



VOTE YES HB2699 / SB944

SB944 (DeSteph) / HB2699 (O'Quinn) – NATURAL GAS RETAIL SUPPLY CHOICE; WORKGROUP, REPORT

Objective: Establish and protect consumer choice in accessing natural gas, propane, and related services while preventing local governments or public entities from restricting access. It also directs the Virginia Department of Energy to evaluate fuel usage in critical infrastructure sectors.

Overview:

1. **Consumer Choice:**
Virginians retain the right to choose the fuels/feedstock that meet their needs.
2. **Industry Support:**
Protects existing infrastructure investments and commercial/industrial uses of natural gas and propane as a fuel or feedstock.
3. **Fair Access to Permits:**
Businesses will face no targeted state or local building code or permit restrictions on fuel or feedstock use.
4. **Statewide Evaluation:**
The Virginia Department of Energy work group will provide a comprehensive analysis of the impact of fuel choices on critical infrastructure sectors to inform future policy decisions.

Background:

The Commonwealth's position on natural gas and propane fuels to preserve energy diversity, consumer choice, and economic growth is critical. The bill ensures that regulatory efforts at the state or local level to promulgate resolutions, regulations, building codes, or ordinances that are designed to impede or ban access to natural gas or propane for fuel or feedstock are illegal.

Why the Bill is Necessary? In 2022, the VDHCD State Building Code Board's Energy Subcommittee attempted to adopt an international building code standard to ban access to natural gas in all new construction without Virginia General Assembly approval. In 2020, the City of Richmond adopted a resolution to phase out its natural gas utility. Efforts in CA and WA to ban natural gas have failed and Virginia voters reject banning access to natural gas as well. Finally, forced electrification will cost an average Richmond household \$31,033 in appliance replacement charges alone.

NATURAL GAS AND PROPANE ARE ESSENTIAL FUELS TO CRITICAL INFRASTRUCTURE SECTORS FROM NATIONAL DEFENSE, TO THE PORTS/MARITIME, TO MANUFACTURING AND OTHER INDUSTRIES SUCH AS RESTAURANTS. THESE FUELS ARE NOT ONLY USED FOR ENERGY, BUT AS FEEDSTOCK TO MANUFACTURE PRODUCTS RANGING FROM HYDROGEN TO CARPET.