HOUSE BILL 1184

State of Washington 61st Legislature 2009 Regular Session

By Representative Chase

Read first time 01/14/09. Referred to Committee on Technology, Energy & Communications.

1 AN ACT Relating to modifying the loan repayment period for 2 conservation projects funded by municipal utilities; and amending RCW 3 35.92.360.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 35.92.360 and 2002 c 276 s 2 are each amended to read 6 as follows:

7 (1) Any city or town engaged in the generation, sale, or distribution of energy is hereby authorized, within limits established 8 9 by the Constitution of the state of Washington, to assist the owners of 10 structures or equipment in financing the acquisition and installation 11 of materials and equipment, for compensation or otherwise, for the conservation or more efficient use of energy in such structures or 12 13 equipment pursuant to an energy conservation plan adopted by the city or town if the cost per unit of energy saved or produced by the use of 14 15 such materials and equipment is less than the cost per unit of energy 16 produced by the next least costly new energy resource which the city or 17 town could acquire to meet future demand. Any financing authorized 18 under this chapter shall only be used for conservation purposes in existing structures, and such financing shall not be used for any 19

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purpose which results in a conversion from one energy source to 1 2 another. For the purposes of this section, "conservation purposes in existing structures" may include projects to allow a municipal electric 3 4 utility's customers to generate all or a portion of their own electricity through the on-site installation of a distributed 5 6 electricity generation system that uses as its fuel solar, wind, geothermal, or hydropower, or other renewable resource that is 7 8 available on-site and not from a commercial source. Such projects 9 shall not be considered "a conversion from one energy source to another" which is limited to the change or substitution of one 10 11 commercial energy supplier for another commercial energy supplier. 12 Except where otherwise authorized, such assistance shall be limited to:

13 (((1))) (a) Providing an inspection of the structure or equipment, 14 either directly or through one or more inspectors under contract, to 15 determine and inform the owner of the estimated cost of purchasing and 16 installing conservation materials and equipment for which financial 17 assistance will be approved and the estimated life cycle savings in 18 energy costs that are likely to result from the installation of such 19 materials or equipment;

20 (((2))) (b) Providing a list of businesses who sell and install 21 such materials and equipment within or in close proximity to the 22 service area of the city or town, each of which businesses shall have 23 requested to be included and shall have the ability to provide the 24 products in a workmanlike manner and to utilize such materials in 25 accordance with the prevailing national standards((-));

26 (((3))) <u>(c)</u> Arranging to have approved conservation materials and 27 equipment installed by a private contractor whose bid is acceptable to 28 the owner of the residential structure and verifying such installation; 29 and

30 (((4))) (d) Arranging or providing financing for the purchase and 31 installation of approved conservation materials and equipment. Such 32 materials and equipment shall be purchased from a private business and 33 shall be installed by a private business or the owner.

34 (((5))) <u>(2)</u> Pay back shall be in the form of incremental additions 35 to the utility bill, billed either together with use charge or 36 separately. Loans shall not exceed ((one hundred twenty)) two hundred

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1 <u>forty</u> months in length.

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