

SENATE BILL NO. 1121

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Commerce and Labor

on \_\_\_\_\_)

(Patron Prior to Substitute--Senator Hackworth)

A BILL to direct the Department of Energy to evaluate policy options to encourage the capture and beneficial use of coal mine methane; report.

**Be it enacted by the General Assembly of Virginia:**

1. § 1. That it is the policy of the Commonwealth to encourage the capture and beneficial use of coal mine methane, defined as methane gas captured and produced from an underground gob area associated with a mined-out coal seam that would otherwise escape into the atmosphere. The Department of Energy (the Department) shall evaluate policy options to encourage the capture and beneficial use of coal mine methane. Such evaluation shall include an analysis of federal and state policies, including tax incentives, and programs that incentivize the capture and beneficial use of coal mine methane, impediments to coal mine methane qualifying for carbon offset markets, and the extent to which such policies may result in a net reduction in methane emissions. Such evaluation shall consider the environmental benefits and economic development potential of the capture and use of coal mine methane. The Department may retain a consultant to assist in its evaluation. The Department shall solicit input from interested stakeholders, including coal mine methane producers, other business interests, and environmental groups. The Department shall report its findings and recommendations to the Governor, the Chairmen of the House Committee on Commerce and Energy and the Senate Committee on Commerce and Labor, the Secretary of Commerce and Trade, and the Secretary of Natural Resources by November 15, 2023.

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