

Virginia's 2018 Energy Plan

Summary

The 2018 Energy Plan, set forth by the Office of Commerce and Trade, outlines the current status of Virginia's energy system as well as recommendations for the future. The Energy Plan works to present innovative, adaptive, and comprehensive recommendations for the system and create recommendations that acknowledge technological advancements and the resulting opportunities in electricity and transportation. The hope is to facilitate an ever-evolving system, enable transformation, and create the path for a more resilient and environmentally responsible energy system.

The Commonwealth must not only work to facilitate innovation but must also plan for and adapt to transformation and implement the necessary policy changes to achieve objectives. The regulatory structure must work to keep up with the changing market and policy shifts. In order for the Commonwealth to continue to move forward, grid modernization must be a priority. The regulatory process must also adjust to accommodate a modern electric grid.

Recommendations

Grid Modernization

The Energy Plan repeatedly addresses the importance of a grid modernization planning process. As advancements are made, the electricity system will continue to move away from centralized power stations and toward distributed energy resources. In order to facilitate this shift, the Energy Plan recommends development of an analysis of distributed energy resources. The hope is to not only ensure investment in the areas of distributed energy resources, but also that investment and expansion align with Virginia's overall policy objectives.

- In order for investment to align with policy goals, the Commonwealth must adjust its regulatory process to include distribution level planning.

Solar and Onshore Wind

Solar energy has the potential to have a large impact on Virginia's economy. In the 2017 Solar Jobs Census, the Commonwealth ranked 21st in the nation. The 3,565 people employed represent a 10 percent increase from 2016. Because of growing deployment and economic development opportunities, solar energy has the potential for significant proliferation.

- Virginia's investor-owned utilities should issue an annual Request for Proposals for solar and wind generation development (RFP to include procurement of 500 MW of solar and wind projects per year).
- Investor-owned utilities should develop renewable energy purchasing options for small to medium-sized businesses including collective power purchasing programs.
- DEQ should increase capacity and expand resources in order to meet the demands of PBR program and anticipate future demand.
- The General Assembly should raise the 1 percent aggregate cap to 5 percent of each company's forecasted peak-load.
- Dominion Energy should issue annual RFP to procure 150 MW of rooftop solar installations per year.

- Stakeholders should utilize community solar pilot programs to determine capacity and make adjustments to size of programs and individual facilities.
- Governor Northam should double Virginia's renewable energy from 8 percent to 16 percent by 2022

Offshore Wind

Hampton Roads offers Virginia the opportunity to be an industry leader in the world of offshore wind. The region boasts a number of competitive advantages over other locations on the East Coast.

- Governor Northam should commit to developing the full 2,000 MW (based on CVOW research) of offshore wind potential by 2028.
- The Commonwealth should make workforce development in the offshore wind industry a priority based upon the offshore wind report.

Energy Efficiency

In order to meet energy conservation targets, Virginia must work to create a diverse and dynamic energy efficiency marketplace.

- In order to meet the Commonwealth's voluntary goal of a 10 percent electric consumption reduction, Virginia's utilities must increase investment in energy efficiency programs and portfolios. Dominion should increase investments to \$100 million per year.
- Governor Northam should establish a new energy consumption reduction goal of 20 percent by 2022.
- The Commonwealth should implement better manage and track energy consumption in order to determine the efficacy of EE programs.
- Virginia should reconstitute VirginiaSAVES and introduce new revenue sources.

Energy Storage

Although the demand for renewable energy is ever increasing, the irregularity of the resource is a natural limitation. Energy storage technologies provide more stability and have the potential to revolutionize the grid.

- DMME and the Solar Energy Development and Energy Storage Authority should work collaboratively to align solar energy studies with Virginia's competitive advantages in order to meet the energy storage needs of the industry.

Electric Vehicle and Advanced Transportation

Transportation is the largest end-use energy-consuming sector in Virginia. Thus, the transportation sector is a key component of the Commonwealth's economy. Despite the growing demand for electric vehicles, drivers face barriers when it comes to access direct current charging locations.

- The Commonwealth should adopt the Advanced Clean Cars program.
- Virginia should develop a transportation electrification action plan and implement a goal for EV charging infrastructure by 2021.
- The Commonwealth should establish and implement a clean vehicle purchasing plan for state agencies (Green Fleet Program).

- Virginia should support collaborative procurement options for school and local government fleets. This will help minimize the cost of clean vehicle adoption.