

Office of Regulatory Management  
Economic Review Form

<b>Agency name</b>	Department of Environmental Quality (“Department”)
<b>Virginia Administrative Code (VAC) Chapter citation(s)</b>	9VAC15-60
<b>VAC Chapter title(s)</b>	Small Renewable Energy Projects (Solar) Permit by Rule
<b>Action title</b>	Amend the Small Renewable Energy Projects (Solar) Permit by Rule Regulation to correct errors in the definition of mitigation district.
<b>Date this document prepared</b>	May 14, 2026
<b>Regulatory Stage (including Issuance of Guidance Documents)</b>	Fast-Track Regulation

**Cost Benefit Analysis**

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

**Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p><u>Background</u></p> <p>The intent of this fast-track regulatory action is to amend and update the Small Renewable Energy Projects (Solar) Permit by Rule (PBR) regulation (9VAC15-60) to correct inadvertent omissions to the definition of “mitigation district” in section 10 of the regulation and to update the names of planning district commissions to use legal names provided by the Virginia Department of Housing and Community Development (DHCD).</p>
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	<p><b>Direct &amp; Indirect Costs:</b>  Because conservation easements must encumber land in the same mitigation district where the solar project is to be constructed, the technical corrections to the mitigation district definition will provide clarity and certainty to the applicant and ensure that land purchased for an easement is in the correct mitigation district. There are no new direct or indirect costs associated with the proposed changes.</p> <p><b>Direct Benefits:</b>  The corrections to the mitigation district definition will ensure the Solar Permit by Rule regulation is consistent with state law and will provide clarity and certainty to applicants. This regulatory action will ensure that land purchased for a conservation easement is geographically proximate to the land being impacted by solar development. These amendments will benefit applicants and the agency by avoiding confusion concerning the membership of mitigation districts. The Department is unable to quantify these benefits because they do not make any substantive changes to the regulation or its requirements.</p> <p><b>Indirect Benefits:</b>  These corrections will ensure that the regulated community understands the regulatory requirements.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) No monetized direct or indirect costs associated with these regulatory changes.	(b) The Department is unable to quantify these benefits, but the benefits are clearly positive.
(3) Net Monetized Benefit	Unknown (see discussion above).	
(4) Other Costs & Benefits (Non-Monetized)	Unknown (see discussion above).	
(5) Information Sources		

**Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p><b>Direct Costs:</b> The “status quo” option would be to continue to use the current definition of mitigation district, which is inaccurate. No direct costs will be occurred by the Department.</p> <p><b>Indirect Costs:</b> The primary indirect costs with the “status quo” are the additional applicant, consultant and Department staff time to determine if land purchased for an easement is located in the same mitigation district as the solar project to be constructed. The Department is unable to quantify these costs.</p> <p><b>Direct Benefits:</b> There are no benefits to maintaining incorrect information in the regulation.</p> <p><b>Indirect Benefits:</b> There are not any indirect benefits to maintaining the status quo.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) Unable to monetize direct and indirect costs associated with the status quo.	(b) None.
(3) Net Monetized Benefit	N/A	
(4) Other Costs & Benefits (Non-Monetized)	N/A	
(5) Information Sources	N/A	

**Table 1c: Costs and Benefits under Alternative Approach(es)**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>The Department is not aware of any alternatives to this regulatory change. The regulatory change is very limited in scope to correct inadvertent omissions to the definition of “mitigation district” and to update the names of planning district commissions to use legal names provided by the Virginia Department of Housing and Community Development (DHCD).</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits

	N/A	N/A
(3) Net Monetized Benefit	N/A	
(4) Other Costs & Benefits (Non-Monetized)	N/A	
(5) Information Sources	N/A	

**Impact on Local Partners**

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 2: Impact on Local Partners**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p><b>Direct Costs:</b> There are no direct costs to local partners because this action does not change the existing responsibilities of the regulated communities or local governments. The amendments improve clarity and certainty for the regulated community and the Department.</p> <p><b>Indirect Costs:</b> There are no known indirect costs associated with the proposed changes.</p> <p><b>Direct Benefits:</b> The direct benefit to local partners is ensuring that land purchased for a conservation easement is geographically proximate to the land being impacted by solar development.</p> <p><b>Indirect Benefits:</b> The indirect benefits associated with this change are that local partners will be able to determine if mitigation for a solar project will be located in their locality.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) Unable to monetize direct and indirect costs.	(b) Unable to monetize direct and indirect benefits.
(3) Other Costs & Benefits (Non-Monetized)	N/A	

(4) Assistance	N/A
(5) Information Sources	N/A

**Impacts on Families**

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 3: Impact on Families**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p><b>Direct Costs:</b> There are no direct costs that impact families associated with the proposed changes.</p> <p><b>Indirect Costs:</b> There are no indirect costs that impact families associated with the proposed changes.</p> <p><b>Direct Benefits:</b> There are no direct benefits that impact families associated with the proposed changes.</p> <p><b>Indirect Benefits:</b> There are no indirect benefits that impact families associated with the proposed changes.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Information Sources	N/A	

**Impacts on Small Businesses**

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 4: Impact on Small Businesses**

(1) Direct & Indirect Costs & Benefits (Monetized)	Small businesses would have the same impact as described in Table 1a above. The Department is unable to identify the number of small businesses that would benefit from this regulatory change. The amendments improve clarity and certainty for the regulated community and the Department.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) No monetized direct or indirect costs associated with the regulatory changes.	(b) Unable to monetize direct and indirect benefits.
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Alternatives	N/A	
(5) Information Sources	N/A	

**Changes to Number of Regulatory Requirements**

**Table 5: Regulatory Reduction**

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

*Change in Regulatory Requirements*

VAC Section(s) Involved*	Authority of Change	Initial Count	Additions	Subtractions	Total Net Change in Requirements
9VAC15-60-10	<b>(M/A):</b>	0	0	0	0
	<b>(D/A):</b>	0	0	0	0
	<b>(M/R):</b>	1	0	0	0
	<b>(D/R):</b>	0	0	0	0
				<b>Grand Total of Changes in Requirements:</b>	<b>(M/A): 0</b> <b>(D/A): 0</b> <b>(M/R): 0</b> <b>(D/R): 0</b>

**Key:**

Please use the following coding if change is mandatory or discretionary and whether it affects externally regulated parties or only the agency itself:

**(M/A):** Mandatory requirements mandated by federal and/or state statute affecting the agency itself

**(D/A):** Discretionary requirements affecting agency itself

**(M/R):** Mandatory requirements mandated by federal and/or state statute affecting external parties, including other agencies

**(D/R):** Discretionary requirements affecting external parties, including other agencies

*Cost Reductions or Increases (if applicable)*

<b>VAC Section(s) Involved*</b>	<b>Description of Regulatory Requirement</b>	<b>Initial Cost</b>	<b>New Cost</b>	<b>Overall Cost Savings/Increases</b>
N/A				

*Other Decreases or Increases in Regulatory Stringency (if applicable)*

<b>VAC Section(s) Involved*</b>	<b>Description of Regulatory Change</b>	<b>Overview of How It Reduces or Increases Regulatory Burden</b>
N/A		

*Length of Guidance Documents (only applicable if guidance document is being revised)*

<b>Title of Guidance Document</b>	<b>Original Length</b>	<b>New Length</b>	<b>Net Change in Length</b>
N/A			