WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

HB 5381

FILED
2026 MAR 27 P 4: 16
OFFICE OF WEST VIRGINIA
SECRETARY OF STATE

ENROLLED

Committee Substitute

for

House Bill 5381

By Delegates Hanshaw (Mr. Speaker) and

Hornbuckle

(By Request of the Executive)

[Passed March 14, 2026; in effect 90 days from passage (June 12, 2026)]

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[Passed March 14, 2026; in effect 90 days from passage (June 12, 2026)]

AN ACT to amend and reenact §5B-2A-1, §5B-2A-3, §5B-2A-4, §5B-2A-9, §5B-2A-12, §5B-2F-1, §5B-2F-2, §5B-2F-3, §5B-2F-4, §5B-2H-2, §5B-2J-2, §5B-2N-1, §5B-2N-2, §5B-2N-3, and §5B-2N-4 of the Code of West Virginia, 1931, as amended, to amend the code by adding new sections, designated §5B-2F-1a, §5B-2F-2a, §5B-2N-1a, §5B-2N-2b, §5B-2N-4a, §5B-2N-5, §5B-2N-6, and to repeal §5B-2A-10, §5B-2A-14, §5B-2F-5, §5B-2O-1, §5B-2O-2, §5B-2O-3, §5B-2O-4, all relating to the consolidation and development of a comprehensive energy development policy and plan under the direction of the West Virginia Office of Energy; transferring the Office of Coalfield Community Development as a program within the Office of Energy; eliminating annual report of the Office of Coalfield Community Development; eliminating the sunset date of the Office of Coalfield Community Development; establishing the Comprehensive Energy Policy and Development Plan Act of 2026; eliminating outdated and misaligned duties of the Office of Energy; repurposing the Office of Energy with developing a long-lasting energy policy that embraces coal, natural gas, nuclear, hydropower, hydrogen, and geothermal sources of energy that emphasizes stability, efficiency, innovation, stable baseload generation, low cost, independence, and security; eliminating the Office of Energy's responsibility to develop an energy savings contracting program; empowering the Office of Energy to hold stakeholder meetings to develop a comprehensive energy plan and policy; granting the Office of Energy rulemaking powers; including the Office of Energy in the list of agencies empowered to assist in the growth of the Marcellus gas and natural gas liquid industries; repealing Coal Fired Grid Stabilization Act of 2023 and merging its elements into the newly created Comprehensive Grid Stabilization and Energy Security Act of 2026; creating definitions for the act; directing the Office of Energy to develop strategies for developing coal, geothermal, hydrogen, hydropower, natural gas, and nuclear; directing the Office of Energy to submit an annual report of its findings and recommendations; authorizing the Office of Energy to identify and designate suitable sites for coal, geothermal, hydrogen, hydropower, natural gas, or nuclear electric generation projects; authorizing the Office of Energy to develop and adopt criteria for energy-ready community designations for local governments; directing the Office of Energy to develop a state energy security plan and to conduct energy emergency exercises to access the state's energy emergency readiness; providing for reporting regarding emergency readiness; and technical cleanup of amended and reenacted sections.

Be it enacted by the Legislature of West Virginia:

CHAPTER 5B. ECONOMIC DEVELOPMENT ACT OF 1985.

ARTICLE 2A. TRANSFER OF COALFIELD COMMUNITY DEVELOPMENT PROGRAM TO THE OFFICE OF ENERGY.

§5B-2A-1. Legislative findings and declaration.

The Legislature hereby finds and declares the following:

(a) Coal mining has made and continues to make significant contributions to the economy of West Virginia. These contributions include the creation of quality jobs that pay high wages and provide good benefits; the consequent stimulation and support of mining contractors, suppliers of mining equipment and services, other mining-related industries and numerous providers of goods and services that are indirectly related to coal mining and dependent upon its existence and prosperity; the generation of significant severance and other tax revenues that support important economic development, infrastructure and education initiatives in mining communities and throughout the state; the support of civic, education and service groups in mining communities; and, in the case of surface mining operations, including mountaintop mining, the creation of much-needed flat land for economic development and recreational uses.

(b) The development and increasing prominence of surface mining operations, including mountaintop mining, has brought increasingly high levels of productivity, safety and efficiency to the state's mining industry, enabling the recovery of coal that could not otherwise be mined and marketed profitably, increasing the severance tax revenues and other economic benefits described in subsection (a) of this section and ensuring the competitiveness of the state's coal industry from a national and international perspective.

(c) Where implemented, surface mining operations, particularly mountaintop mining, tend to extract most, if not all, of the recoverable coal reserves in an accelerated fashion. For a state long dependent on the employment and revenue coal mining provides, this reality should be sobering and there is no place in which the comprehension of this reality is more crucial than the coalfields of West Virginia. Long dependent primarily on mining, this area must plan for a future without coal. The state and its subdivisions have a legitimate interest in securing that future.

(d) The coal industry and those related to the extraction of mineral resources benefit from the mining of our state's coal through mining practices which impact its citizens — some in a negative way — and through practices which will extract significant portions of coal reserves in an accelerated fashion. Those industries must therefore accept a greater responsibility to help address the long-term needs of the communities and citizens impacted by their activities.

(e) Once it becomes public knowledge that a permit is being sought, the marketability of property may change and the relative bargaining power of the parties may change with it. The potential for negative impact on those living in communities near surface mining operations may limit the options and bargaining power of the property owners.

(f) Surface mining operations, including mountaintop mining, present unique challenges to the coal mining industry and the state and its citizens, especially those living and working in communities that rely heavily upon these methods of mining. This requires that these communities, in conjunction with county commissions, state, local, county and regional development authorities, landowners and civic, community and business groups and interested citizens, develop plans related to the communities' long-term economic viability.

(g) The Office of Energy, as the state agency charged with energy policy and development activities, shall engage in planning and coordinating the long-term economic development of communities in which these mining methods are prevalent and shall establish a formal process to assist property owners in the determination of the fair market value where the property owner and the coal company voluntarily enter into an agreement relating to the purchase and sale of such property.

§5B-2A-3. Definitions.

(a) For the purpose of this article:

(1) "Department" means the Department of Environmental Protection established in §22-1-1 *et seq.* of this code;

(2) "Office" means the Office of Energy established in §5B-2F-1 *et seq.* of this code;

(3) "Operator" means the definition in §22-3-3 of this code;

(4) "Program" means the Coalfield Community Development Program within the Office of Energy;

(5) "alternative energy" means energy produced or generated from natural or replenishable resources other than traditional fossil fuels or nuclear resources and includes, without limitation, hydropower, geothermal energy, biomass energy, biologically derived fuels, energy produced with advanced coal technologies, coalbed methane, fuel produced by a coal gasification or liquefaction facility, synthetic gas, waste coal, tire-derived fuel, pumped storage hydroelectric power or similar energy sources; and

(6) "Secretary" means the Secretary of the Department of Commerce.

(b) Unless used in a context that clearly requires a different meaning or as otherwise defined herein, terms used in this article shall have the definitions set forth in this section.

§5B-2A-4. Transferring the powers, duties, and responsibilities of the Office of Coalfield Community Development into a program within the Office of Energy.

(a) The Office of Coalfield Community Development all the powers, rules, duties, and responsibilities previously granted and authorized to the Office pursuant to this article are hereby transferred into a program within the Office of Energy.(b) The Director of the Office of Energy may hire such assistants and clerical staff as may be necessary to carry out the responsibilities of the program.

§5B-2A-9. Securing developable land and infrastructure.

(a) The office shall determine the land and infrastructure needs in the general area of the surface mining operations for which it makes the determination authorized in §5B-2A-6 of this code.

(b) For the purposes of this section, the term "general area" shall mean the county or counties in which the mining operations are being conducted or any adjacent county.

(c) To assist the office, the operator, upon request by the office, shall be required to prepare and submit to the office the information set forth in this subsection as follows:

(1) A map of the area for which a permit under §22-3-1 *et seq.* of this code is being sought or has been obtained;

(2) The names of the surface and mineral owners of the property to be mined pursuant to the permit; and

(3) A statement of the post-mining land use for all land which may be affected by the mining operations.

(d) In making a determination of the land and infrastructure needs in the general area of the mining operations, the office shall consider at least the following:

(1) The availability of developable land in the general area;

(2) The needs of the general area for developable land;

(3) The availability of infrastructure, including, but not limited to, access roads, water service, wastewater service, and other utilities;

(4) The amount of land to be mined and the amount of valley to be filled;

(5) The amount, nature, and cost to develop and maintain the community assets identified in §5B-2A-8 of this code; and

(6) The availability of federal, state, and local grants and low-interest loans to finance all or a portion of the acquisition and construction of the identified land and infrastructure needs of the general area.

(e) In making a determination of the land and infrastructure needs in the general area of the surface mining operations, the office shall give significant weight to developable land on or near existing or planned multilane highways.

(f) The office may secure developable land and infrastructure for a Development Office or county through the preparation of a master land use plan for inclusion into a reclamation plan prepared pursuant to the provisions of §22-3-10 of this code. No provision of this section may be construed to modify requirements of §22-3-1 *et seq*. of this code.

(1) The county commission or other governing body for each county in which there are surface mining operations that are subject to this article shall determine land and infrastructure needs within their jurisdictions through the development of a master land use plan which incorporates post-mining land use needs, including, but not limited to, alternative energy uses, residential uses, highway uses, industrial uses, commercial uses, agricultural uses, public facility uses, or recreational facility uses. A county commission or other governing body of a county may designate a local, county, or regional development or redevelopment authority to assist in the preparation of a master land use plan. A county commission or other governing body of a county may adopt a master land use plan developed after July 1, 2026, only after a reasonable public comment period.

(2) Upon the request of a county or designated development or redevelopment authority, the office shall assist the county or development or redevelopment authority with the development of a master land use plan.

(3)(A) The Department of Environmental Protection and the Office shall review master land use plans existing as of July 1, 2026. If the office determines that a master land use plan complies with the requirements of this article and the rules promulgated pursuant to this article, the office shall approve the plan on or before July 1, 2027.

(B) Master land use plans developed after July 1, 2026, shall be submitted to the department and the office for review. The office shall determine whether to approve a master land use plan submitted pursuant to this subdivision within three months of submission. The office shall approve the plan if it complies with the requirements of this article and the rules promulgated pursuant to this article.

(C) The office shall review a master land use plan approved under this section every three years. No later than six months before the review of a master land use plan, the county or designated development or redevelopment authority shall submit an updated master land use plan to the department and the office for review. The county may submit its updated master land use plan only after a reasonable public comment period. The office shall approve the master land use plan if the updated plan complies with the requirements of this article and the rules promulgated pursuant to this article.

(D) If the office does not approve a master land use plan, the county or designated development or redevelopment authority shall submit a supplemental master land use plan to the office for approval.

(4) The required infrastructure component standards needed to accomplish the designated post-mining land uses identified in a master land use plan shall be developed by the county or its designated development or redevelopment authority. These standards shall be in place before the respective county or development or redevelopment authority can accept ownership of property donated pursuant to a master land use plan. Acceptance of ownership of such property by a county or development or redevelopment authority may not occur unless it is determined that:

(A) The property use is compatible with adjacent land uses;

(B) The use satisfies the relevant county or development or redevelopment authority's anticipated need and market use;

(C) The property has in place necessary infrastructure components needed to achieve the anticipated use;

(D) The use is supported by all other appropriate public agencies;

(E) The property is eligible for bond release in accordance with §22-3-23 of this code; and

(F) The use is feasible.

Required infrastructure component standards require approval of the relevant county commission, commissions, or other county governing body before such standards are accepted. County commission or other county governing body approval may be rendered only after a reasonable public comment period.

(5) The provisions of this subsection shall not take effect until legislative rules are promulgated pursuant to this code governing bond releases which assure sound future maintenance by the local or regional economic development, redevelopment, or planning agencies.

§5B-2A-10. Action report; annual update.

[Repealed]

§5B-2A-12. Rulemaking.

The office shall propose rules for legislative approval in accordance with §29A-3-1 *et seq.* of this code to establish, implement and enforce the provisions of this article, which rules shall include, but not be limited to:

(1) The development of standards for establishing the value of property by the office; and

(2) Criteria for the development of a master plan by local, county, regional or redevelopment authorities which coordinates the permitting and reclamation requirements of the Department of Environmental Protection with these authorities.

§5B-2A-14. Sunset

[Repealed.]

ARTICLE 2F. COMPREHENSIVE ENERGY POLICY AND DEVELOPMENT PLAN OF 2026.

§5B-2F-1. Short title.

This article shall be known and cited as the Comprehensive Energy Policy and Development Plan Act of 2026.

§5B-2F-1a. Definitions.

For purposes of this article:

(1) "Director" means the Director of the West Virginia Office of Energy.

(2) "Office" means the West Virginia Office of Energy.

(3) "Pipeline" or "pipelines" means any actual lines of pipe for the transmission and distribution of natural gas together with all appurtenances, facilities, structures, equipment, machinery and other items related to the transmission and distribution of gas through lines of pipe.

§5B-2F-2. Purpose; Office of Energy; Development of Comprehensive Energy Policy.

(a) West Virginia and the nation are in need of energy that is reliable, efficient, affordable and locally produced. To meet this need, the Office of Energy shall develop a long-lasting energy solution that embraces all forms of energy including, without limitation, coal, natural gas, nuclear energy, hydropower, hydrogen, and geothermal energy, by developing a comprehensive energy policy that emphasizes:

(1) Increased reliability from stable baseload generation;

(2) Increased efficiency through innovation;

(3) Low-cost energy as the bedrock of economic development; and

(4) Energy independence and security through increased domestic production.

(b) The Office of Energy shall develop an energy policy and shall report the same back to the Governor and the Joint Committee on Government and Finance before December 1, 2026. The energy policy shall set forth the state's energy policies through at least 2050 and shall provide a direction for the private sector. The Office may amend this policy at any time to reflect changes in energy opportunities. Prior to the expiration of the energy policy, the Office of Energy shall begin review of the policy and submit a revised energy policy to the Governor and the Joint Committee on Government and Finance six months before the expiration of the policy.

(c) The Comprehensive Energy Policy developed by the Office of Energy and submitted to the Governor and the Joint Committee on Government and Finance shall provide recommendations that at a minimum:

(1) Prioritize baseload generation over intermittent generation;

(2) Allow the state's existing coal-fired power plants to remain fully operational through at least 2050;

(3) Develop a strategy for developing baseload electricity generating projects throughout the state, including, but not limited to, coal, natural gas, nuclear, hydropower, and hydrogen, geothermal;

(4) Set a goal of;

(A) Increasing the state's current baseload generating capacity from 16 gigawatts to at least 50 gigawatts by 2050; and

(B) Making West Virginia the leading per-capita generator, situs of commercial and industrial users, and exporter of electricity in the nation by 2050;

(5) Expand the international market for West Virginia coal and develop economical uses for West Virginia coal in addition to its use in electricity generation and steel manufacturing;

(6) Create a robust in-state market for natural gas through increased manufacturing and electricity generation;

(7) Address the need for sufficient electricity transmission lines and natural gas pipelines to support the increase in baseload electricity generation; and

(8) Suggest the placement of natural gas pipelines and electricity transmission lines in locations throughout the state that lack sufficient access to electricity or natural gas and in

locations where access to increased supplies of electricity or natural gas will spur manufacturing or other economic development.

§5B-2F-2a. Comprehensive Energy Plan

(a) The Office of Energy shall prepare and submit a five-year energy development plan to the Governor and the Joint Committee on Government and Finance on or before December 1 of 2026 and every five years thereafter. The development plan shall identify how the office anticipates implementing the state's energy policy during the subsequent five-year period, as well as the policies enacted and actions taken in the previous five-year period in furtherance of said policy. The development plan shall provide direction for the private sector and shall include any recommended legislation. The Department of Environmental Protection and the Public Service Commission, in addition to their other duties prescribed by this code, shall assist the office in the development of an energy policy and related development plans. The energy development plan shall recognize the powers of the office as to development and financing of projects under its jurisdiction and shall make such recommendations as are reasonable and practicable for the exercise of such powers.

(b) The energy policy and development plans required by §5B-2F-1 and §5B-2F-2 of this code shall further identify and report on the energy infrastructure in this state and include without limitation energy infrastructure related to protecting the state's essential data, information systems and critical government services in times of emergency, inoperativeness or disaster. In consultation with the Secretary of the Department of Homeland Security and the Director of the Division of Emergency Management, the office shall encourage the development of energy infrastructure and strategic resources that will ensure the continuity of governmental operations in situations of emergency, inoperativeness or disaster.

(c) In preparing or revising the energy policy and development plan, the office may rely upon internal staff reports or the advice of outside advisors or consultants and may procure such services with the consent of the Secretary of Commerce. The Office of Energy may also involve national, state and local government leadership and energy experts.

(d) Any documentary material, data or other writing made or received by the Office of Energy or other public body for the purposes of preparing the energy policy and development plan is exempt from the Freedom of Information Act under § 29B-1-1 *et seq.* of this code.

§5B-2F-3. Stakeholder Meetings.

The office may hold regular scheduled meetings with stakeholders including from various industries, policy groups, energy developers, utility companies, mineral owners, and private citizens to receive public input on its energy policies and development plans.

§5B-2F-4. Rulemaking.

The office may propose rules for legislative approval in accordance with §29A-3-1 *et seq.* of this code as needed to implement an energy policy and development plan in accordance with the provisions of this chapter.

§5B-2F-5. Disclosure of energy usage.

[Repealed]

ARTICLE 2H. MARCELLUS GAS AND MANUFACTURING DEVELOPMENT ACT.

§5B-2H-2. Legislative findings; declaration of public policy.

(a) The Legislature finds that:

(1) The advent and advancement of new and existing technologies and drilling practices have created the opportunity for the efficient development of natural gas contained in underground shales and other geological formations.

(2) With development of the Marcellus shale comes the opportunity for economic development in related areas of the economy including, but not limited to, manufacturing, transmission of natural gas and related products and the transportation of manufactured products.

(3) It is in the interest of national security to encourage post-production uses of natural gas and its various components as a replacement for oil imported from other countries.

(4) Producers of natural gas, transporters of natural gas and manufacturers of products using natural gas face a significant number of regulatory requirements, some of which may be redundant, inconsistent, or overlapping. Agencies should work together, where practical, to avoid duplication, promote better coordination and reduce these requirements, thus reducing costs, simplifying and harmonizing rules and streamlining regulatory oversight.

(5) In developing regulatory actions and identifying appropriate approaches, agencies should attempt to promote coordination, simplification, and harmonization.

(6) Agencies should also seek to identify, as appropriate, means to achieve regulatory goals that are designed to promote innovation.

(7) Agencies should review their existing significant legislative, interpretive and procedural rules to determine whether any such rules should be modified, streamlined, expanded or repealed so as to make the agency's regulatory program more effective or less burdensome in achieving the regulatory objectives.

(8) The West Virginia Economic Development Authority established in §31-15-1 *et seq.* of this code the West Virginia Infrastructure and Jobs Development Council created in §31-15a-1 *et seq.* of this code, and the Office of Energy created under §5B-2F-1 *et seq.* of this code, should, where appropriate, provide assistance that grows or sustains this segment of the economy.

(b) The Legislature declares that facilitating the development of business activity directly and indirectly related to development of the Marcellus shale serves the public interest of the citizens of this state by promoting economic development and improving economic opportunities for the citizens of this state.

ARTICLE 2J. NATURAL GAS LIQUIDS DEVELOPMENT ACT.

§5B-2J-2. Legislative findings; declaration of public policy.

(a) The Legislature finds that:

(1) The advent and advancement of new and existing technologies and drilling practices have created the opportunity for the efficient development of natural gas, including natural gas

liquids such as ethane, propane, butane, isobutane and pentanes, contained in underground shales and other geological formations.

(2) With the development of natural gas liquids from shales and other geological formations comes the opportunity for economic development in related areas of the economy including, but not limited to, manufacturing, transmission and storage of natural gas liquids and related products, the use of such products in manufacturing, the consumption of such products, and the transportation of manufactured products.

(3) Producers of natural gas liquids, transporters and storers of natural gas liquids, and manufacturers of products using natural gas liquids face a significant number of regulatory requirements, some of which may be redundant, inconsistent, or overlapping. Agencies should work together, where practical, to avoid duplication, promote better coordination and reduce these requirements, thus reducing costs, simplifying and harmonizing rules, and streamlining regulatory oversight.

(4) In developing regulatory actions and identifying appropriate approaches, agencies should attempt to promote coordination, simplification, and harmonization.

(5) Agencies should also seek to identify, as appropriate, means to achieve regulatory goals that are designed to promote innovation.

(6) Agencies should review their existing significant legislative, interpretive and procedural rules to determine whether any such rules should be modified, streamlined, expanded or repealed so as to make the agency's regulatory program more effective and less burdensome in achieving the regulatory objectives.

(7) The West Virginia Economic Development Authority established in §31-15-1 *et seq.* of this code, the West Virginia Infrastructure and Jobs Development Council created in §31-15a-1 *et seq.*, of this code and the Office of Energy created under § 5B-2F-1 *et seq.* of this code, should, where appropriate, provide assistance that grows or sustains the natural gas liquids segment of the economy.

(b) The Legislature declares that facilitating the development of business activity directly and indirectly related to development, transportation, storage and use of the natural gas liquids serves the public interest of the citizens of this state by promoting economic development and improving economic opportunities for the citizens of this state.

ARTICLE 2N. COMPREHENSIVE GRID STABILIZATION AND ENERGY SECURITY ACT OF OF 2026.

§5B-2N-1. Short title.

This article shall be known and cited as the Comprehensive Grid Stabilization and Energy Security Act of 2026.

§5B-2N-1a. Definitions.

For the purpose of this article:

"Company" means a for-profit sole proprietorship, organization, association, corporation, limited liability partnership, limited liability company, including a wholly owned subsidiary, majority owned subsidiary, parent company, or affiliate of those entities or business associations that exist to make a profit.

"Critical Energy Infrastructure" means a communication infrastructure system, cybersecurity system, electric grid, hazardous waste treatment system or water treatment facility that directly or indirectly affects the ability to generate, transmit, transport or distribute electricity, coal, oil and natural gas, or hydrogen within the state.

"Cybersecurity means the measure taken to protect a computer, computer network, computer system or other technology infrastructure against unauthorized use or access.

"Director" means the Director of the West Virginia Office of Energy.

"Office" means the West Virginia Office of Energy.

§5B-2N-2. Legislative findings; declaration of public policy.

(a) The Legislature finds that:

(1) The advent and advancement of new and existing technologies and practices have created the opportunity for efficient use of coal, geothermal, hydrogen, hydropower, natural gas, and nuclear in West Virginia, including opportunities for the production of electricity;

(2) Production of electricity utilizing coal, geothermal, hydrogen, hydropower, natural gas, and nuclear produced in West Virginia is highly underdeveloped in comparison to nearby states with which West Virginia competes for economically beneficial projects. Coal, geothermal, hydrogen, hydropower, natural gas, and nuclear electric generation projects have been undermined by existing regulatory requirements and related time delays;

(3) In developing regulatory actions and identifying appropriate approaches to encourage development of coal, geothermal, hydrogen, hydropower, natural gas, and nuclear electric generation projects, agencies should attempt to promote coordination, simplification, and harmonization. Agencies should also seek to identify appropriate means to achieve regulatory goals that are designed to promote innovation and enhance West Virginia's competitiveness with surrounding states;

(4) Agencies should review their existing legislative and procedural rules to determine whether any such rules should be modified, streamlined, expanded, or repealed to make the agency's regulatory program more effective or less burdensome in achieving the regulatory objectives related to coal, geothermal, hydrogen, hydropower, natural gas, and nuclear electric generation projects. Agencies should also evaluate the data that they have to determine what information might be useful to prompt permitting and approving coal, geothermal, hydrogen, hydropower, natural gas, and nuclear generated electricity; and

(5) The Office of Energy is responsible for implementing this Grid Stabilization and Security Act of 2026 and providing as much assistance as possible to grow and sustain the coal, geothermal, hydrogen, hydropower, natural gas, and nuclear electric generation segment of the economy.

(b) The Legislature declares that facilitating the development of business activity directly and indirectly related to coal, geothermal, hydrogen, hydropower, natural gas, and nuclear electric generation development, transportation, storage, and use serves the public interest of the citizens of this state by promoting economic development, improving economic opportunities for the citizens of this state, and providing additional opportunities to stabilize the price of electricity while increasing its reliability and availability.

§5B-2N-2b. Strategy for Developing Coal, Geothermal, Hydrogen, Hydropower, Natural Gas, and Nuclear Energy.

(a) The Office of Energy shall develop a recommended strategy to the Governor and Secretary of Commerce for developing coal, geothermal, hydrogen, hydropower, natural gas, and nuclear fueled energy in West Virginia's economy and energy infrastructure.

(b) Such strategy shall include, without limitation:

(1) A review of regulations and legislation needed to guide the development and achievement of economies of scale for the energy ecosystem in the state;

(2) Recommendations for post-secondary education or workforce initiatives to prepare the state's workforce for coal, geothermal, hydrogen, hydropower, natural gas, and nuclear fueled energy-related jobs;

(3) Recommendations, legislation, and policies to support coal, geothermal, hydrogen, hydropower, natural gas, and nuclear fueled energy facilities at sites throughout West Virginia;

(4) Recommendations regarding funding sources for developing coal, geothermal, hydrogen, hydropower, natural gas, and nuclear fueled energy programs and infrastructure; and

(5) Recommendations for potential end uses of coal, geothermal, hydrogen, hydropower, natural gas, and nuclear fueled energy.

§5B-2N-3. Identification of suitable sites for coal, geothermal, hydrogen, hydropower, natural gas, or nuclear electric generation projects.

(a) The Director of the Office of Energy is authorized and directed to identify economically viable sites within the state that are:

(1) Located near a convenient and sufficient supply of coal, geothermal, hydrogen, hydropower, natural gas, or nuclear energy; and

(2) Likely to create economically viable coal, geothermal, hydrogen, hydropower, natural gas, or nuclear electric generation projects that provide economic benefits to the local and state governmental units and the citizens of the state; and

(3) Optimally located to provide a convenient supply of the generated electricity to consumers; and

(b) The Director of the Office of Energy shall use the following criteria in identifying economically viable sites for electric generation projects:

(1) Geographic locations near coal deposits, geothermal resources, hydrogen projects, hydropower resources, producing natural gas wells, or pipelines carrying natural gas or hydrogen produced in the state, or nuclear electric generation facilities, capable of supplying and sustaining one or more electric generation facilities for the economic life of the facilities;

(2) Geographic locations near existing electric transmission infrastructure capable of transmitting the generated electricity to wholesale markets by one or more coal, geothermal, hydrogen, hydropower, natural gas, or nuclear electric generation facilities for the economic life of the facilities;

(3) Geographic locations that fulfill the air quality conditions imposed by the Division of Air Quality of the West Virginia Department of Environmental Protection the electric generation facilities; and

(4) Geographic locations that can demonstrate that allowable emission increases from one or more generation facilities, in conjunction with all other applicable emission increases or reductions (including secondary emissions), would not cause or contribute to air pollution in violation of:

(A) Any national or West Virginia ambient air quality standard in any air quality control region; or

(B) Any applicable maximum allowable increase over the baseline concentration in any area.

§5B-2N-4. Designation of sites suitable for electric generation projects.

(a) Following identification of economically viable sites that may be suitable for electric generation projects, the Director of the Office of Energy shall identify and designate each site it has determined to be suitable for coal, geothermal, hydrogen, hydropower, natural gas, or nuclear electric generation projects as a "designated site", and shall communicate the designated sites to the West Virginia Department of Environmental Protection's Division of Air Quality and the West Virginia Public Service Commission as sites suitable for the construction and operation of coal, geothermal, hydrogen, hydropower, natural gas, or nuclear electric generation projects.

(b) Any application for a siting certificate pursuant to §24-2-11c of this code filed with the Public Service Commission to construct or to construct and operate a coal, geothermal, hydrogen, hydropower, natural gas, or nuclear electric generation project at a designated site shall be adjudicated, inclusive of public hearings, and a final order issued by the Public Service Commission, within 270 calendar days after the date of the filing of the application, notwithstanding the requirements of any other provision of this code.

(c) Nothing in this section is intended to preclude, modify, or establish new Public Service Commission jurisdiction over:

(1) Any exercise of powers, duties, and obligations pursuant to the West Virginia Public Energy Authority Act;

(2) The right of end-user consumers of electricity to develop, invest in, or otherwise contract for on-site electric self-generation or cogeneration facilities, including those utilizing natural gas as a fuel source;

(3) This section does not alter, modify, or cancel any existing cogeneration tariffs authorized by the Public Service Commission; and

(4) This section does not authorize the sale of electricity to end-users in the state.

(d) Where a designated site has been identified, in accordance with §22-5-11b(b) of this code, as a location where additional data would be helpful for modeling or other evaluation of the potential emission of a coal, geothermal, hydrogen, hydropower, natural gas, or nuclear electric generation project, the Office of Energy may consult with or retain such experts as are necessary to acquire such data.

§5B-2N-4a. Energy-Ready Community Designation; Criteria; Application Process; Award Process.

(a) The Office of Energy shall propose rules for legislative approval in accordance with the provisions of §29A-3-1 *et seq.* of this code to establish a procedure and criteria for awarding a coal, geothermal, hydrogen, hydropower, natural gas, or nuclear-ready community designation to demonstrate a community's voluntary readiness to welcome electric generation-related development. The procedure and criteria to attain the designation shall include:

(1) The holding of local public educational meetings, by a county or municipality, to educate the community on coal, geothermal, hydrogen, hydropower, natural gas, or nuclear electric generation technologies, the related ecosystem, and the role that energy-related development could play in the community;

(2) The availability of at least one site within the community that has been designated by the Office of Energy as a "Designated Site" suitable for a coal, geothermal, hydrogen, hydropower, natural gas, or nuclear electric generation project; and

(3) The adoption of resolutions from the county or the municipalities within the designation area requesting a designation of the community's readiness for energy-related projects to be developed and sited there.

(b) Communities may voluntarily apply to the Office of Energy for an energy-ready community designation in the form and manner as the office may require, and the office shall evaluate the application and award the designation based on the criteria established under subsection (a) of this section.

§5B-2N-5. Development of State Energy Security Plan.

(a) The Office of Energy shall develop a State Energy Security Plan and shall submit a report of its plan to the Governor and the Joint Committee on Government and Finance before on or before December 1, 2026, and every five years thereafter. The State Security Energy Plan shall at a minimum:

(1) Provide a state energy profile, including an assessment of energy production, transmission, distribution and end-use;

(2) Identify all energy sources and regulated and unregulated energy providers;

(3) Address potential hazards to each energy sector or system, including physical threats, cybersecurity threats and vulnerabilities;

(4) Provide a risk assessment of energy infrastructure and cross-sector interdependencies;

(5) Provide a risk-mitigation approach to enhance reliability and end-use resilience;

(6) Identify existing legislation and institutions responsible for energy security in West Virginia, including federal and state agencies and emergency response procedures;

(7) Address coordination between state agencies, local governments and energy providers; and

(8) Describe response processes and responsible authorities for energy emergencies.

(b) Nothing in this section is intended to preclude, modify or interfere with other state agencies in the performance of their duties and obligations during an energy emergency.

(c) Any plan and any information obtained or developed by the Office of Energy pursuant to this section shall be kept confidential and exempt from disclosure under the Freedom of Information Act under §29B-1-1 *et seq.*, of this code.

§5B-2N-6. Biennial Energy Emergency Exercise.

(a) The Office of Energy shall conduct an energy emergency exercise by no later than July 1, 2027. It shall conduct additional energy emergency exercises every two years thereafter. The office shall invite representatives from the following entities to participate in the energy emergency exercise and shall provide said representatives with at least 30-days advance written notice of the energy emergency exercise:

(1) All electric utilities regulated by the West Virginia Public Service Commission;

(2) West Virginia Public Service Commission;

(3) West Virginia Office of Technology;

(4) West Virginia Governor's Office;

(5) West Virginia Legislature;

(6) West Virginia Fusion Center;

(7) West Virginia Department of Homeland Security;

(8) West Virginia Emergency Management Division;

(9) West Virginia National Guard;

(10) West Virginia Department of Transportation;

(11) West Virginia Department of Environmental Protection;

(12) Federal Emergency Management Administration;

(13) United States Department of Energy, Office of Cybersecurity, Energy Security and Emergency Response;

(14) United States Department of Homeland Security;

(15) United States Cybersecurity and Infrastructure Security Agency;

(16) West Virginia University; and

(17) Marshall University.

(b) The Office of Energy shall conduct the energy emergency exercise so as to allow the various participating state and federal agencies and other entities to access their energy emergency preparedness in a risk-free environment.

(c) Within 30 days of completing the energy emergency exercise, the office shall provide a strictly confidential report to the Governor and the Joint Committee on Government and Finance. The report shall:

(1) Address whether the State Energy Security Plan properly delineates the roles and responsibilities of the various entities participating in the exercise and provide recommendations for improving the State Energy Security Plan; and

(2) Recommend improvements in the communication protocols among state agencies, the federal government, the private sector, other participating entities and the public.

(d) Any plan and any information obtained or developed by the Office of Energy pursuant to this section shall be kept confidential and exempt from disclosure under the Freedom of Information Act under §29B-1-1 *et seq.*, of this code.

ARTICLE 2O. COAL FIRED GRID STABILIZATION AND SECURITY ACT.

§5B-2O-1. Short title.

[Repealed.]

§5B-2O-2. Legislative findings; declaration of public policy.

[Repealed.]

§5B-2O-3. Identification of suitable sites for coal electric generation projects.

[Repealed.]

§5B-2O-4. Designation of sites suitable for coal electric generation projects.

[Repealed.]

The Clerk of the House of Delegates and the Clerk of the Senate hereby certify that the foregoing bill is correctly enrolled.

....
Clerk of the House of Delegates

....
Clerk of the Senate

FILED

2026 MAR 27 P 4: 16

OFFICE OF WEST VIRGINIA
SECRETARY OF STATE

Originated in the House of Delegates.

In effect 90 days from passage.

....
Speaker of the House of Delegates

....
President of the Senate

The within is ....approved.......... this the ....27th..........

Day of ....March.........., 2026.

....
Governor

PRESENTED TO THE GOVERNOR

Time 3:30pm