

HOUSE BILL REPORT

HB 1184

As Amended by the Senate

Title: An act relating to modifying the loan repayment period for conservation projects funded by municipal utilities.

Brief Description: Extending the loan repayment period for municipally funded conservation projects.

Sponsors: Representative Chase.

Brief History:

Committee Activity:

Technology, Energy & Communications: 1/28/09, 2/4/09 [DP].

Floor Activity

Passed House: 3/9/09, 91-4.

Senate Amended.

Passed Senate: 4/14/09, 42-0.

Brief Summary of Bill

- Extends the time period during which a customer of a municipal utility must repay any loan given for the purposes of increasing energy efficiency from 120 months to 240 months.

HOUSE COMMITTEE ON TECHNOLOGY, ENERGY & COMMUNICATIONS

Majority Report: Do pass. Signed by 15 members: Representatives McCoy, Chair; Crouse, Ranking Minority Member; Haler, Assistant Ranking Minority Member; Carlyle, Condotta, Eddy, Finn, Hasegawa, Herrera, Hudgins, Jacks, McCune, Morris, Takko and Van De Wege.

Staff: Scott Richards (786-7156)

Background:

Municipalities that generate, sell, or distribute electricity are authorized, within limits, to assist homeowners with the purchase and installation of materials that increase energy

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efficiency. Municipal assistance must be limited to conservation purposes in existing structures.

Municipalities may provide an inspection of a house or facility to identify potential conservation projects, provide a list of businesses capable to selling and installing materials needed for a conservation project, arrange to have conservation materials installed by a private contractor, and arrange or provide financing for the purchase and installation of conservation materials.

If a municipality provides financing for the purchase and installation of conservation materials for one of its utility customers, the municipality must be reimbursed by incremental additions to the utility bill. All loans provided by a municipality must be repaid in this manner within 120 months.

Summary of Bill:

The time period during which a customer of a municipal utility must repay any loan for increasing energy efficiency is increased from 120 months to 240 months.

EFFECT OF SENATE AMENDMENT(S):

Adds the provision extending the timeframe in which customers of a public utility district may repay a loan for energy efficiency improvement from 120 months to 240 months.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Market solutions represent an answer for the economic challenges presented by climate change. The bill is a work in progress. Incentives are important for establishing locally created and installed solar energy facilities. The incentives will spur local investment and create jobs. The bill serves as a guide for the future inclusion of other renewable resources. Past initiatives have dealt well with residential customers, and this effort will expand that success to the commercial market. The legislative stamp of approval on solar energy gives the industry legitimacy.

(In support with concerns) The incentives should be developed to encourage the purchasing of Washington-made materials, and not imported materials with a larger carbon footprint. The incentive level in the bill may be set at a level that will overheat the economy and not lead to long-term job creation. The application process should be simpler, and the effective dates of the bill should be for a longer time period.

(Opposed) None.

Persons Testifying: (In support) Representative Chase, prime sponsor.

(In support with concerns) Gary Shaver, Silicon Energy, LLC.

Persons Signed In To Testify But Not Testifying: None.