**1427-S AMH DYEM H1642.1 - NOT FOR FLOOR USE**

**SHB 1427** - H AMD TO H AMD (H-1604.2/23) **360**

By Representative Dye

**NOT CONSIDERED 01/02/2024**

On page 11, after line 6, insert the following:

"**Sec.**  RCW 80.28.370 and 2017 3rd sp.s. c 36 s 10 are each amended to read as follows:

The definitions in this section apply throughout this section and RCW 80.28.375 unless the context clearly requires otherwise.

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

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

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

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

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

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

(7) "Solar installation services" means the sale, leasing, marketing, or installation of solar energy systems or the provision of financial benefits associated with such systems.

(8) "Solar installation company" means any corporation, company, partnership, or person that provides solar installation services to the public in the state of Washington.

**Sec.**  RCW 80.28.375 and 2017 3rd sp.s. c 36 s 11 are each amended to read as follows:

(1) No community solar company or solar installation company may engage in business in this state except in accordance with the provisions of this chapter. Engaging in business ((~~as a community solar company~~)) includes ((~~advertising~~)) , but is not limited to: (i) Advertising, soliciting, offering, or entering into an agreement to own a community solar project and provide community solar project services to electric utility customers; or (ii) advertising, soliciting, offering, or entering into an agreement to provide solar installation services to electric utility customers.

(2) A community solar company or solar installation company must register with the commission before engaging in business in this state or applying for certification from the Washington State University extension energy program under RCW 82.16.165(1). Registration with the commission as a community solar company or solar installation company must occur on an annual basis. The registration must be on a form prescribed by the commission and contain that information as the commission may by rule require, but must include at a minimum:

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

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

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

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

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

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

(g) Disclosure of any pending litigation against it.

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

(4) The commission may deny registration to any community solar company or solar installation company that:

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

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

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

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

(5) The commission must take action to approve or issue a notice of hearing concerning any application for registration within ((~~thirty~~)) 30 days after receiving the application. The commission may approve an application with or without a hearing. The commission may deny an application after a hearing.

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

(7) The commission may adopt rules that describe the manner by which it will register a community solar company or solar installation company, ensure that the terms and conditions of community solar projects ((~~or~~)), community solar project services, or solar installation services comply with the requirements of chapter 36, Laws of 2017 3rd sp. sess., establish the community solar company's or solar installation company's responsibilities for responding to customer complaints and disputes, and adopt annual reporting requirements. In addition to the application fee authorized under subsection (6) of this section, the commission may adopt regulatory fees applicable to community solar companies and solar installation companies pursuant to RCW 80.04.080, 80.24.010, and 80.24.020. Such fees may not exceed the cost of ensuring compliance with this chapter.

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

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

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

(11) The legislature finds that the practices covered by this section are matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW. A violation of this section ((~~constitutes~~)) is not reasonable in relation to the development and preservation of business, and is an unfair or deceptive act in trade or commerce ((~~in violation of~~)) and an unfair method of competition for the purpose of applying chapter 19.86 RCW, the consumer protection act. ((~~Acts in violation of chapter 36, Laws of 2017 3rd sp. sess. are not reasonable in relation to the development and preservation of business, and constitute matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW.~~))

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

Renumber the remaining section consecutively and correct any internal references accordingly.

EFFECT: Adds definitions for solar installation services and solar installation company. Extends existing requirements for community solar companies to engage in business, to additionally cover solar installation services and solar installation companies. Makes a previously optional precondition for a company to register with the commission a requirement, regarding the covering or holding of project participants advances or deposits.