission's
18 use of the plan; and defining terms.

19 *Be it enacted by the Legislature of West Virginia:*

20 That the Code of West Virginia, 1931, as amended, be amended
21 by adding thereto a new section, designated §24-2-19, to read as
22 follows:

23 **ARTICLE 2. POWERS AND DUTIES OF PUBLIC SERVICE COMMISSION.**

24 **§24-2-19. Integrated Resource Planning Required.**

1 (a) Not later than July 31, 2012, the Public Service
2 Commission shall issue an order directing electric utilities to
3 develop an initial integrated resource plan to be filed not later
4 than December 31, 2013, in conjunction with other similar deadlines
5 required by other states or entities of the electric utilities.
6 This order may include guidelines for developing an integrated
7 resource plan.

8 (b) (1) Electric utilities shall file with the Public Service
9 Commission an initial integrated resource plan as directed by the
10 Public Service Commission, which shall comply with the provisions
11 of this section and with the order issued pursuant to subsection
12 (a) of this section.

13 (2) Each electric utility shall file an updated integrated
14 resource plan at least every two years after the initial integrated
15 resource plan, which plan shall comply with the provisions of any
16 relevant order of the Public Service Commission establishing
17 guidelines for the format and contents of updated and revised
18 integrated resource plans.

19 (c) In preparing an integrated resource plan, each electric
20 utility shall systematically evaluate the costs and benefits,
21 including economic development benefits, associated with the
22 following, and may propose:

23 (1) Entering into short-term and long-term electric power
24 purchase contracts;

- 1 (2) Owning and operating electric power generation facilities;
2 (3) Building new generation facilities;
3 (4) Retiring existing generation facilities;
4 (5) Relying on purchases from the short-term or spot markets;
5 (6) Making investments in demand-side resources, including
6 energy efficiency and demand-side management services;
7 (7) Taking such other actions, as the Public Service
8 Commission may approve, to diversify its generation supply
9 portfolio and ensure that the electric utility is able to implement
10 an approved plan; and
11 (8) The methods by which the electric utility proposes to
12 acquire the supply and demand resources identified in its
13 integrated resource plan.
- 14 (d) The Public Service Commission shall analyze and review an
15 integrated resource plan and, after giving notice and hearing
16 comment at a public hearing, file the plan in the appropriate
17 location. The Public Service Commission may request further
18 information from the utility, as necessary. Nothing in this
19 section affects the obligations of utilities to obtain otherwise
20 applicable commission approvals.
- 21 (e) The commission shall consider the information reported in
22 the integrated resource plan when it evaluates the performance of
23 the utility in rate and other proceedings.
- 24 (f) For purposes of this section "integrated resource plan" or

1 "plan" means a planning and selection process for new energy
2 resources that evaluates the full range of alternatives, including
3 new generating capacity, power purchases, energy conservation and
4 efficiency, cogeneration and district heating and cooling
5 applications, and renewable energy resources, in order to provide
6 adequate and reliable service to its electric customers at the
7 lowest system cost. The process shall take into account necessary
8 features for system operation, such as diversity, reliability,
9 dispatchability, and other factors of risk; shall take into account
10 the ability to verify energy savings achieved through energy
11 conservation and efficiency and the projected durability of such
12 savings measured over time; shall take into account any economic
13 benefits to West Virginia associated with particular demand-and
14 supply-side resources; and shall treat demand and supply resources
15 on a consistent and integrated basis.

NOTE: The purpose of this bill is to require electric utilities to implement integrated resource plans.

§24-2-19 is new; therefore, it has been completely underscored.