

REAL ESTATE APPRAISER BOARD

Wednesday, June 24, 2026– 10:00 a.m.

2nd Floor – Board Room 3

**Department of Professional and Occupational Regulation 9960 Mayland
Drive
Richmond, Virginia 23233**

Mission: Our mission is to protect the health, safety and welfare of the public by licensing qualified individuals and businesses enforcing standards of professional conduct for professions and occupations as designated by statute.

I. CALL TO ORDER

- a. Emergency Egress (pg. 3)
- b. Determination of Quorum (pg. 4)

II. APPROVAL OF AGENDA

III. APPROVAL OF MINUTES

- a. Real Estate Appraiser Board Meeting, March 16, 2026 (pg. 5)

IV. WELCOME, INTRODUCTIONS, & RESOLUTIONS

V. PUBLIC COMMENT PERIOD *FIVE MINUTE PUBLIC COMMENT, PER PERSON*

VI. REAL ESTATE APPRAISER CASE FILES

DISCIPLINARY CASE FILES

1. 2025-02604 – Mark Gregoria (pg. 12)
(Chapin)
2. 2026-01030 – Susan Kathleen Bender-McGoldrick (pg. 653)
(Schmeer)
3. 2026-01336 – Thomas Crawford Thorburn (pg. 1376)
(Kelsey)

RECONSIDERATION REQUESTS

1. 2026-00989 - Financial Asset Services Inc (pg. 1680)
(Chapin, Turner)
2. 2025-02423 - Brandon Esparagoza Sison (pg. 2263)
(Chapin, Turner)

VII. NEW BUSINESS

- a. Executive Director's Update
- b. Legislative Updates
 - i. HB 170 - Consider Adoption of Exempt Regulatory Action (pg. 2842)
 - ii. HB 1102/SB 252 - Consider Adoption of NOIRA (pg. 2853)
- c. 2026 Board Member Training

VIII. OTHER BUSINESS

- a. Election of Officers

- b. Discuss Continuation of Emerging Industry Issues Committee
- c. Exam Statistics (pg. 2865)
- d. Board Financials (pg. 2866)

IX. COMPLETE CONFLICT OF INTEREST FORM AND TRAVEL VOUCHER

- a. Travel Voucher
- b. Conflict Of Interest Form

X. ADJOURNMENT

NEXT MEETING SCHEDULED FOR THURSDAY, October 29, 2026

- ❖ Agenda materials made available to the public do not include disciplinary case files or application files pursuant to §54.1-108 of the Code of Virginia.
- ❖ Five-minute public comment, per person, with the exception of any open disciplinary or application file.
- ❖ Persons desiring to participate in the meeting and requiring special accommodations or interpretative services should contact the Department at (804) 367-2785 at least ten days prior to the meeting so that suitable arrangements can be made for an appropriate accommodation. The Department fully complies with the Americans with Disabilities Act.

PERIMETER CENTER CONFERENCE CENTER
EMERGENCY EVACUATION OF BOARD AND TRAINING ROOMS
(Script to be read at the beginning of each meeting.)

PLEASE LISTEN TO THE FOLLOWING INSTRUCTIONS ABOUT EXITING THE PREMISES IN THE EVENT OF AN EMERGENCY.

In the event of a fire or other emergency requiring the evacuation of the building, alarms will sound. When the alarms sound, leave the room immediately. Follow any instructions given by Security staff

Board Room 1

Exit the room using one of the doors at the back of the room. Upon exiting the room, turn **RIGHT**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

Board Room 2

Exit the room using one of the doors at the back of the room. (Point) Upon exiting the room, turn **RIGHT**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

You may also exit the room using the side door, turn **Right** out the door and make an immediate **Left**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

Board Rooms 3 and 4

Exit the room using one of the doors at the back of the room. Upon exiting the room, turn **RIGHT**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

Training Room 1

Exit the room using one of the doors at the back of the room. Upon exiting the room, turn **LEFT**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

Training Room 2

Exit the room using one of the doors at the back of the room. Upon exiting the doors, turn **LEFT**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

DETERMINATION OF QUORUM:

The Real Estate Appraiser Board, consist of ten members, adheres to the requirement that a quorum, defined as the minimum number of members necessary to conduct official business, is constituted by six (6) board members in accordance with § 54.1-2012.

DRAFT

REAL ESTATE APPRAISER BOARD

MINUTES OF MEETING

March 16, 2026

The Real Estate Appraiser Board met on Monday, March 16, 2026, at the Department of Professional and Occupational Regulation, 9960 Mayland Drive, Richmond, Virginia and through electronic access. The following Board members were present:

Pat Turner (Vice Chair)
Joe Dunn
Heather Fox
Valerie Kelsey
Heather Placer Mull
Michael Small
Taneen Wyche

Board members not in attendance for the meeting:

Joyce Bonilla
Mark Chapin (Chair)
Jason Schmeer

DPOR Staff present for all or part of the meeting included:

Laura McClintock, Director
Anika Coleman, Executive Director
Stephen Kirschner, Director LRPD
Jim Flaherty, Board Counsel
Joseph Haughwout, Regulatory Affairs Manager
Jennifer Plummer, Regulatory Operations Administrator
Shaifali Prajapati, Administrative Coordinator
Stella Stith, Information Technology Project
Manager/Analyst
Free Williams, Director of Adjudication

Turner called the meeting to order at 10:08 A.M.

CALL TO ORDER

Coleman read the emergency evacuation procedures.

EMERGENCY EGRESS

Turner determined that a quorum was present.

DETERMINATION OF QUORUM

Mull moved to approve the agenda with an amendment to the recusal of Board member Heather Fox from File Number 2025-02604 to File Number 2025-02848. Additionally, there was an amendment for the recusal of Board member Mark Chapin on File Number 2025-2604. **Small seconded** the motion, which was unanimously approved by members: Dunn, Fox, Kelsey, Mull, Small, Turner, and Wyche.

APPROVAL OF AGENDA

Introductions were made by Board and DPOR Staff. No resolutions were discussed.

WELCOME, INTRODUCTIONS, AND RESOLUTIONS

Kelsey moved and **Small seconded the motion**, to approve the February 03, 2026, Real Estate Appraiser Board meeting minutes, which was unanimously approved by members: Dunn, Fox, Kelsey, Mull, Small, Turner, and Wyche.

APPROVAL OF MINUTES

There were no public comments.

PUBLIC COMMENT

REAL ESTATE APPRAISER CASE FILES

Disciplinary

Chapin was not present in the meeting. Mull was recused for involvement in the following case: **File Number 2025-02421 – Mark Gregoria**

Recusal of Chapin, Mull

In the matter of **File Number 2025-02421 – Mark Gregoria**, the Board reviewed the record which consisted of the investigative file, the transcript, and exhibits from the Informal Fact-Finding Conference (“IFF”), and the Summary. Gregoria was not present to address the Board in person, by counsel, or by any other qualified representatives.

File Number 2025-02421 – Mark Gregoria

Dunn moved for a violation on Count One, Small **seconded**. The motion was unanimously approved by

members: Dunn, Fox, Kelsey, Mull, Small, Turner, and Wyche.

Fox moved for a violation on Count Two, **Dunn seconded**. The motion was unanimously approved by members: Dunn, Fox, Kelsey, Mull, Small, Turner, and Wyche.

Kelsey moved for a violation on Count Three, **Small seconded**. The motion was unanimously approved by members: Dunn, Fox, Kelsey, Mull, Small, Turner, and Wyche.

Fox moved for a violation on **Count Four**, **Small seconded**. The motion was unanimously approved by members: Dunn, Fox, Kelsey, Mull, Small, Turner, and Wyche.

Dunn moved for a violation on Count Five, **Kelsey seconded**. The motion was unanimously approved by members: Dunn, Fox, Kelsey, Mull, Small, Turner, and Wyche.

Small moved for a violation on Count Six, **Fox seconded**. The motion was unanimously approved by members: Dunn, Fox, Kelsey, Mull, Small, Turner, and Wyche.

Fox moved for a violation on Count Seven, **Kelsey seconded**. The motion was unanimously approved by members: Dunn, Fox, Kelsey, Mull, Small, Turner, and Wyche.

The Board adopted the Revised Report of Findings, which contains the facts regarding the regulatory and/or statutory issues in this matter, and adopts the Summary, in part. The Board voted to amend the terms of the probation. In addition, the Board voted to impose monetary penalties to better reflect the seriousness of the violations.

Kelsey moved to amend the recommendation to add four reports in order for the probationary period to be complete, **Dunn seconded**. The motion was unanimously approved by members: Dunn, Fox, Kelsey, Mull, Small, Turner, and Wyche.

Fox moved to amend the motion to include Kelsey's report provisions to add a \$250 penalty to each violation with the completion of Continuing Education (CE) course(s) in residential report writing. **Dunn seconded.** The motion was unanimously approved by members: Dunn, Fox, Kelsey, Mull, Small, Turner, and Wyche.

Chapin was not present in the meeting. Turner was recused for involvement in the following case:

Recusal of Chapin,
Turner

File Number 2025-02423 – Brandon Esparagoza Sison

In the matter of **File Number 2025-02423 – Brandon Esparagoza Sison**, the Board reviewed the record which consisted of the application file, the transcript and exhibits from the Informal Fact-Finding Conference, and the Summary. The Complainant Jamey Leonard and representative of the Respondent Jimmy Alvarez were present and addressed the Board.

File Number 2025-02423 –
Brandon Esparagoza
Sison

The Board adopted the Report of Findings, which contains the facts regarding the regulatory and/or statutory issues in this matter, and rejects the Summary. The Board determined that the evidence, including repeated requests for new valuations, threats to refer Leonard for disciplinary action, and Sison's submission of weighted averages with new suggested values, supported a finding that Sison engaged in improper conduct through attempting to influence Leonard's valuation. Therefore, the Board found a violation and imposed the penalties described below.

The Board suspended Sison's license for six months, and imposed an eighteen-month probation period, to commence after the suspension is completed.

Fox moved to reject the recommendation and find a violation on Count One, **Dunn seconded.** The motion was unanimously approved by members: Dunn, Fox, Kelsey, Mull, Small, Turner, and Wyche.

Small motioned for a Sanction recommendation of a 6-month license suspension and 18-month probation following the suspension. **Dunn seconded.** The motion was

unanimously approved by members: Dunn, Fox, Kelsey, Mull, Small, Turner, and Wyche.

This is case was not heard due to the meeting adjourning on account of inclement weather. The case will be heard at the earliest meeting a quorum is set for.

File Number 2025-02064
Mark Gregoria

This is case was not heard due to the meeting adjourning on account of inclement weather. The case will be heard at the earliest meeting a quorum is set for.

File Number 2025-02848
Ronald Scott Pennington

Chapin was not present in the meeting. Turner was recused for involvement in the following case:

Recusal of Chapin,
Turner

File Number 2026-00989 Financial Asset Services Inc.

In the matter of **File Number 2026-00989 Financial Asset Services Inc.**, the Board reviewed the record which consisted of the investigative file, the transcript, and exhibits from the Informal Fact-Finding Conference (“IFF”), and the Summary. Complainant Jamey Leonard was present in person and Financial Asset Services Inc appeared at the Board meeting by qualified representative, Alvarez, who appeared by telephone.

File Number 2026-00989
Financial Asset Services
Inc.

The Board adopted the Report of Findings, which contains the facts regarding the regulatory and/or statutory issues in this matter, and rejects the Summary. The Board determined that the evidence, including Financial Asset Services Inc. (FAS)’s repeated requests for new valuations, the review appraiser’s submission of weighted averages with new suggested valuations, and threats to refer Leonard for disciplinary action, supported a finding that FAS attempted to influence the development, reporting, result, or review of a real estate appraisal. Therefore, the Board found a violation and imposed the sanctions described below.

The Board suspended Financial Asset Services Inc.'s license for six months, and imposed an eighteen-month probation period, to commence after the suspension is completed.

Small motioned to reject the violation, **Dunn seconded**. The motion was unanimously approved by members: Dunn, Fox, Kelsey, Mull, Small, Turner, and Wyche.

NEW BUSINESS

Haughwout went over regulatory changes to follow USPAP rules in order to comply with national requirements. Haughwout asks board members to adopt the change. No questions from board members. Haughwout requested the Board's approval to adopt the change based on staff recommendations. **Small motioned** to accept the change, **Kelsey seconded**. The motion was unanimously approved by members: Dunn, Fox, Kelsey, Mull, Small, Turner, and Wyche.

Real Estate Appraiser Regulations - 18VAC130- 20-180

Ms. Coleman informed the Board again that staff are embarking on a modernization project for an online Temporary Appraiser application process. Based on discussions from the last meeting, Coleman introduced Stith who presented a demonstration, accessible in-person and through electronic access, which went over both internal and external aspects of the pilot project. The project is still on target for an April 3rd launch date.

Real Estate Appraiser Temporary Application Project Update

Turner spoke about the possibility of new uniform license regulations. Fox, Small, Turner, and Chapin are expected to be the members of the committee. Coleman discussed expected topics and disclosed the expected first meeting date for April 22, 2026. Turner requested anyone in the audience or at the table to share any items they would like the committee to consider.

Discuss AMC Research Committee

Coleman provided the Executive Director's update, introducing new staff members, as well as ASC staff members that were attending virtually in light of the Appraisal Subcommittee Audit coming up at the end of March. Coleman went over the legislative updates/bills that have passed that will affect the board.

Executive Director's Update

OTHER BUSINESS

Coleman provided an update on exam statistics from January 1, 2025, through December 31, 2025, highlighting low pass rates.

Exam Statistics

Kelsey asked why two Board members were listed on some of the disciplinary cases, reasoning if only one Board member was required, quorum could be met. Williams explained the reasoning for having multiple board members involved in disciplinary cases. An option was presented to use a past Board member as a reviewer in the IFF process to assist in preventing a lack of quorum.

Chapin reminded the Board to complete the Conflict-of-Interest Statements and Travel Reimbursement Forms.

COMPLETION OF PAPERWORK

Director McClintock announced that the meeting needed to end due to inclement weather. **Small moved** to adjourn and **Mull seconded**.

Emergency Weather

Due to inclement weather, the meeting was adjourned at 12:49 pm.

ADJOURN

Mark Chapin, Chair

Laura McClintock, Secretary

VIRGINIA ACTS OF ASSEMBLY - 2026 SESSION

CHAPTER 81

An Act to amend and reenact § 54.1-2013 of the Code of Virginia, relating to real estate appraisers; educational requirements for licensure; fair housing and appraisal bias course.

[H 170]

Approved April 6, 2026

Be it enacted by the General Assembly of Virginia:

1. That § 54.1-2013 of the Code of Virginia is amended and reenacted as follows:

§ 54.1-2013. General powers of Real Estate Appraiser Board; regulations; educational requirements for licensure.

A. The Board shall have all of the powers of a regulatory board under Chapter 2 (§ 54.1-200 et seq.). The Board may do all things necessary and convenient for carrying into effect the provisions of this chapter, Chapter 20.2 (§ 54.1-2020 et seq.), and all things required or expected of a state appraiser certifying and licensing agency under Title 11 of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (12 U.S.C. § 3331 et seq.). The Board shall promulgate necessary regulations.

The Board shall include in its regulations educational and experience requirements as conditions for licensure, provisions for the supervision of appraiser practices, provisions for the enforcement of standards of professional appraiser practice, and provisions for the disposition of referrals of improper appraiser conduct from any person or any federal agency or instrumentality. This paragraph shall not be construed to limit the powers and authority of the Board.

B. The Board may set different education and experience requirements for licensed residential real estate appraisers, certified residential real estate appraisers, and certified general real estate appraisers. All applicants for licensure under this chapter shall meet applicable educational and experience requirements prior to licensure.

Applicants for licensure as a certified residential real estate appraiser or a certified general real estate appraiser shall successfully complete an examination administered or approved by the Board prior to licensure. The Board may set different examination requirements for certified residential real estate appraisers and certified general real estate appraisers. The Board may require that licensed residential real estate appraisers successfully complete an examination administered or approved by the Board prior to licensure or prior to the renewal of an initial license.

Applicants for licensure as a certified residential real estate appraiser, a certified general real estate appraiser, or a licensed residential real estate appraiser shall successfully complete a minimum of two hours of education on fair housing and appraisal bias administered or approved by the Board prior to licensure. Such training shall include instruction on (i) the legacy of segregation, unequal treatment, and the historic lack of access to opportunities in housing; (ii) unequal access to amenities and resources on the basis of race, disability, and other protected classes; (iii) federal, state, and local fair housing laws; and (iv) anti-bias practices. Any educational course on fair housing and appraisal bias administered or approved by the Board pursuant to this subsection shall be reviewed annually by the Fair Housing Board.

C. All regulations established by the Board shall satisfy any minimum criteria that are necessary in order that the federal financial institution's regulatory agencies recognize and accept licenses for licensed residential real estate appraisers, certified residential real estate appraisers, certified general real estate appraisers, and appraisal management companies issued by the Board.

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Real Estate Appraiser Board

HB 170 Amendment (Fair Housing and Appraisal Bias Course)

18VAC130-20-30. General qualifications for licensure.

Every applicant to the board for a certified general, certified residential, or licensed residential real estate appraiser license must meet the following qualifications:

1. The applicant must meet the current educational and experience requirements and submit a license application to the department or its agent prior to the time the applicant is approved to take the licensing examination.
2. The applicant must sign, as part of the application, a statement verifying that the applicant has read and understands the Virginia real estate appraiser license law and the regulations of the board.
3. The applicant must report any action taken by any board or administrative body in any jurisdiction against a professional or occupational license, certification, or registration issued to the applicant, to include any suspension, revocation, or surrender of a license, certification, or registration, imposition of a monetary penalty, or requirement to take remedial education or other corrective action. The board, in its discretion, may deny licensure to any applicant for any prior action taken by any board or administrative body in any jurisdiction. The applicant has the right to request further review of any such action by the board under the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia).
4. In accordance with § 54.1-204 of the Code of Virginia, each applicant must disclose the following information:

24 a. All misdemeanor convictions involving fraudulent or dishonest acts, sexual
25 offense, non-marijuana drug distribution, or physical injury within five years of the
26 date of the application; and

27 b. All felony convictions.

28 The board, in its discretion, may deny licensure to any applicant in accordance with §
29 54.1-204 of the Code of Virginia.

30 5. The applicant must be at least 18 years of age.

31 6. The applicant must have successfully completed minimum education standards
32 established by the Appraiser Qualifications Board in its January 2022 Real Property
33 Appraiser Qualification Criteria. The Real Property Appraiser Qualification Criteria and
34 Interpretations of the Criteria, effective January 1, 2022, are incorporated by reference.
35 For applications received on or after January 1, 2026, the applicant must have
36 successfully completed the minimum education standards established by the Appraiser
37 Qualifications Board in its January 2026 Real Property Appraiser Qualification Criteria.
38 The Real Property Appraiser Qualification Criteria, effective January 1, 2026, are
39 incorporated by reference.

40 7. The applicant must successfully complete a minimum of two hours of education on fair
41 housing and appraisal bias administered by the board or approved by the board.

42 8. The applicant must, as part of the application for licensure, verify the applicant's
43 experience in the field of real estate appraisal.

44 a. All applicants must submit, upon application, sample appraisal reports as specified
45 by the board.

46 (1) All experience must be acquired within the five-year period immediately
47 preceding the date application is made and be supported by adequate written reports
48 or file memoranda, which must be made available to the board upon request.

49 (2) The board, at its discretion, may extend the five-year period for applicants who
50 have suffered serious personal illness or injury, death in the immediate family,
51 obligation of military service or service in the Peace Corps, or for other good cause
52 of similar magnitude approved by the board. Documentation of these circumstances
53 must be provided to the board.

54 b. Experience requirements.

55 (1) Fee and staff appraisals. To qualify for fee and staff appraiser experience, an
56 individual must have prepared written appraisal reports that comply with the Uniform
57 Standards of Professional Appraisal Practice and demonstrate competence in the act
58 or process of valuation of real property or preparing an appraisal report.

59 (2) Ad valorem experience. Ad valorem tax appraisal experience may be obtained
60 either through individual property appraisals or through mass appraisals as long as
61 applicants under this category of experience can demonstrate the use of techniques
62 to value real property similar to those being used by fee and staff appraisers and the
63 effective utilization of the appraisal process.

64 (a) To qualify for ad valorem tax appraisal experience for individual property
65 appraisals, an individual must have prepared written appraisal reports that comply
66 with the Uniform Standards of Professional Appraisal Practice. An applicant claiming
67 only ad valorem tax appraisal experience must also include a fee and staff appraiser
68 assignment as part of the application.

69 (b) To qualify for ad valorem tax appraisal experience for mass appraisals, an
70 individual must have prepared mass appraisals or have documented mass appraisal
71 reports that comply with the Uniform Standards of Professional Appraisal Practice,
72 including Standard 6.

73 (c) To qualify for ad valorem tax appraisal experience, the applicant's experience log
74 must be attested to by the applicant's supervisor.

75 (3) Reviewer experience. Reviewer experience must not constitute more than 1,000
76 hours of total experience claimed, and at least 50% of the review experience claimed
77 must be in field review wherein the individual has personally inspected the real
78 property that is the subject of the review.

79 (a) To qualify for reviewer experience, an individual must have prepared written
80 reports after January 30, 1989, recommending the acceptance, revision, or rejection
81 of the fee and staff appraiser's opinions that comply with the Uniform Standards of
82 Professional Appraisal Practice, including Standard 3.

83 (b) Signing as "Review Appraiser" on an appraisal report prepared by another will not
84 qualify an individual for experience in the reviewer category. Experience gained in
85 this capacity will be considered under the cosigner subcategory of fee and staff
86 appraiser experience.

87 (4) Real estate consulting experience. To qualify for real estate consulting
88 experience, an individual must have prepared written reports that comply with the
89 Uniform Standards of Professional Appraisal Practice. Real estate consulting must
90 not constitute more than 500 hours of experience for any type of appraisal license.

91 c. Experience hours.

92 (1) The applicant for a licensed residential real estate appraiser license must have a
93 minimum of 1,000 hours of appraisal experience obtained in no fewer than six
94 months. Hours may be treated as cumulative in order to achieve the necessary 1,000
95 hours of appraisal experience.

96 (2) The applicant for a certified residential real estate appraiser license must have a
97 minimum of 1,500 hours of appraisal experience obtained in no fewer than 12
98 months. Hours may be treated as cumulative in order to achieve the necessary 1,500
99 hours of appraisal experience.

100 (3) The applicant for a certified general real estate appraiser license must have a
101 minimum of 3,000 hours of appraisal experience obtained in no fewer than 18
102 months. Hours may be treated as cumulative in order to achieve the necessary 3,000
103 hours of appraisal experience. At least 50% of the appraisal experience required
104 (1,500 hours) must be in nonresidential appraisal assignments and include
105 assignments that demonstrate the use and understanding of the income approach.
106 An applicant whose nonresidential appraisal experience is predominately in such
107 properties that do not require the use of the income approach may satisfy this
108 requirement by performing two or more appraisals on properties in association with a
109 certified general appraiser that include the use of the income approach. The
110 applicant must provide evidence that the applicant has substantially contributed to
111 the development of the income approach in such reports.

112 (4) Applicants completing a Licensed Residential Practical Applications of Real
113 Estate Appraisal (PAREA) Program will receive credit for:

114 (a) 100% of the experience required by board regulations as a condition of licensure
115 as a licensed residential real estate appraiser;

116 (b) 67% of the experience required by board regulations as a condition of licensure
117 as a certified residential real estate appraiser; or

118 (c) 33% of the experience required by board regulations as a condition of licensure
119 as a certified general real estate appraiser.

120 (5) Applicants completing a Certified Residential PAREA Program will receive credit
121 for:

122 (a) 100% of the experience required by board regulations as a condition of licensure
123 as a licensed residential real estate appraiser or certified residential real estate
124 appraiser; or

125 (b) 50% of the experience required by board regulations as a condition of licensure
126 as a certified general real estate appraiser.

127 ~~8.~~ 9. Applicants must pass the board-approved examination within 24 months of being
128 approved to take the examination.

129 ~~9.~~ 10. Applicants for licensure who do not meet the requirements set forth in subdivisions
130 3 and 4 of this section may be approved for licensure following consideration of their
131 application by the board.

132 **18VAC130-20-60. Qualifications for licensure as an appraiser trainee.**

133 An applicant for licensure as an appraiser trainee must meet the following educational
134 requirements in addition to those set forth in subdivisions 1 through 5 and 9 10 of 18VAC130-
135 20-30.

136 1. Within the five-year period immediately preceding application for licensure, the
137 applicant must have successfully completed 75 hours of approved real estate appraisal
138 courses from accredited colleges, universities, or junior and community colleges; adult

139 distributive or marketing education programs; local, state, or federal government
140 agencies, boards, or commissions; proprietary schools; or real estate appraisal or real
141 estate related organizations. The classroom hours must include the 15-Hour National
142 Uniform Standards of Professional Appraisal Practice course.

143 2. Complete an Appraiser Qualifications Board approved course specifically oriented to
144 the requirements and responsibilities of supervising appraisers and appraiser trainees.

145 3. There is no experience requirement for the appraiser trainee classification.

146 4. Responsibilities of supervising appraisers.

147 a. The appraiser trainee must be subject to direct supervision by a supervising
148 appraiser who completed an Appraiser Qualifications Board approved course
149 specifically oriented to the requirements and responsibilities of supervising
150 appraisers and appraiser trainees, has been state certified for at least three years, is
151 in good standing, and has not been subject to any disciplinary action within the last
152 three years that affects the supervising appraiser's legal eligibility to engage in
153 appraisal practice.

154 b. The supervising appraiser must be responsible for the training and direct
155 supervision of the appraiser trainee by:

156 (1) Accepting responsibility for the appraisal report by signing and certifying the
157 report is in compliance with the Uniform Standards of Professional Appraisal
158 Practice;

159 (2) Reviewing the appraiser trainee appraisal reports; and

160 (3) Personally inspecting each appraised property with the appraiser trainee until the
161 supervising appraiser determines the appraiser trainee is competent in accordance

162 with the Competency Provision of the Uniform Standards of Professional Appraisal
163 Practice for the property type.

164 c. The appraiser trainee is permitted to have more than one supervising appraiser,
165 but a supervising appraiser may not supervise more than three trainees at one time,
166 unless a state program in the licensing jurisdiction provides for progress monitoring,
167 supervising certified appraiser qualifications, and supervision and oversight
168 requirements for supervising appraisers.

169 d. An appraisal experience log must be maintained jointly by the supervising
170 appraiser and the appraiser trainee. It is the responsibility of both the supervising
171 appraiser and the appraiser trainee to ensure the appraisal experience log is
172 accurate, current, and complies with the board's requirements. At a minimum, the
173 appraisal log requirements are (i) type of property, (ii) date of report, (iii) address of
174 appraised property, (iv) description of work performed by the appraiser trainee and
175 scope of the review and supervision of the supervising appraiser, (v) number of
176 actual work hours by the appraiser trainee on the assignment, and (vi) the signature
177 and state certification number of the supervising appraiser. Separate appraisal logs
178 must be maintained for each supervising appraiser, if applicable.

179 **18VAC130-20-210. Standards for the approval of appraisal educational offerings for**
180 **prelicensure credit.**

181 A. Content.

182 1. Prior to licensure, applicants must have successfully completed the (i) 15-hour
183 National Uniform Standards of Professional Appraisal Practice course **and**, (ii) an eight-
184 hour valuation bias and fair housing laws and regulations course **as described in the**
185 **January 2026 Real Property Appraiser Qualification Criteria; and (iii) a minimum two-**

186 hour course on fair housing and appraisal bias as described in § 54.1-2013 B of the
187 Code of Virginia.

188 2. While various appraisal courses may be credited toward the classroom requirement
189 specified for each classification of licensure, all applicants for licensure as an appraiser
190 trainee or a licensed residential, certified residential, or certified general real estate
191 appraiser must demonstrate that course work included coverage of the required topics
192 listed in this subdivision.

Basic appraisal principles (30 hours)
Basic appraisal procedures (30 hours)
Residential market analysis and highest and best use (15 hours)
Residential appraiser site valuation and cost approach (15 hours)
Residential sales comparison and income approaches (30 hours)
Residential report writing and case studies (15 hours)
Statistics, modeling and finance (15 hours)
Advanced residential applications and case studies (15 hours)
General appraiser market analysis and highest and best use (30 hours)
General appraiser sales comparison approach (30 hours)
General appraiser site valuation and cost approach (30 hours)
General appraiser income approach (60 hours)
General appraiser report writing and case studies (30 hours)

193 3. Any course related to fair housing and appraisal bias designed to meet the
194 requirements of 18VAC130-20-30 7 must include instruction on (i) the legacy of
195 segregation, unequal treatment, and the historic lack of access to opportunities in
196 housing; (ii) unequal access to amenities and resources on the basis of race, disability,
197 and other protected classes; (iii) federal, state, and local fair housing laws; and (iv) anti-
198 bias practices.

199 **4.** All appraisal and appraisal-related offerings presented for prelicense credit must have
200 a final, written examination. The examination may not be an open book examination.

201 **4. 5.** Credit toward the classroom hour requirement to satisfy the educational
202 requirement prior to licensure will be granted only where the length of the educational
203 offering is at least 15 classroom hours.

204 B. Instruction. With the exception of courses taught at accredited colleges, universities,
205 junior and community colleges, or adult distributive or marketing education programs, all other
206 prelicense educational offerings given after January 1, 1993, must be taught by instructors
207 certified by the board. All courses in the Uniform Standards of Professional Appraisal Practice
208 must be instructed by an Appraisal Qualifications Board certified instructor.

209 **18VAC130-20-250. Reapproval of courses required.**

210 **A.** Approval letters issued under this chapter for educational offerings will expire two years
211 from the last day of the month in which they were issued, as indicated in the approval letter. The
212 reapproval fee will be equivalent to the original approval fee specified in 18VAC130-20-240.

213 **B. Any course related to fair housing and appraisal bias designed to meet the requirements**
214 **of 18VAC130-20-30 7 must be reviewed annually by the Fair Housing Board.**

VIRGINIA ACTS OF ASSEMBLY - 2026 SESSION

CHAPTER 733

An Act to amend and reenact §§ 56-576 and 56-585.5 of the Code of Virginia, relating to renewable energy portfolio standard program; geothermal heating and cooling systems; report.

[H 1102]

Approved April 13, 2026

Be it enacted by the General Assembly of Virginia:

1. That §§ 56-576 and 56-585.5 of the Code of Virginia are amended and reenacted as follows:

§ 56-576. Definitions.

As used in this chapter:

"Affiliate" means any person that controls, is controlled by, or is under common control with an electric utility.

"Aggregator" means a person that, as an agent or intermediary, (i) offers to purchase, or purchases, electric energy or (ii) offers to arrange for, or arranges for, the purchase of electric energy, for sale to, or on behalf of, two or more retail customers not controlled by or under common control with such person. The following activities shall not, in and of themselves, make a person an aggregator under this chapter: (i) furnishing legal services to two or more retail customers, suppliers or aggregators; (ii) furnishing educational, informational, or analytical services to two or more retail customers, unless direct or indirect compensation for such services is paid by an aggregator or supplier of electric energy; (iii) furnishing educational, informational, or analytical services to two or more suppliers or aggregators; (iv) providing default service under § 56-585; (v) engaging in activities of a retail electric energy supplier, licensed pursuant to § 56-587, which are authorized by such supplier's license; and (vi) engaging in actions of a retail customer, in common with one or more other such retail customers, to issue a request for proposal or to negotiate a purchase of electric energy for consumption by such retail customers.

"Business park" means a land development containing a minimum of 100 contiguous acres classified as a Tier 4 site under the Virginia Economic Development Partnership's Business Ready Sites Program that is developed and constructed by a locality, an industrial development authority, or a similar political subdivision of the Commonwealth created pursuant to § 15.2-4903 or other act of the General Assembly, in order to promote business development.

"Combined heat and power" means a method of using waste heat from electrical generation to offset traditional processes, space heating, air conditioning, or refrigeration.

"Commission" means the State Corporation Commission.

"Community in which a majority of the population are people of color" means a U.S. Census tract where more than 50 percent of the population comprises individuals who identify as belonging to one or more of the following groups: Black, African American, Asian, Pacific Islander, Native American, other non-white race, mixed race, Hispanic, Latino, or linguistically isolated.

"Cooperative" means a utility formed under or subject to Chapter 9.1 (§ 56-231.15 et seq.).

"Covered entity" means a provider in the Commonwealth of an electric service not subject to competition but does not include default service providers.

"Covered transaction" means an acquisition, merger, or consolidation of, or other transaction involving stock, securities, voting interests or assets by which one or more persons obtains control of a covered entity.

"Curtailement" means inducing retail customers to reduce load during times of peak demand so as to ease the burden on the electrical grid.

"Customer choice" means the opportunity for a retail customer in the Commonwealth to purchase electric energy from any supplier licensed and seeking to sell electric energy to that customer.

"Demand response" means measures aimed at shifting time of use of electricity from peak-use periods to times of lower demand by inducing retail customers to curtail electricity usage during periods of congestion and higher prices in the electrical grid.

"Distribute," "distributing," or "distribution of" electric energy means the transfer of electric energy through a retail distribution system to a retail customer.

"Distributor" means a person owning, controlling, or operating a retail distribution system to provide electric energy directly to retail customers.

"Electric distribution grid transformation project" means a project associated with electric distribution infrastructure, including related data analytics equipment, that is designed to accommodate or facilitate the integration of utility-owned or customer-owned renewable electric generation resources with the utility's electric distribution grid or to otherwise enhance electric distribution grid reliability, electric distribution grid security, customer service, or energy efficiency and conservation, including advanced metering infrastructure; intelligent grid devices for real time system and asset information; automated control systems for electric

distribution circuits and substations; communications networks for service meters; intelligent grid devices and other distribution equipment; distribution system hardening projects for circuits, other than the conversion of overhead tap lines to underground service, and substations designed to reduce service outages or service restoration times; physical security measures at key distribution substations; cyber security measures; energy storage systems and microgrids that support circuit-level grid stability, power quality, reliability, or resiliency or provide temporary backup energy supply; electrical facilities and infrastructure necessary to support electric vehicle charging systems; LED street light conversions; and new customer information platforms designed to provide improved customer access, greater service options, and expanded access to energy usage information.

"Electric utility" means any person that generates, transmits, or distributes electric energy for use by retail customers in the Commonwealth, including any investor-owned electric utility, cooperative electric utility, or electric utility owned or operated by a municipality.

"Electrification" means measures that (i) electrify space heating, water heating, cooling, drying, cooking, industrial processes, and other building and industrial end uses that would otherwise be served by onsite, nonelectric fuels, provided that the electrification measures reduce site energy consumption; (ii) to the maximum extent practical, seek to combine with federally authorized customer rebates for heat pump technology; and (iii) for those measures that provide measurable and verifiable energy savings to low-income customers or elderly customers, to the maximum extent practical, seek to combine with either contemporaneously installed measures or previously installed measures that are or were provided under federally funded weatherization programs or state-provided, locality-provided, or utility-provided energy efficiency programs.

"Energy efficiency program" means a program that reduces the total amount of energy that is required for the same process or activity implemented after the expiration of capped rates but does not include electrification of any process or activity primarily fueled by natural gas. Energy efficiency programs include equipment, physical, or program change designed to produce measured and verified reductions in the amount of site energy required to perform the same function and produce the same or a similar outcome. Energy efficiency programs may include (i) electrification; (ii) programs that result in improvements in lighting design, heating, ventilation, and air conditioning systems, appliances, building envelopes, and industrial and commercial processes; (iii) measures, such as the installation of advanced meters, implemented or installed by utilities, that reduce fuel use or losses of electricity and otherwise improve internal operating efficiency in generation, transmission, and distribution systems; and (iv) customer engagement programs that result in measurable and verifiable energy savings that lead to efficient use patterns and practices. Energy efficiency programs include demand response, combined heat and power and waste heat recovery, curtailment, or other programs that are designed to reduce site energy consumption so long as they reduce the total amount of site energy that is required for the same process or activity. Utilities shall be authorized to install and operate such advanced metering technology and equipment on a customer's premises; however, nothing in this chapter establishes a requirement that an energy efficiency program be implemented on a customer's premises and be connected to a customer's wiring on the customer's side of the inter-connection without the customer's expressed consent. Electricity consumption increases that result from Commission-approved electrification measures shall not be considered as a reduction in energy savings under the energy savings requirements set forth in subsection B of § 56-596.2. Utilities may apply verified total site energy reductions that are attributable to Commission-approved electrification measures to the energy savings requirements set forth in subsection B of § 56-596.2, subject to a conversion of British thermal unit-based energy savings to an equivalent kilowatt-hour-based energy savings, which conversion shall be subject to Commission approval.

"Generate," "generating," or "generation of" electric energy means the production of electric energy.

"Generator" means a person owning, controlling, or operating a facility that produces electric energy for sale.

"Geothermal electric generating resource" means an electric generating unit that is powered by geothermal energy as defined in § 45.2-2000.

"Geothermal heating and cooling system" means a system that:

1. Exchanges thermal energy from groundwater or a shallow ground source to generate thermal energy through an electric geothermal heat pump or a system of electric geothermal heat pumps interconnected with any geothermal extraction facility that is (i) a closed loop or a series of closed loop systems in which fluid is permanently confined within a pipe or tubing and does not come in contact with the outside environment or (ii) an open loop system in which ground or surface water is circulated in an environmentally safe manner directly into the facility and returned to the same aquifer or surface water source;
2. Meets or exceeds the current federal Energy Star product specification standards;
3. Replaces or displaces less efficient space or water heating systems, regardless of fuel type;
4. Replaces or displaces less efficient space cooling systems ~~that do not meet federal Energy Star product specification standards~~; and
5. Does not feed electricity back to the grid, *as defined at the level of the geothermal heat pump.*

"Historically economically disadvantaged community" means (i) a community in which a majority of the

population are people of color or (ii) a low-income geographic area.

"Incremental annual savings" means the total combined kilowatt-hour savings achieved by electric utility energy efficiency and demand response programs and measures in the program year in which they are installed.

"Incumbent electric utility" means each electric utility in the Commonwealth that, prior to July 1, 1999, supplied electric energy to retail customers located in an exclusive service territory established by the Commission.

"Independent system operator" means a person that may receive or has received, by transfer pursuant to this chapter, any ownership or control of, or any responsibility to operate, all or part of the transmission systems in the Commonwealth.

"In the public interest," for purposes of assessing energy efficiency programs prior to the 2029 program year, describes an energy efficiency program if the Commission determines that the net present value of the benefits exceeds the net present value of the costs as determined by not less than any three of the following four tests: (i) the Total Resource Cost Test; (ii) the Utility Cost Test (also referred to as the Program Administrator Test); (iii) the Participant Test; and (iv) the Ratepayer Impact Measure Test. Such determination shall include an analysis of all four tests, and a program or portfolio of programs shall be approved if the net present value of the benefits exceeds the net present value of the costs as determined by not less than any three of the four tests. For programs proposed for the 2029 program year and all subsequent years, the Commission shall establish targets pursuant to subdivision B 4 of § 56-596.2, and a program shall be approved if the Commission determines it is cost-effective pursuant to applicable Commission regulations and that the net present value of the benefits exceeds the net present value of the costs as determined by the Total Resource Cost Test. If the Commission determines that an energy efficiency program or portfolio of programs is not in the public interest, its final order shall include all work product and analysis conducted by the Commission's staff in relation to that program, including testimony relied upon by the Commission's staff, that has bearing upon the Commission's decision. If the Commission reduces the proposed budget for a program or portfolio of programs, its final order shall include an analysis of the impact such budget reduction has upon the cost-effectiveness of such program or portfolio of programs. An order by the Commission (a) finding that a program or portfolio of programs is not in the public interest or (b) reducing the proposed budget for any program or portfolio of programs shall adhere to existing protocols for extraordinarily sensitive information. In addition, an energy efficiency program may be deemed to be "in the public interest" if the program (1) provides measurable and verifiable energy savings to low-income customers or elderly customers or (2) is a pilot program of limited scope, cost, and duration, that is intended to determine whether a new or substantially revised program or technology would be cost-effective.

"Low-income geographic area" means any locality, or community within a locality, that has a median household income that is not greater than 80 percent of the local median household income, or any area in the Commonwealth designated as a qualified opportunity zone by the U.S. Secretary of the Treasury via his delegation of authority to the Internal Revenue Service.

"Low-income utility customer" means any person or household whose income is no more than 80 percent of the median income of the locality in which the customer resides. The median income of the locality is determined by the U.S. Department of Housing and Urban Development.

"Measured and verified" means a process determined pursuant to methods accepted for use by utilities and industries to measure, verify, and validate energy savings and peak demand savings. This may include the protocol established by the United States Department of Energy, Office of Federal Energy Management Programs, Measurement and Verification Guidance for Federal Energy Projects, measurement and verification standards developed by the American Society of Heating, Refrigeration and Air Conditioning Engineers (ASHRAE), or engineering-based estimates of energy and demand savings associated with specific energy efficiency measures, as determined by the Commission.

"Municipality" means a city, county, town, authority, or other political subdivision of the Commonwealth.

"New underground facilities" means facilities to provide underground distribution service. "New underground facilities" includes underground cables with voltages of 69 kilovolts or less, pad-mounted devices, connections at customer meters, and transition terminations from existing overhead distribution sources.

"Peak-shaving" means measures aimed solely at shifting time of use of electricity from peak-use periods to times of lower demand by inducing retail customers to curtail electricity usage during periods of congestion and higher prices in the electrical grid.

"Percentage of Income Payment Program (PIPP) eligible utility customer" means any person or household whose income does not exceed 150 percent of the federal poverty level.

"Person" means any individual, corporation, partnership, association, company, business, trust, joint venture, or other private legal entity, and the Commonwealth or any municipality.

"Previously developed project site" means any property, including related buffer areas, if any, that has been previously disturbed or developed for non-single-family residential, non-agricultural, or non-silvicultural use, regardless of whether such property currently is being used for any purpose.

"Previously developed project site" includes a brownfield as defined in § 10.1-1230 or any parcel that has been previously used (i) for a retail, commercial, or industrial purpose; (ii) as a parking lot; (iii) as the site of a parking lot canopy or structure; (iv) for mining, which is any lands affected by coal mining that took place before August 3, 1977, or any lands upon which extraction activities have been permitted by the Department of Energy under Title 45.2; (v) for quarrying; or (vi) as a landfill.

"Qualified waste heat resource" means (i) exhaust heat or flared gas from an industrial process that does not have, as its primary purpose, the production of electricity and (ii) a pressure drop in any gas for an industrial or commercial process.

"Renewable energy" means energy derived from sunlight, wind, falling water, biomass, sustainable or otherwise, (the definitions of which shall be liberally construed), energy from waste, landfill gas, municipal solid waste, wave motion, tides, geothermal heating and cooling systems, and geothermal electric generating resources and does not include energy derived from coal, oil, natural gas, or nuclear power. "Renewable energy" also includes the proportion of the thermal or electric energy from a facility that results from the co-firing of biomass. "Renewable energy" does not include waste heat from fossil-fired facilities or electricity generated from pumped storage but includes run-of-river generation from a combined pumped-storage and run-of-river facility.

"Renewable thermal energy" means the thermal energy output from (i) a renewable-fueled combined heat and power generation facility that is (a) constructed, or renovated and improved, after January 1, 2012, (b) located in the Commonwealth, and (c) utilized in industrial processes other than the combined heat and power generation facility or (ii) a solar energy system, certified to the OG-100 standard of the Solar Ratings and Certification Corporation or an equivalent certification body, that (a) is constructed, or renovated and improved, after January 1, 2013, (b) is located in the Commonwealth, and (c) heats water or air for residential, commercial, institutional, or industrial purposes.

"Renewable thermal energy equivalent" means the electrical equivalent in megawatt hours of renewable thermal energy calculated by dividing (i) the heat content, measured in British thermal units (BTUs), of the renewable thermal energy at the point of transfer to a residential, commercial, institutional, or industrial process by (ii) the standard conversion factor of 3.413 million BTUs per megawatt hour.

"Renovated and improved facility" means a facility the components of which have been upgraded to enhance its operating efficiency.

"Retail customer" means any person that purchases retail electric energy for its own consumption at one or more metering points or nonmetered points of delivery located in the Commonwealth.

"Retail electric energy" means electric energy sold for ultimate consumption to a retail customer.

"Revenue reductions related to energy efficiency programs" means reductions in the collection of total non-fuel revenues, previously authorized by the Commission to be recovered from customers by a utility, that occur due to measured and verified decreased consumption of electricity caused by energy efficiency programs approved by the Commission and implemented by the utility, less the amount by which such non-fuel reductions in total revenues have been mitigated through other program-related factors, including reductions in variable operating expenses.

"Rooftop solar installation" means a distributed electric generation facility, storage facility, or generation and storage facility utilizing energy derived from sunlight, with a rated capacity of not less than 50 kilowatts, that is installed on the roof structure of an incumbent electric utility's commercial or industrial class customer, including host sites on commercial buildings, multifamily residential buildings, school or university buildings, and buildings of a church or religious body.

"Solar energy system" means a system of components that produces heat or electricity, or both, from sunlight.

"Supplier" means any generator, distributor, aggregator, broker, marketer, or other person who offers to sell or sells electric energy to retail customers and is licensed by the Commission to do so, but it does not mean a generator that produces electric energy exclusively for its own consumption or the consumption of an affiliate.

"Supply" or "supplying" electric energy means the sale of or the offer to sell electric energy to a retail customer.

"Total annual energy savings" means (i) the total combined kilowatt-hour savings achieved by electric utility energy efficiency and demand response programs and measures installed in that program year, as well as savings still being achieved by measures and programs implemented in prior years, or (ii) savings attributable to newly installed combined heat and power facilities, including waste heat-to-power facilities, and any associated reduction in transmission line losses, provided that biomass is not a fuel and the total efficiency, including the use of thermal energy, for eligible combined heat and power facilities must meet or exceed 65 percent and have a nameplate capacity rating of less than 25 megawatts.

"Transmission of," "transmit," or "transmitting" electric energy means the transfer of electric energy through the Commonwealth's interconnected transmission grid from a generator to either a distributor or a retail customer.

"Transmission system" means those facilities and equipment that are required to provide for the

transmission of electric energy.

"Waste heat to power" means a system that generates electricity through the recovery of a qualified waste heat resource.

§ 56-585.5. Generation of electricity from renewable and zero carbon sources.

A. As used in this section:

"Accelerated renewable energy buyer" means a commercial or industrial customer of a Phase I or Phase II Utility, irrespective of generation supplier, with an aggregate load over 25 megawatts in the prior calendar year, that enters into arrangements pursuant to subsection G, as certified by the Commission.

"Aggregate load" means the combined electrical load associated with selected accounts of an accelerated renewable energy buyer with the same legal entity name as, or in the names of affiliated entities that control, are controlled by, or are under common control of, such legal entity or are the names of affiliated entities under a common parent.

"Control" has the same meaning as provided in § 56-585.1:11.

"Elementary or secondary" has the same meaning as provided in § 22.1-1.

"Falling water" means hydroelectric resources, including run-of-river generation from a combined pumped-storage and run-of-river facility. "Falling water" does not include electricity generated from pumped-storage facilities.

"Low-income qualifying projects" means a project that provides a minimum of 50 percent of the respective electric output to low-income utility customers as that term is defined in § 56-576.

"Phase I Utility" has the same meaning as provided in subdivision A 1 of § 56-585.1.

"Phase II Utility" has the same meaning as provided in subdivision A 1 of § 56-585.1.

"Previously developed project site" means any property, including related buffer areas, if any, that has been previously disturbed or developed for non-single-family residential, nonagricultural, or nonsilvicultural use, regardless of whether such property currently is being used for any purpose. "Previously developed project site" includes a brownfield as defined in § 10.1-1230 or any parcel that has been previously used (i) for a retail, commercial, or industrial purpose; (ii) as a parking lot; (iii) as the site of a parking lot canopy or structure; (iv) for mining, which is any lands affected by coal mining that took place before August 3, 1977, or any lands upon which extraction activities have been permitted by the Department of Energy under Title 45.2; (v) for quarrying; or (vi) as a landfill.

"Total electric energy" means total electric energy sold to retail customers in the Commonwealth service territory of a Phase I or Phase II Utility, other than accelerated renewable energy buyers, by the incumbent electric utility or other retail supplier of electric energy in the previous calendar year, excluding an amount equivalent to the annual percentages of the electric energy that was supplied to such customer from nuclear generating plants located within the Commonwealth in the previous calendar year, provided such nuclear units were operating by July 1, 2020, or from any zero-carbon electric generating facilities not otherwise RPS eligible sources and placed into service in the Commonwealth after July 1, 2030.

"Zero-carbon electricity" means electricity generated by any generating unit that does not emit carbon dioxide as a by-product of combusting fuel to generate electricity.

B. 1. By December 31, 2024, except for any coal-fired electric generating units (i) jointly owned with a cooperative utility or (ii) owned and operated by a Phase II Utility located in the coalfield region of the Commonwealth that co-fires with biomass, any Phase I and Phase II Utility shall retire all generating units principally fueled by oil with a rated capacity in excess of 500 megawatts and all coal-fired electric generating units operating in the Commonwealth.

2. By December 31, 2045, except for biomass-fired electric generating units that do not co-fire with coal, each Phase I and II Utility shall retire all other electric generating units located in the Commonwealth that emit carbon as a by-product of combusting fuel to generate electricity.

3. A Phase I or Phase II Utility may petition the Commission for relief from the requirements of this subsection on the basis that the requirement would threaten the reliability or security of electric service to customers. The Commission shall consider in-state and regional transmission entity resources and shall evaluate the reliability of each proposed retirement on a case-by-case basis in ruling upon any such petition.

C. Each Phase I and Phase II Utility shall participate in a renewable energy portfolio standard program (RPS Program) that establishes annual goals for the sale of renewable energy to all retail customers in the utility's service territory, other than accelerated renewable energy buyers pursuant to subsection G, regardless of whether such customers purchase electric supply service from the utility or from suppliers other than the utility. To comply with the RPS Program, each Phase I and Phase II Utility shall procure and retire Renewable Energy Certificates (RECs) originating from renewable energy standard eligible sources (RPS eligible sources). For purposes of complying with the RPS Program from 2021 to 2024, a Phase I and Phase II Utility may use RECs from any renewable energy facility, as defined in § 56-576, provided that such facilities are located in the Commonwealth or are physically located within the PJM Interconnection, LLC (PJM) region. However, at no time during this period or thereafter may any Phase I or Phase II Utility use RECs from (i) renewable thermal energy, (ii) renewable thermal energy equivalent, or (iii) biomass-fired facilities that are outside the Commonwealth. From compliance year 2025 and all years after, each Phase I

and Phase II Utility may only use RECs from RPS eligible sources for compliance with the RPS Program.

In order to qualify as RPS eligible sources, such sources must be (a) electric-generating resources that generate electric energy derived from solar or wind located in the Commonwealth or off the Commonwealth's Atlantic shoreline or in federal waters and interconnected directly into the Commonwealth or physically located within the PJM region; (b) falling water resources located in the Commonwealth or physically located within the PJM region that were in operation as of January 1, 2020, that are owned by a Phase I or Phase II Utility or for which a Phase I or Phase II Utility has entered into a contract prior to January 1, 2020, to purchase the energy, capacity, and renewable attributes of such falling water resources; (c) non-utility-owned resources from falling water that (1) are less than 65 megawatts, (2) began commercial operation after December 31, 1979, or (3) added incremental generation representing greater than 50 percent of the original nameplate capacity after December 31, 1979, provided that such resources are located in the Commonwealth or are physically located within the PJM region; (d) waste-to-energy or landfill gas-fired generating resources located in the Commonwealth and in operation as of January 1, 2020, provided that such resources do not use waste heat from fossil fuel combustion; (e) geothermal heating and cooling systems located in the Commonwealth; (f) geothermal electric generating resources located in the Commonwealth or physically located within the PJM region; or (g) biomass-fired facilities in operation in the Commonwealth and in operation as of January 1, 2023, that (1) supply no more than 10 percent of their annual net electrical generation to the electric grid or no more than 15 percent of their annual total useful energy to any entity other than the manufacturing facility to which the generating source is interconnected and are fueled by forest-product manufacturing residuals, including pulping liquor, bark, paper recycling residuals, biowastes, or biomass, as described in subdivisions A 1, 2, and 4 of § 10.1-1308.1, provided that biomass as described in subdivision A 1 of § 10.1-1308.1 results from harvesting in accordance with best management practices for the sustainable harvesting of biomass developed and enforced by the State Forester pursuant to § 10.1-1105, or (2) are owned by a Phase I or Phase II Utility, have less than 52 megawatts capacity, and are fueled by forest-product manufacturing residuals, biowastes, or biomass, as described in subdivisions A 1, 2, and 4 of § 10.1-1308.1, provided that biomass as described in subdivision A 1 of § 10.1-1308.1 results from harvesting in accordance with best management practices for the sustainable harvesting of biomass developed and enforced by the State Forester pursuant to § 10.1-1105. Regardless of any future maintenance, expansion, or refurbishment activities, the total amount of RECs that may be sold by any RPS eligible source using biomass in any year shall be no more than the number of megawatt hours of electricity produced by that facility in 2022; however, in no year may any RPS eligible source using biomass sell RECs in excess of the actual megawatt-hours of electricity generated by such facility that year. In order to comply with the RPS Program, each Phase I and Phase II Utility may use and retire the environmental attributes associated with any existing owned or contracted solar, wind, falling water, or biomass electric generating resources in operation, or proposed for operation, in the Commonwealth or solar, wind, or falling water resources physically located within the PJM region, with such resource qualifying as a Commonwealth-located resource for purposes of this subsection, as of January 1, 2020, provided that such renewable attributes are verified as RECs consistent with the PJM-EIS Generation Attribute Tracking System.

1. *a.* The RPS Program requirements shall be a percentage of the total electric energy sold in the previous calendar year and shall be implemented in accordance with the following schedule:

Phase I Utilities		Phase II Utilities	
Year	RPS Program Requirement	Year	RPS Program Requirement
2021	6%	2021	14%
2022	7%	2022	17%
2023	8%	2023	20%
2024	10%	2024	23%
2025	14%	2025	26%
2026	17%	2026	29%
2027	20%	2027	32%
2028	24%	2028	35%
2029	27%	2029	38%
2030	30%	2030	41%
2031	33%	2031	45%
2032	36%	2032	49%
2033	39%	2033	52%
2034	42%	2034	55%
2035	45%	2035	59%
2036	53%	2036	63%
2037	53%	2037	67%
2038	57%	2038	71%
2039	61%	2039	75%
2040	65%	2040	79%
2041	68%	2041	83%

2042	71%	2042	87%
2043	74%	2043	91%
2044	77%	2044	95%
2045	80%	2045 and thereafter	100%
2046	84%		
2047	88%		
2048	92%		
2049	96%		
2050 and thereafter	100%		

b. Beginning with the 2027 compliance year and thereafter, each Phase II Utility shall procure and retire RECs from geothermal heating and cooling systems located in the Commonwealth, as a percentage of the total number of RECs used for RPS program compliance, in the following amounts, at minimum: (i) 0.5 percent in 2027, (ii) 0.75 percent in 2028, and (iii) one percent in and after 2029. Beginning with the 2027 compliance year and thereafter, each Phase I Utility shall procure and retire RECs from geothermal heating and cooling systems located within its own service territory, as a percentage of the total number of RECs used for RPS program compliance, in the following amounts, at minimum: (a) 0.5 percent in 2027, (b) 0.75 percent in 2028, and (c) one percent in and after 2029.

2. A Phase II Utility shall meet one percent of the RPS Program requirements in any given compliance year with solar, wind, or anaerobic digestion resources of one megawatt or less located in the Commonwealth, with not more than 3,000 kilowatts at any single location or at contiguous locations owned by the same entity or affiliated entities and, to the extent that low-income qualifying projects are available, then no less than 25 percent of such one percent shall be composed of low-income qualifying projects. To the extent that low-income qualifying projects are not available and projects located on or adjacent to public elementary or secondary schools are available, the remainder of no less than 25 percent of such one percent shall be composed of projects located on or adjacent to public elementary or secondary schools. A project located on or adjacent to a public elementary or secondary school shall have a contractual relationship with such school in order to qualify for the provisions of this section.

3. Beginning with the 2025 compliance year and thereafter, at least 75 percent of all RECs used by a Phase II Utility in a compliance period shall come from RPS eligible resources located in the Commonwealth.

4. Any Phase I or Phase II Utility may apply renewable energy sales achieved or RECs acquired in excess of the sales requirement for that RPS Program to the sales requirements for RPS Program requirements in the year in which it was generated and the five calendar years after the renewable energy was generated or the RECs were created. To the extent that a Phase I or Phase II Utility procures RECs for RPS Program compliance from resources the utility does not own, the utility shall be entitled to recover the costs of such certificates at its election pursuant to § 56-249.6 or subdivision A 5 d of § 56-585.1.

5. Energy from a geothermal heating and cooling system is eligible for inclusion in meeting the requirements of the RPS Program. RECs from a geothermal heating and cooling system are created based on the amount of energy, converted from BTUs to kilowatt-hours, that is generated by a geothermal heating and cooling system for space heating and cooling or water heating. The Commission shall determine the form and manner in which such RECs are verified.

D. Each Phase I or Phase II Utility shall petition the Commission for necessary approvals to procure zero-carbon electricity generating capacity as set forth in this subsection and energy storage resources as set forth in subsection E. To the extent that a Phase I or Phase II Utility constructs or acquires new zero-carbon generating facilities or energy storage resources, the utility shall petition the Commission for the recovery of the costs of such facilities, at the utility's election, either through its rates for generation and distribution services or through a rate adjustment clause pursuant to subdivision A 6 of § 56-585.1. All costs not sought for recovery through a rate adjustment clause pursuant to subdivision A 6 of § 56-585.1 associated with generating facilities provided by sunlight or onshore or offshore wind are also eligible to be applied by the utility as a customer credit reinvestment offset as provided in subdivision A 8 of § 56-585.1. Costs associated with the purchase of energy, capacity, or environmental attributes from facilities owned by the persons other than the utility required by this subsection shall be recovered by the utility either through its rates for generation and distribution services or pursuant to § 56-249.6.

1. Each Phase I Utility shall petition the Commission for necessary approvals to construct, acquire, or enter into agreements to purchase the energy, capacity, and environmental attributes of 600 megawatts of generating capacity using energy derived from sunlight or onshore wind.

a. By December 31, 2023, each Phase I Utility shall petition the Commission for necessary approvals to construct, acquire, or enter into agreements to purchase the energy, capacity, and environmental attributes of at least 200 megawatts of generating capacity located in the Commonwealth using energy derived from sunlight or onshore wind, and 35 percent of such generating capacity procured shall be from the purchase of

energy, capacity, and environmental attributes from solar or onshore wind facilities owned by persons other than the utility, with the remainder, in the aggregate, being from construction or acquisition by such Phase I Utility.

b. By December 31, 2027, each Phase I Utility shall petition the Commission for necessary approvals to construct, acquire, or enter into agreements to purchase the energy, capacity, and environmental attributes of at least 200 megawatts of additional generating capacity located in the Commonwealth using energy derived from sunlight or onshore wind, and 35 percent of such generating capacity procured shall be from the purchase of energy, capacity, and environmental attributes from solar or onshore wind facilities owned by persons other than the utility, with the remainder, in the aggregate, being from construction or acquisition by such Phase I Utility.

c. By December 31, 2030, each Phase I Utility shall petition the Commission for necessary approvals to construct, acquire, or enter into agreements to purchase the energy, capacity, and environmental attributes of at least 200 megawatts of additional generating capacity located in the Commonwealth using energy derived from sunlight or onshore wind, and 35 percent of such generating capacity procured shall be from the purchase of energy, capacity, and environmental attributes from solar or onshore wind facilities owned by persons other than the utility, with the remainder, in the aggregate, being from construction or acquisition by such Phase I Utility.

d. Nothing in this subdivision 1 shall prohibit such Phase I Utility from constructing, acquiring, or entering into agreements to purchase the energy, capacity, and environmental attributes of more than 600 megawatts of generating capacity located in the Commonwealth using energy derived from sunlight or onshore wind, provided the utility receives approval from the Commission pursuant to §§ 56-580 and 56-585.1.

2. By December 31, 2035, each Phase II Utility shall petition the Commission for necessary approvals to (i) construct, acquire, or enter into agreements to purchase the energy, capacity, and environmental attributes of 16,100 megawatts of generating capacity located in the Commonwealth using energy derived from sunlight or onshore wind, which shall include 1,100 megawatts of solar generation of a nameplate capacity not to exceed three megawatts per individual project and 35 percent of such generating capacity procured shall be from the purchase of energy, capacity, and environmental attributes from solar facilities owned by persons other than a utility, including utility affiliates and deregulated affiliates and (ii) pursuant to § 56-585.1:11, construct or purchase one or more offshore wind generation facilities located off the Commonwealth's Atlantic shoreline or in federal waters and interconnected directly into the Commonwealth with an aggregate capacity of up to 5,200 megawatts. At least 200 megawatts of the 16,100 megawatts shall be placed on previously developed project sites.

a. By December 31, 2024, each Phase II Utility shall petition the Commission for necessary approvals to construct, acquire, or enter into agreements to purchase the energy, capacity, and environmental attributes of at least 3,000 megawatts of generating capacity located in the Commonwealth using energy derived from sunlight or onshore wind, and 35 percent of such generating capacity procured shall be from the purchase of energy, capacity, and environmental attributes from solar or onshore wind facilities owned by persons other than the utility, with the remainder, in the aggregate, being from construction or acquisition by such Phase II Utility.

b. By December 31, 2027, each Phase II Utility shall petition the Commission for necessary approvals to construct, acquire, or enter into agreements to purchase the energy, capacity, and environmental attributes of at least 3,000 megawatts of additional generating capacity located in the Commonwealth using energy derived from sunlight or onshore wind, and 35 percent of such generating capacity procured shall be from the purchase of energy, capacity, and environmental attributes from solar or onshore wind facilities owned by persons other than the utility, with the remainder, in the aggregate, being from construction or acquisition by such Phase II Utility.

c. By December 31, 2030, each Phase II Utility shall petition the Commission for necessary approvals to construct, acquire, or enter into agreements to purchase the energy, capacity, and environmental attributes of at least 4,000 megawatts of additional generating capacity located in the Commonwealth using energy derived from sunlight or onshore wind, and 35 percent of such generating capacity procured shall be from the purchase of energy, capacity, and environmental attributes from solar or onshore wind facilities owned by persons other than the utility, with the remainder, in the aggregate, being from construction or acquisition by such Phase II Utility.

d. By December 31, 2035, each Phase II Utility shall petition the Commission for necessary approvals to construct, acquire, or enter into agreements to purchase the energy, capacity, and environmental attributes of at least 6,100 megawatts of additional generating capacity located in the Commonwealth using energy derived from sunlight or onshore wind, and 35 percent of such generating capacity procured shall be from the purchase of energy, capacity, and environmental attributes from solar or onshore wind facilities owned by persons other than the utility, with the remainder, in the aggregate, being from construction or acquisition by such Phase II Utility.

e. Nothing in this subdivision 2 shall prohibit such Phase II Utility from constructing, acquiring, or

entering into agreements to purchase the energy, capacity, and environmental attributes of more than 16,100 megawatts of generating capacity located in the Commonwealth using energy derived from sunlight or onshore wind, provided the utility receives approval from the Commission pursuant to §§ 56-580 and 56-585.1.

3. Nothing in this section shall prohibit a utility from petitioning the Commission to construct or acquire zero-carbon electricity or from entering into contracts to procure the energy, capacity, and environmental attributes of zero-carbon electricity generating resources in excess of the requirements in subsection B. The Commission shall determine whether to approve such petitions on a stand-alone basis pursuant to §§ 56-580 and 56-585.1, provided that the Commission's review shall also consider whether the proposed generating capacity (i) is necessary to meet the utility's native load, (ii) is likely to lower customer fuel costs, (iii) will provide economic development opportunities in the Commonwealth, and (iv) serves a need that cannot be more affordably met with demand-side or energy storage resources.

Each Phase I and Phase II Utility shall, at least once every year, conduct a request for proposals for new solar and wind resources. Such requests shall quantify and describe the utility's need for energy, capacity, or renewable energy certificates. The requests for proposals shall be publicly announced and made available for public review on the utility's website at least 45 days prior to the closing of such request for proposals. The requests for proposals shall provide, at a minimum, the following information: (a) the size, type, and timing of resources for which the utility anticipates contracting; (b) any minimum thresholds that must be met by respondents; (c) major assumptions to be used by the utility in the bid evaluation process, including environmental emission standards; (d) detailed instructions for preparing bids so that bids can be evaluated on a consistent basis; (e) the preferred general location of additional capacity; and (f) specific information concerning the factors involved in determining the price and non-price criteria used for selecting winning bids. A utility may evaluate responses to requests for proposals based on any criteria that it deems reasonable but shall at a minimum consider the following in its selection process: (1) the status of a particular project's development; (2) the age of existing generation facilities; (3) the demonstrated financial viability of a project and the developer; (4) a developer's prior experience in the field; (5) the location and effect on the transmission grid of a generation facility; (6) benefits to the Commonwealth that are associated with particular projects, including regional economic development and the use of goods and services from Virginia businesses; and (7) the environmental impacts of particular resources, including impacts on air quality within the Commonwealth and the carbon intensity of the utility's generation portfolio.

4. In connection with the requirements of this subsection, each Phase I and Phase II Utility shall, commencing in 2020 and concluding in 2035, submit annually a plan and petition for approval for the development of new solar and onshore wind generation capacity. Such plan shall reflect, in the aggregate and over its duration, the requirements of subsection D concerning the allocation percentages for construction or purchase of such capacity. Such petition shall contain any request for approval to construct such facilities pursuant to subsection D of § 56-580 and a request for approval or update of a rate adjustment clause pursuant to subdivision A 6 of § 56-585.1 to recover the costs of such facilities. Such plan shall also include the utility's plan to meet the energy storage project targets of subsection E, including the goal of installing at least 10 percent of such energy storage projects behind the meter. In determining whether to approve the utility's plan and any associated petition requests, the Commission shall determine whether they are reasonable and prudent and shall give due consideration to (i) the RPS and carbon dioxide reduction requirements in this section; (ii) the promotion of new renewable generation and energy storage resources within the Commonwealth, and associated economic development; and (iii) fuel savings projected to be achieved by the plan. Notwithstanding any other provision of this title, the Commission's final order regarding any such petition and associated requests shall be entered by the Commission not more than six months after the date of the filing of such petition.

5. If, in any year, a Phase I or Phase II Utility is unable to meet the compliance obligation of the RPS Program requirements or if the cost of RECs necessary to comply with RPS Program requirements exceeds \$45 per megawatt hour, such supplier shall be obligated to make a deficiency payment equal to \$45 for each megawatt-hour shortfall for the year of noncompliance, except that the deficiency payment for any shortfall in procuring RECs for solar, wind, or anaerobic digesters located in the Commonwealth shall be \$75 per megawatts megawatt hour for resources one megawatt and lower, and the deficiency payment for any shortfall in procuring RECs for geothermal heating and cooling systems, as required by subdivision C 1 b, shall be \$100 per megawatt hour. A Phase I or Phase II Utility shall issue a quarterly request for proposals regarding the procurement of RECs produced by geothermal heating and cooling systems as a portion of its efforts to meet the requirements of subdivision C 1 b. A Phase I or Phase II Utility shall be exempt from making an annual deficiency payment for the quantity of required RECs produced by geothermal heating and cooling systems that are not made available in each request for proposals at a price that is equal to or below the price of such deficiency payment in a compliance year. In any year in which a Phase I or Phase II Utility is exempted from making a deficiency payment resulting from a lack of available RECs from geothermal heating and cooling systems, the utility shall, for that compliance year, procure and retire RPS eligible RECs subject to a \$45 per megawatt hour deficiency payment in an amount equal to the amount of RECs from

geothermal heating and cooling systems that were not made available at a price that was equal to or below \$100 per megawatt hour in that compliance year pursuant to subdivision C 1 b. The amount of any deficiency payment shall increase by one percent annually after 2021. A Phase I or Phase II Utility shall be entitled to recover the costs of such payments as a cost of compliance with the requirements of this subsection pursuant to subdivision A 5 d of § 56-585.1. All proceeds from the deficiency payments shall be deposited into an interest-bearing account administered by the Department of Energy. In administering this account, the Department of Energy shall manage the account as follows: (i) 50 percent of total revenue shall be directed to job training programs in historically economically disadvantaged communities; (ii) 16 percent of total revenue shall be directed to energy efficiency measures for public facilities; (iii) 30 percent of total revenue shall be directed to renewable energy programs located in historically economically disadvantaged communities; and (iv) four percent of total revenue shall be directed to administrative costs.

For any project constructed pursuant to this subsection or subsection E, a utility shall, subject to a competitive procurement process, procure equipment from a Virginia-based or United States-based manufacturer using materials or product components made in Virginia or the United States, if reasonably available and competitively priced.

E. To enhance reliability and performance of the utility's generation and distribution system, each Phase I and Phase II Utility shall petition the Commission for necessary approvals to construct or acquire new, utility-owned energy storage resources.

1. By December 31, 2035, each Phase I Utility shall petition the Commission for necessary approvals to construct or acquire 400 megawatts of energy storage capacity. Nothing in this subdivision shall prohibit a Phase I Utility from constructing or acquiring more than 400 megawatts of energy storage, provided that the utility receives approval from the Commission pursuant to §§ 56-580 and 56-585.1.

2. By December 31, 2035, each Phase II Utility shall petition the Commission for necessary approvals to construct or acquire 2,700 megawatts of energy storage capacity. Nothing in this subdivision shall prohibit a Phase II Utility from constructing or acquiring more than 2,700 megawatts of energy storage, provided that the utility receives approval from the Commission pursuant to §§ 56-580 and 56-585.1.

3. No single energy storage project shall exceed 500 megawatts in size, except that a Phase II Utility may procure a single energy storage project up to 800 megawatts.

4. All energy storage projects procured pursuant to this subsection shall meet the competitive procurement protocols established in subdivision D 3.

5. After July 1, 2020, at least 35 percent of the energy storage facilities placed into service shall be (i) purchased by the public utility from a party other than the public utility or (ii) owned by a party other than a public utility, with the capacity from such facilities sold to the public utility. By January 1, 2021, the Commission shall adopt regulations to achieve the deployment of energy storage for the Commonwealth required in subdivisions 1 and 2, including regulations that set interim targets and update existing utility planning and procurement rules. The regulations shall include programs and mechanisms to deploy energy storage, including competitive solicitations, behind-the-meter incentives, non-wires alternatives programs, and peak demand reduction programs.

F. All costs incurred by a Phase I or Phase II Utility related to compliance with the requirements of this section or pursuant to § 56-585.1:11, including (i) costs of generation facilities powered by sunlight or onshore or offshore wind, or energy storage facilities, that are constructed or acquired by a Phase I or Phase II Utility after July 1, 2020, (ii) costs of capacity, energy, or environmental attributes from generation facilities powered by sunlight or onshore or offshore wind, or falling water, or energy storage facilities purchased by the utility from persons other than the utility through agreements after July 1, 2020, and (iii) all other costs of compliance, including costs associated with the purchase of RECs associated with RPS Program requirements pursuant to this section shall be recovered from all retail customers in the service territory of a Phase I or Phase II Utility as a non-bypassable charge, irrespective of the generation supplier of such customer, except (a) as provided in subsection G for an accelerated renewable energy buyer or (b) as provided in subdivision C 3 of § 56-585.1:11, with respect to the costs of an offshore wind generation facility, for a PIPP eligible utility customer or an advanced clean energy buyer or qualifying large general service customer, as those terms are defined in § 56-585.1:11. If a Phase I or Phase II Utility serves customers in more than one jurisdiction, such utility shall recover all of the costs of compliance with the RPS Program requirements from its Virginia customers through the applicable cost recovery mechanism, and all associated energy, capacity, and environmental attributes shall be assigned to Virginia to the extent that such costs are requested but not recovered from any system customers outside the Commonwealth.

By September 1, 2020, the Commission shall direct the initiation of a proceeding for each Phase I and Phase II Utility to review and determine the amount of such costs, net of benefits, that should be allocated to retail customers within the utility's service territory which have elected to receive electric supply service from a supplier of electric energy other than the utility, and shall direct that tariff provisions be implemented to recover those costs from such customers beginning no later than January 1, 2021. Thereafter, such charges and tariff provisions shall be updated and tried up by the utility on an annual basis, subject to continuing review and approval by the Commission.

G. 1. An accelerated renewable energy buyer may contract with a Phase I or Phase II Utility, or a person other than a Phase I or Phase II Utility, to obtain (i) RECs from RPS eligible resources or (ii) bundled capacity, energy, and RECs from solar or, wind, or zero-carbon electricity generation resources located within the PJM region and initially placed in commercial operation after January 1, 2015, including any contract with a utility for such generation resources that does not allocate the cost of such resources to or recover the cost of such resources from any other customers of the utility that have not voluntarily agreed to pay such cost. Such an accelerated renewable energy buyer may offset all or a portion of its electric load for purposes of RPS compliance through such arrangements. An accelerated renewable energy buyer shall be exempt from the assignment of non-bypassable RPS compliance costs pursuant to subsection F, with the exception of the costs of an offshore wind generating facility pursuant to § 56-585.1:11, based on the amount of RECs obtained pursuant to this subsection in proportion to the customer's total electric energy consumption, on an annual basis. An accelerated renewable energy buyer may also contract with a Phase I or Phase II Utility, or a person other than a Phase I or Phase II Utility, to obtain capacity from energy storage facilities located within the network service area of the utility pursuant to this subsection, provided that the costs of such resources are not recovered from any of the utility's customers who have not voluntarily agreed to pay for such costs. Such accelerated renewable energy buyer shall be exempt from the assignment of non-bypassable RPS Program compliance costs specifically associated with energy storage facilities pursuant to this subsection in proportion to the customer's total capacity demand on an annual basis. An accelerated renewable energy buyer obtaining RECs only shall not be exempt from costs related to procurement of new solar or onshore wind generation capacity, energy, or environmental attributes, or energy storage facilities, by the utility pursuant to subsections D and E, however, an accelerated renewable energy buyer that is a customer of a Phase II Utility and was subscribed, as of March 1, 2020, to a voluntary companion experimental tariff offering of the utility for the purchase of renewable attributes from renewable energy facilities that requires a renewable facilities agreement and the purchase of a minimum of 2,000 renewable attributes annually, shall be exempt from allocation of the net costs related to procurement of new solar or onshore wind generation capacity, energy, or environmental attributes, or energy storage facilities, by the utility pursuant to subsections D and E, based on the amount of RECs associated with the customer's renewable facilities agreements associated with such tariff offering as of that date in proportion to the customer's total electric energy consumption, on an annual basis. To the extent that an accelerated renewable energy buyer contracts for the capacity of new solar or wind generation resources or energy storage facilities pursuant to this subsection, the aggregate amount of such nameplate capacity shall be offset from the utility's procurement requirements pursuant to subsection D. All RECs associated with contracts entered into by an accelerated renewable energy buyer with the utility, or a person other than the utility, for an RPS Program shall not be credited to the utility's compliance with its RPS requirements, and the calculation of the utility's RPS Program requirements shall not include the electric load covered by customers certified as accelerated renewable energy buyers.

2. Each Phase I or Phase II Utility shall certify, and verify as necessary, to the Commission that the accelerated renewable energy buyer has satisfied the exemption requirements of this subsection for each year, or an accelerated renewable energy buyer may choose to certify satisfaction of this exemption by reporting to the Commission individually. The Commission may promulgate such rules and regulations as may be necessary to implement the provisions of this subsection.

3. Provided that no incremental costs associated with any contract between a Phase I or Phase II Utility and an accelerated renewable energy buyer is allocated to or recovered from any other customer of the utility, any such contract with an accelerated renewable energy buyer that is a jurisdictional customer of the utility shall not be deemed a special rate or contract requiring Commission approval pursuant to § 56-235.2.

4. The State Corporation Commission shall ensure that any distribution and transmission costs associated with new energy generation resources procured pursuant to subsection G of § 56-585.5 of the Code of Virginia, as amended by this act, are justly and reasonably allocated.

H. No customer of a Phase II Utility with a peak demand in excess of 100 megawatts in 2019 that elected pursuant to subdivision A 3 of § 56-577 to purchase electric energy from a competitive service provider prior to April 1, 2019, shall be allocated any non-bypassable charges pursuant to subsection F for such period that the customer is not purchasing electric energy from the utility, and such customer's electric load shall not be included in the utility's RPS Program requirements. No customer of a Phase I Utility that elected pursuant to subdivision A 3 of § 56-577 to purchase electric energy from a competitive service provider prior to February 1, 2019, shall be allocated any non-bypassable charges pursuant to subsection F for such period that the customer is not purchasing electric energy from the utility, and such customer's electric load shall not be included in the utility's RPS Program requirements.

I. In any petition by a Phase I or Phase II Utility for a certificate of public convenience and necessity to construct and operate an electrical generating facility that generates electric energy derived from sunlight submitted pursuant to § 56-580, such utility shall demonstrate that the proposed facility was subject to competitive procurement or solicitation as set forth in subdivision D 3.

J. Notwithstanding any contrary provision of law, for the purposes of this section, any falling water

generation facility located in the Commonwealth and commencing commercial operations prior to July 1, 2024, shall be considered a renewable energy portfolio standard (RPS) eligible source.

K. Nothing in this section shall apply to any entity organized under Chapter 9.1 (§ 56-231.15 et seq.).

L. The Commission shall adopt such rules and regulations as may be necessary to implement the provisions of this section, including a requirement that participants verify whether the RPS Program requirements are met in accordance with this section.

2. That the State Corporation Commission (the Commission) shall prepare a report evaluating the procurement and retirement of renewable energy certificates from geothermal heating and cooling systems in the Commonwealth pursuant to subdivision C 1 b of § 56-585.5 of the Code of Virginia, as amended by this act. The Commission shall deliver such report to the Chairs of the House Committee on Labor and Commerce and Senate Committee on Commerce and Labor on or before November 1, 2028.

3. That pursuant to § 54.1-2014 of the Code of Virginia, the Real Estate Appraiser Board (the Board) shall promulgate regulations requiring the development of a continuing education curriculum and required training for all licensees that includes how to properly determine the increase in value of real estate created by reductions in building energy costs associated with solar, geothermal, and solar water heating investments for the purposes of real estate appraisals. On or before November 1, 2026, the Board shall report on the implementation of such curriculum and training to the Chairs of the House Committees on Labor and Commerce and General Laws, the Senate Committees on Commerce and Labor and General Laws and Technology, and the Commission on Electric Utility Regulation.

DRAFT

VIRGINIA APPRAISER
Pass/Attempt Rates by Portion Licensure

From: 1/1/2026 To: 6/10/2026

Test Title	Delivery Mode		Total Tested	PASS		FAIL	
			N	N	%	N	%
Exam Name: VA Certified General Appraiser Portion: AQB Certified General Appraiser	CBT	First Time	8	4	50.0%	4	50.0%
		Repeat	3	1	33.3%	2	66.6%
		Total	11	5	45.4%	6	54.5%
Exam Name: VA Certified Residential Appraiser Portion: AQB Certified Residential Appraiser	CBT	First Time	11	8	72.7%	3	27.2%
		Repeat	6	3	50.0%	3	50.0%
		Total	17	11	64.7%	6	35.2%
Exam Name: VA Licensed Residential Appraiser Portion: AQB Licensed Residential Appraiser	CBT	First Time	2	2	100.0%	0	0.0%
		Repeat	2	0	0.0%	2	100.0%
		Total	4	2	50.0%	2	50.0%
Grand Total			32	18	56.2%	14	43.7%

Board For Real Estate Appraisers

Monthly Cash Activity

Starting cash on hand \$ 243,034.95 Starting date Jul 2025 Cash minimum balance alert \$ 48,606.99

	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026	Total
Cash on hand (beginning of month)	\$ 243,034.95	\$ 205,073.16	\$ 215,465.08	\$ 239,822.05	\$ 236,448.06	\$ 254,491.32	\$ 269,209.37	\$ 233,607.16	\$ 243,277.76	\$ 93,960.68	\$ 68,510.64	\$ 81,373.14	

Cash receipts

Cash sales	\$ (4,935.00)	\$ 46,430.05	\$ 24,785.00	\$ 45,771.00	\$ 31,630.00	\$ 16,090.00	\$ 28,500.00	\$ 37,355.00	\$ 32,135.00	\$ 61,782.50	\$ 12,862.50	\$ -	\$ 332,406.05
Returns and allowances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total cash receipts	\$ (4,935.00)	\$ 46,430.05	\$ 24,785.00	\$ 45,771.00	\$ 31,630.00	\$ 16,090.00	\$ 28,500.00	\$ 37,355.00	\$ 32,135.00	\$ 61,782.50	\$ 12,862.50	\$ -	\$ 332,406.05
Total cash available	\$ 238,099.95	\$ 251,503.21	\$ 240,250.08	\$ 285,593.05	\$ 268,078.06	\$ 270,581.32	\$ 297,709.37	\$ 270,962.16	\$ 275,412.76	\$ 155,743.18	\$ 81,373.14	\$ 81,373.14	

Cash paid out

Overhead	\$ 6,728.28	\$ 14,610.85	\$ -	\$ 19,528.88	\$ 6,123.78	\$ -	\$ 23,756.81	\$ 12,167.77	\$ 13,937.75	\$ 77,797.07	\$ -	\$ -	\$ 174,651.19
Enforcement	\$ 9,830.28	\$ 14,280.53	\$ -	\$ 19,784.02	\$ 4,929.37	\$ -	\$ 25,523.48	\$ 9,284.72	\$ 9,134.15	\$ 4,456.79	\$ -	\$ -	\$ 97,223.34
Board Administration	\$ 4,803.47	\$ 9,431.25	\$ -	\$ 9,709.50	\$ 2,506.57	\$ 1,309.35	\$ 14,680.71	\$ 6,184.98	\$ 25,981.65	\$ 3,363.12	\$ -	\$ -	\$ 77,970.60
Exams	\$ 61.36	\$ 97.18	\$ -	\$ 122.59	\$ 27.02	\$ -	\$ 141.21	\$ 46.93	\$ 49.63	\$ 24.16	\$ -	\$ -	\$ 570.08
Direct Board	\$ 11,622.76	\$ (2,381.68)	\$ 428.03	\$ -	\$ -	\$ 62.60	\$ -	\$ -	\$ -	\$ 1,591.40	\$ -	\$ -	\$ 11,323.11
Cash Transfers	\$ (19.36)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132,348.90	\$ -	\$ -	\$ -	\$ 132,329.54
Total cash paid out	\$ 33,026.79	\$ 36,038.13	\$ 428.03	\$ 49,144.99	\$ 13,586.74	\$ 1,371.95	\$ 64,102.21	\$ 27,684.40	\$ 181,452.08	\$ 87,232.54	\$ -	\$ -	\$ 494,067.86
Cash on hand (end of month)	\$ 205,073.16	\$ 215,465.08	\$ 239,822.05	\$ 236,448.06	\$ 254,491.32	\$ 269,209.37	\$ 233,607.16	\$ 243,277.76	\$ 93,960.68	\$ 68,510.64	\$ 81,373.14	\$ 81,373.14	