

# SENATE BILL REPORT

## HB 2185

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As of March 23, 2009

**Title:** An act relating to encouraging the use of solar water heating systems by retail customers of light and power businesses and gas companies.

**Brief Description:** Concerning solar water heating systems.

**Sponsors:** Representatives McCoy and Chase.

**Brief History:** Passed House: 3/03/09, 97-0.

**Committee Activity:** Environment, Water & Energy: 3/20/09.

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### SENATE COMMITTEE ON ENVIRONMENT, WATER & ENERGY

**Staff:** William Bridges (786-7416)

**Background:** Investor-Owned Utility (IOU) Conservation Programs. Washington IOUs currently operate customer programs to encourage conservation through grants, low- or no-interest loans, and educational programs. Such programs often provide rebates for water heaters, light bulbs, and washing machines.

Public Utility Conservation Programs. Municipal utilities and public utility districts may help customers finance conservation projects that allow the utility's customers to produce all or a portion of their own electricity through installation of a distributed electricity generation system that uses renewable resources such as wind, solar, geothermal, or hydropower that are available on-site. There are constitutional and statutory prohibitions against financing projects which would result in a conversion from one energy source to another; however, according to statute, such conversion does not take place so long as it does not involve the substitution of one commercial energy supplier for another commercial energy supplier.

Solar Rating and Certification Corporation (SRCC). The SRCC is a nonprofit organization whose primary purpose is the development and implementation of certification programs and national rating standards for solar energy equipment. The SRCC administers a certification, rating, and labeling program for solar collectors and a similar program for complete solar water heating systems.

**Summary of Bill:** Authorizing a Rebate Program for Solar Water Heaters. Starting on August 1, 2009, a light and power business or gas company may provide a rebate to its retail

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customers for the costs of installing solar water heating systems in their homes or businesses. The amount of the rebate cannot exceed 75 percent of the total cost for the solar water heating system, and rebates are limited to \$5,000 per calendar year for each customer.

Participating companies must determine a tiered rebate amount based on the efficiency of the solar water heating system. At a minimum, a solar water heating system must have a solar rating and certification corporation certification as of July 1, 2009.

Authorizing a Grant Program for Solar Water Heaters. Light and power businesses and gas companies may establish a grant program to assist its retail customers in installing solar water heating systems in their homes or businesses, provided that state or federal funds are appropriated for this purpose.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: This bill will help promote solar water heaters in residences and should move forward with the other legislation promoting energy efficiency.

**Persons Testifying:** PRO: Representative McCoy, prime sponsor.