CERTIFICATION OF ENROLLMENT

HOUSE BILL 2676

Chapter 4, Laws of 2010

61st Legislature 2010 1st Special Session

ENERGY CONSERVATION LOANS--EXTENSION OF PAY BACK PERIOD

EFFECTIVE DATE: 07/13/10

Passed by the House March 17, 2010 Yeas 91 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate March 20, 2010 Yeas 39 Nays 1

BRAD OWEN

President of the Senate

Approved March 26, 2010, 11:00 a.m.

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 2676** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

March 26, 2010

CHRISTINE GREGOIRE

Governor of the State of Washington

Secretary of State State of Washington

HOUSE BILL 2676

Passed Legislature - 2010 1st Special Session

State of Washington

61st Legislature

2010 Regular Session

By Representatives Chase and Simpson

Read first time 01/12/10. Referred to Committee on Technology, Energy & Communications.

- 1 AN ACT Relating to energy conservation loans; and amending RCW
- 2 54.16.280 and 87.03.017.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 54.16.280 and 2002 c 276 s 3 are each amended to read 5 as follows:

Any district is hereby authorized, within limits established by the 6 7 Constitution of the state of Washington, to assist the owners of 8 structures or equipment in financing the acquisition and installation of materials and equipment, for compensation or otherwise, for the 9 10 conservation or more efficient use of energy in such structures or equipment pursuant to an energy conservation plan adopted by the 11 12 district if the cost per unit of energy saved or produced by the use of 13 such materials and equipment is less than the cost per unit of energy produced by the next least costly new energy resource which the 14 15 district could acquire to meet future demand. Any financing authorized under this chapter shall only be used for conservation purposes in 16 existing structures, and such financing shall not be used for any 17 purpose which results in a conversion from one energy source to 18 19 another. For the purposes of this section, "conservation purposes in

- existing structures" may include projects to allow a district's 1 2 customers to generate all or a portion of their own electricity through the on-site installation of a distributed electricity generation system 3 that uses as its fuel solar, wind, geothermal, or hydropower, or other 4 5 renewable resource that is available on-site and not from a commercial source. Such projects shall not be considered "a conversion from one 6 7 energy source to another" which is limited to the change substitution of one commercial energy supplier for another commercial 8 9 energy supplier. Except where otherwise authorized, such assistance 10 shall be limited to:
 - (1) Providing an inspection of the structure or equipment, either directly or through one or more inspectors under contract, to determine and inform the owner of the estimated cost of purchasing and installing conservation materials and equipment for which financial assistance will be approved and the estimated life cycle savings in energy costs that are likely to result from the installation of such materials or equipment;
 - (2) Providing a list of businesses who sell and install such materials and equipment within or in close proximity to the service area of the district, each of which businesses shall have requested to be included and shall have the ability to provide the products in a workmanlike manner and to utilize such materials in accordance with the prevailing national standard((s.));
 - (3) Arranging to have approved conservation materials and equipment installed by a private contractor whose bid is acceptable to the owner of the residential structure and verifying such installation; ((and))
 - (4) Arranging or providing financing for the purchase and installation of approved conservation materials and equipment. Such materials and equipment shall be purchased from a private business and shall be installed by a private business or the owner((\cdot, \cdot)); and
- 31 (5) Pay back shall be in the form of incremental additions to the 32 utility bill, billed either together with use charge or separately. 33 Loans shall not exceed ((one)) two hundred ((twenty)) forty months in 34 length.
- 35 **Sec. 2.** RCW 87.03.017 and 1982 c 42 s 1 are each amended to read as follows:
- 37 Any irrigation district engaged in the distribution of energy is

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hereby authorized, within limits established by the Constitution of the 1 2 state of Washington, to assist the owners of residential structures in financing the acquisition and installation of materials and equipment, 3 for compensation or otherwise, for the conservation or more efficient 4 5 use of energy in such structures pursuant to an energy conservation plan adopted by the irrigation district if the cost per unit of energy 6 7 saved or produced by the use of such materials and equipment is less 8 than the cost per unit of energy produced by the next least costly new 9 energy resource which the irrigation district could acquire to meet future demand. Except where otherwise authorized, such assistance 10 shall be limited to: 11

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- (1) Providing an inspection of the residential structure, either directly or through one or more inspectors under contract, to determine and inform the owner of the estimated cost of purchasing and installing conservation materials and equipment for which financial assistance will be approved and the estimated life cycle savings in energy costs that are likely to result from the installation of such materials or equipment.
- (2) Providing a list of businesses who sell and install such materials and equipment within or in close proximity to the service area of the irrigation district, each of which businesses shall have requested to be included and shall have the ability to provide the products in a workmanlike manner and to utilize such materials in accordance with the prevailing national standards.
- (3) Arranging to have approved conservation materials and equipment installed by a private contractor whose bid is acceptable to the owner of the residential structure and verifying such installation.
- (4) Arranging or providing financing for the purchase and installation of approved conservation materials and equipment. Such materials and equipment shall be purchased from a private business and shall be installed by a private business or the owner.
- (5) Pay back shall be in the form of incremental additions to the utility bill, billed either together with use charge or separately. Loans shall not exceed ((one)) two hundred ((twenty)) forty months in length.

Passed by the House March 17, 2010. Passed by the Senate March 20, 2010. Approved by the Governor March 26, 2010. Filed in Office of Secretary of State March 26, 2010.