

SSB 5939 - S AMD 324

By Senator Ericksen

ADOPTED 07/01/2017

1 On page 27, after line 21, insert the following:

2 "NEW SECTION. **Sec. 10.** A new section is added to chapter 80.28
3 RCW to read as follows:

4 The definitions in this section apply throughout this section and
5 section 11 of this act unless the context clearly requires otherwise.

6 (1) "Community solar company" means a person, firm, or
7 corporation, other than an electric utility or a community solar
8 cooperative, that owns a community solar project and provides
9 community solar project services to project participants.

10 (2) "Community solar project" means a solar energy system that
11 has a direct current nameplate generating capacity that is no larger
12 than one thousand kilowatts.

13 (3) "Community solar project services" means the provision of
14 electricity generated by a community solar project, or the provision
15 of the financial benefits associated with electricity generated by a
16 community solar project, to multiple project participants, and may
17 include other services associated with the use of the community solar
18 project such as system monitoring and maintenance, warranty
19 provisions, performance guarantees, and customer service.

20 (4) "Electric utility" means a consumer-owned utility or
21 investor-owned utility as those terms are defined in RCW 19.280.020.

22 (5) "Project participant" means a customer who enters into a
23 lease, power purchase agreement, loan, or other financial agreement
24 with a community solar company in order to obtain a beneficial
25 interest in, other than direct ownership of, a community solar
26 project.

27 (6) "Solar energy system" means any device or combination of
28 devices or elements that rely upon direct sunlight as an energy
29 source for use in the generation of electricity.

30 NEW SECTION. **Sec. 11.** A new section is added to chapter 80.28
31 RCW to read as follows:

1 (1) No community solar company may engage in business in this
2 state except in accordance with the provisions of this chapter.
3 Engaging in business as a community solar company includes
4 advertising, soliciting, offering, or entering into an agreement to
5 own a community solar project and provide community solar project
6 services to electric utility customers.

7 (2) A community solar company must register with the commission
8 before engaging in business in this state or applying for
9 certification from the Washington State University extension energy
10 program under section 6(1) of this act. Registration with the
11 commission as a community solar company must occur on an annual
12 basis. The registration must be on a form prescribed by the
13 commission and contain that information as the commission may by rule
14 require, but must include at a minimum:

15 (a) The name and address of the community solar company;

16 (b) The name and address of the community solar company's
17 registered agent, if any;

18 (c) The name, address, and title of each officer or director;

19 (d) The community solar company's most current balance sheet;

20 (e) The community solar company's latest annual report, if any;

21 (f) A description of the services the community solar company
22 offers or intends to offer, including financing models; and

23 (g) Disclosure of any pending litigation against it.

24 (3) As a precondition to registration, the commission may require
25 the procurement of a performance bond or other mechanism sufficient
26 to cover any advances or deposits the community solar company may
27 collect from project participants or order that the advances or
28 deposits be held in escrow or trust.

29 (4) The commission may deny registration to any community solar
30 company that:

31 (a) Does not provide the information required by this section;

32 (b) Fails to provide a performance bond or other mechanism, if
33 required;

34 (c) Does not possess adequate financial resources to provide the
35 proposed service; or

36 (d) Does not possess adequate technical competency to provide the
37 proposed service.

38 (5) The commission must take action to approve or issue a notice
39 of hearing concerning any application for registration within thirty
40 days after receiving the application. The commission may approve an

1 application with or without a hearing. The commission may deny an
2 application after a hearing.

3 (6) The commission may charge a community solar company an annual
4 application fee to recover the cost of processing applications for
5 registration under this section.

6 (7) The commission may adopt rules that describe the manner by
7 which it will register a community solar company, ensure that the
8 terms and conditions of community solar projects or community solar
9 project services comply with the requirements of this act, establish
10 the community solar company's responsibilities for responding to
11 customer complaints and disputes, and adopt annual reporting
12 requirements. In addition to the application fee authorized under
13 subsection (6) of this section, the commission may adopt regulatory
14 fees applicable to community solar companies pursuant to RCW
15 80.04.080, 80.24.010, and 80.24.020. Such fees may not exceed the
16 cost of ensuring compliance with this chapter.

17 (8) The commission may suspend or revoke a registration upon
18 complaint by any interested party, or upon the commission's own
19 motion after notice and opportunity for hearing, when it finds that a
20 registered community solar company or its agent has violated this
21 chapter or the rules of the commission, or that the community solar
22 company or its agent has been found by a court or governmental agency
23 to have violated the laws of a state or the United States.

24 (9) For the purpose of ensuring compliance with this chapter, the
25 commission may issue penalties against community solar companies for
26 violations of this chapter as provided for public service companies
27 pursuant to chapter 80.04 RCW.

28 (10) Upon request of the commission, a community solar company
29 registered under this section must provide information about its
30 community solar projects or community solar project services.

31 (11) A violation of this section constitutes an unfair or
32 deceptive act in trade or commerce in violation of chapter 19.86 RCW,
33 the consumer protection act. Acts in violation of this act are not
34 reasonable in relation to the development and preservation of
35 business, and constitute matters vitally affecting the public
36 interest for the purpose of applying the consumer protection act,
37 chapter 19.86 RCW.

1 (12) For the purposes of RCW 19.86.170, actions or transactions
2 of a community solar company may not be deemed otherwise permitted,
3 prohibited, or regulated by the commission."

4 Renumber the remaining sections consecutively and correct any
5 internal references accordingly.

EFFECT: Requires a community solar company to register with the UTC before engaging in business in Washington or applying for certification from the WSU Energy Program under the Production Incentive Program.

Allows the UTC to adopt rules and fees for registering a community solar company, and issue penalties against community solar companies for failure to register with the UTC.

Defines a community solar company as a person, firm, or corporation other than an electric utility, that owns a community solar project and provides related service to project participants.

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