
HOUSE BILL 2253

State of Washington

68th Legislature

2024 Regular Session

By Representatives Hackney, Doglio, Ryu, Orwall, Duerr, Berry, Ramel, Paul, Springer, Macri, Bergquist, Pollet, and Tharinger

Read first time 01/09/24. Referred to Committee on Environment & Energy.

1 AN ACT Relating to fair access to community solar; amending RCW
2 80.28.370, 80.28.375, and 82.16.182; adding new sections to chapter
3 80.28 RCW; and creating a new section.

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

5 NEW SECTION. **Sec. 1.** (1) The legislature finds that stimulating
6 local investment in solar projects continues to be an important part
7 of the state energy strategy by helping to increase energy
8 independence from fossil fuels, reduce energy burden, promote
9 economic development, hedge against the effects of climate change,
10 create more energy equity, and attain environmental benefits. The
11 legislature finds that the vast majority of Washingtonians still do
12 not have access to the benefits of solar energy. The legislature
13 intends to stimulate the deployment of community solar projects for
14 the benefit of all Washingtonians.

15 (2) The legislature intends to facilitate community solar bill
16 crediting options that can help the state cost-effectively meet the
17 mandates in the Washington state energy code and that are consistent
18 with the goals of the state energy strategy.

19 (3) The legislature intends to enable and incentivize community
20 solar development in the built environment and on preferred sites,

1 which can reduce transmission and distribution system infrastructure
2 costs and clean energy siting conflicts.

3 (4) The legislature finds that participation of low-income
4 customers in solar projects is consistent with the goals and intent
5 of the energy assistance provisions of chapter 19.405 RCW, the
6 Washington clean energy transformation act.

7 (5) The legislature finds that offering energy assistance through
8 renewable energy programs, including community solar, at a discount
9 to low-income customers is consistent with the goal and intent of RCW
10 80.28.068.

11 (6) The legislature finds that participation of low-income
12 customers in community solar projects will support the state by
13 capitalizing on the opportunity created by the federal inflation
14 reduction act. The federal inflation reduction act modifies and
15 extends federal solar tax credits through 2035 and structures them to
16 incentivize investment in disadvantaged and low-income communities
17 and ensure newly created jobs are good paying jobs. This policy is
18 intended to ensure the full benefits of the federal inflation
19 reduction act's provisions for low-income inclusion are realized by
20 enabling fair access to community solar to all Washingtonians.

21 **Sec. 2.** RCW 80.28.370 and 2017 3rd sp.s. c 36 s 10 are each
22 amended to read as follows:

23 The definitions in this section apply throughout this section and
24 RCW 80.28.375 and sections 3 through 6 of this act unless the context
25 clearly requires otherwise.

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

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

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

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

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

8 ~~(6) "Solar energy system" means any device or combination of~~
9 ~~devices or elements that rely upon direct sunlight as an energy~~
10 ~~source for use in the generation of electricity.)~~ "Community solar
11 bill credit" means a monetary credit for electricity generated by a
12 community solar project, in proportion to a community solar project
13 subscriber's portion of the community solar project's kilowatt-hour
14 output, and allocated to a community solar project subscriber's
15 electricity bill on the utility's monthly billing cycle.

16 (2) (a) "Community solar program" means a program that allows for
17 the development of community solar projects and provide customers of
18 a utility with the option of accessing the benefits produced by the
19 community solar projects.

20 (b) "Community solar program" includes the programs established
21 in section 3 of this act and others developed by electric utilities.

22 (3) (a) "Community solar project" means one or more solar
23 photovoltaic energy systems that provides project subscribers a
24 community solar bill credit and:

25 (i) Has an alternating current nameplate generating capacity that
26 is no larger than 5,000 kilowatts unless a larger size is approved by
27 the utility serving the site of the project;

28 (ii) Is located in the state and is directly connected to an
29 electric utility's distribution system;

30 (iii) Has a minimum of three subscribers and a single customer
31 does not own or subscribe to more than 49 percent of the generating
32 capacity of the project;

33 (iv) Is not located on the same parcel as another community solar
34 project, unless the parcel is considered a preferred site.

35 (b) Projects with an alternating current nameplate capacity
36 larger than 1,000 kilowatts must utilize prevailing wage labor for
37 their construction.

38 (4) "Community solar project manager" means an entity that owns
39 or operates one or more community solar projects.

1 (5) "Community solar project services" means the provision of the
2 financial benefits associated with electricity generated by a
3 community solar project, to multiple project subscribers, and may
4 include other services associated with the use of the community solar
5 project such as leasing land, system monitoring and maintenance,
6 warranty provisions, performance guarantees, accounting, reporting,
7 and customer service.

8 (6) "Community solar subscription manager" means an entity that:

9 (a) Markets community solar projects or otherwise provides
10 community solar-related services under its own brand name;

11 (b) Performs any administrative actions to connect or enroll
12 customers with community solar projects; or

13 (c) Manages interactions relating to subscribers between a
14 community solar project manager and an electric utility.

15 (7) "Consumer-owned utility" means a municipal electric utility
16 formed under Title 35 RCW, a public utility district formed under
17 Title 54 RCW, an irrigation district formed under chapter 87.03 RCW,
18 a cooperative association formed under chapter 23.86 RCW, or a mutual
19 corporation or association formed under chapter 24.06 RCW, that is
20 engaged in the business of distributing electricity to more than one
21 retail electric customer in the state.

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

24 (9) "Low-income" means household incomes as defined by the
25 commission, provided that the definition may not exceed the higher of
26 80 percent of area median household income or 200 percent of the
27 federal poverty level, adjusted for household size, and subscribers
28 may be considered low income for the purposes of this program if they
29 are a retail electric customer that is enrolled in a low-income
30 program facilitated by the state or federal government, or enrolled
31 in a low-income energy program facilitated by the electric utility,
32 or enrolled in a federal, state, or local income assistance program,
33 or are verifiable low-income multifamily housing, or as determined by
34 the commission, or any verification method authorized by the United
35 States department of treasury for the qualified low-income economic
36 benefit project investment tax credit adder under P.L. 117-169
37 section 13103(2)(c).

38 (10) "Low-income service provider" has the same meaning as
39 defined in RCW 82.16.182.

1 (11) "Net-crediting" means the process in which an electric
2 utility includes both the community solar subscription cost and the
3 community solar bill credit on the subscriber's electric bill.

4 (12) "Preferred site" means rooftops, parking structures,
5 existing impervious surfaces, landfills, brownfields, previously
6 developed sites, irrigation canals and ponds, stormwater collection
7 ponds, industrial areas, solid waste facilities, land or structures
8 owned by a metropolitan housing authority, solar projects that
9 intentionally integrate with agricultural operations, projects owned
10 by tribes, the department of natural resources properties identified
11 for solar development, and other sites that do not displace critical
12 habitat or productive farmland as defined by state and county
13 planning processes.

14 (13) "Prevailing wage" means the wage rate as identified in
15 chapter 39.12 RCW.

16 (14) "Renewable energy credit" has the same meaning as defined in
17 RCW 19.285.030.

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

21 (16) "Subscriber" means a retail customer of an electric utility
22 who enters into a contractual agreement for part of a community solar
23 project or who has an ownership interest in a community solar project
24 that results in community solar bill credits being applied to that
25 customer's electricity bill.

26 (17) "Subscription" means a portion of the output from or
27 capacity of a community solar project located in an electric
28 utility's territory purchased from a community solar project manager.

29 (18) "Unsubscribed energy" means the bill credits not allocated
30 to a subscriber that accrue if a community solar project is not fully
31 subscribed in any given month.

32 NEW SECTION. Sec. 3. A new section is added to chapter 80.28
33 RCW to read as follows:

34 (1) A community solar project manager or community solar
35 subscription manager must:

36 (a) Collect information regarding the financial benefits realized
37 by low-income subscribers and low-income service provider
38 subscribers;

1 (b) Administer the project in a transparent manner that allows
2 for fair and nondiscriminatory opportunities for participation; and

3 (c) Provide each subscriber with a disclosure form containing all
4 material terms and conditions of participation in the project.

5 (2) (a) Each subscriber's monthly community solar bill credit must
6 be applied to the subscriber's next retail electric bill and may
7 offset all costs on the monthly retail electric bill. Any unused bill
8 credit must be rolled forward on the subscriber's utility account
9 until fully allocated to the subscriber's bill or the termination of
10 the subscriber's utility account.

11 (b) If the community solar project manager or community solar
12 subscription manager amends the community solar project's subscriber
13 list, the changes must be reflected on the following month's retail
14 electric bills.

15 (3) Electric utilities must reasonably allow for the transfer and
16 portability of subscriptions, including allowing a subscriber to
17 retain a subscription if the subscriber moves within the same
18 electric utility's service territory.

19 (4) Electric utilities may not change a subscriber's applicable
20 customer class because of the subscriber's subscription to a
21 community solar project.

22 (5) A community solar project manager may enter into a net-
23 crediting program on behalf of an eligible customer. The net-
24 crediting agreement should outline payment terms from the electric
25 utility to the community solar project manager. The electric utility
26 may impose a net-crediting fee on the community solar project
27 manager, capped at one percent of the subscription fee. Retail
28 electric bills subjected to net-crediting must display the
29 subscriber's subscription fee and furnish the subscriber with a net-
30 credit equivalent to the total bill credit value for the generation
31 period, deducting the subscription fee.

32 (6) At least 50 percent of each electric utility's community
33 solar generating capacity must be subscribed by low-income
34 subscribers, low-income service provider subscribers, or both low-
35 income subscribers and low-income service provider subscribers.

36 (a) The commission or a consumer-owned utility's governing board
37 may amend the required low-income subscriber level no sooner than 10
38 years after the adoption of program rules, provided that the
39 percentage is not less than the utility's percentage of low-income
40 ratepayers at the time of the most recent United States census.

1 (b) Community solar capacity or generation allocated to low-
2 income subscribers and low-income service provider subscribers are
3 exempt from community solar program-related administrative fees.

4 (c) Community solar projects that receive the low-income credit
5 rate adder must maintain their low-income subscriber threshold for
6 the project's lifetime.

7 (7) Renewable energy credits associated with the generation of
8 electricity by a community solar project must be retired on behalf of
9 the subscriber.

10 (8)(a) The commission must adopt a community solar bill credit
11 valuation methodology that recognizes and incorporates the factors
12 that community solar projects bring to the electrical grid,
13 including:

14 (i) The value of the electricity;

15 (ii) The value of the project to transmission and distribution
16 capacity, deferred transmission and distribution investments,
17 deferred generation investments and added generation capacity,
18 voltage, reduced system losses, reduced line losses, and ancillary
19 services;

20 (iii) The value of the project to grid reliability and
21 resilience;

22 (iv) The value of environmental attributes, greenhouse gas
23 emissions reductions, methane leakage reductions, public health, and
24 energy security; and

25 (v) Other factors associated with locally produced electricity as
26 determined by the commission.

27 (b) The community solar bill credit valuation must provide
28 additional value for community solar projects when: (i) The majority
29 of the project's nameplate capacity is subscribed by low-income
30 subscribers or low-income service provider subscribers; (ii) the
31 project is owned by or serves tribal communities; and (iii) the
32 project incorporates energy storage.

33 (9) The community solar bill credit valuation must:

34 (a) Ensure the ability to finance, develop, and maintain
35 community solar projects;

36 (b) Maximize the value that ratepayers, subscribers, and host
37 communities receive from projects;

38 (c) Be updated annually or biannually; and

39 (d) Include an annual escalator.

1 (10) The commission or consumer-owned utility's governing body
2 may adopt a rate for an electric utility to use in crediting a
3 subscriber's electric bill other than the rate described in
4 subsection (8) of this section if they have good cause to adopt the
5 different rate.

6 (11) The commission must adopt a valuation methodology for
7 unsubscribed energy. Unsubscribed energy may be rolled forward on a
8 community solar project account until the end of the following
9 calendar year and allocated by a community solar project manager or
10 community solar subscription manager to subscribers at any time
11 during that period. At the end of that period, any undistributed bill
12 credit must be compensated to the community solar project manager.

13 (12) Nothing in this section may be construed as intending to
14 preclude persons from investing in or possessing an ownership
15 interest in a community solar project or from applying for and
16 receiving federal investment tax credits.

17 NEW SECTION. **Sec. 4.** A new section is added to chapter 80.28
18 RCW to read as follows:

19 (1) The commission shall host a minimum of two workshops with
20 interested parties on the community solar program described in this
21 act. The purpose of the workshops is to ensure consideration of
22 relevant information and the expertise of interested parties in the
23 adoption or amendment of rules necessary for the community solar
24 program.

25 (2) The working group shall consist of:

26 (a) Investor-owned utilities;

27 (b) Solar industry representatives;

28 (c) Consumer advocates;

29 (d) Members of, or organizations serving, overburdened
30 communities and vulnerable populations;

31 (e) People working for or with tribes on clean energy programs or
32 projects; and

33 (f) Other interested parties, such as legislators, legislative
34 staff, and staff of the governor's office.

35 (3) Before adopting rules for the community solar program, the
36 commission shall review, at a minimum, any recommendations, comments,
37 or relevant information submitted to the commission during the
38 workshops.

1 (4) Not later than 18 months after the effective date of this
2 section, the commission, with assistance from the working group,
3 shall adopt rules to implement the community solar program, which
4 shall include the following:

5 (a) A methodology for valuing each subscriber's community solar
6 bill credit rate as outlined in section 3 of this act;

7 (b) A process for the certification of community solar
8 facilities, which shall include rules to identify the community solar
9 bill credit rate for each subscriber type within 60 days of their
10 application;

11 (c) Modifications of existing interconnection standards, fees,
12 and processes as needed to facilitate the efficient and cost-
13 effective interconnection of community solar projects so that the
14 interconnection customer pays the reasonable costs and
15 interconnections are designed, engineered, and completed in
16 accordance with good utility practice;

17 (d) A requirement for each investor-owned utility to efficiently
18 connect a community solar project to its electrical distribution grid
19 and not to discriminate against facilities or subscribers;

20 (e) Consumer protections in accordance with existing laws and
21 rules, including any protections against disconnection of service;

22 (f) Robust consumer protections for subscribers, including at
23 least the following:

24 (i) Standardizing a customer disclosure form for residential
25 subscribers;

26 (ii) Prohibiting upfront sign-on fees or credit checks as a means
27 of establishing eligibility for residential subscribers;

28 (iii) Preventing early termination charges to any residential
29 subscriber who unsubscribes;

30 (g) A requirement for each community solar project manager to
31 send a notice in a standardized format containing information related
32 to subscriber enrollment to the investor-owned utility that services
33 the area where the organization's community solar facility is sited;

34 (h) A requirement that no later than six months after the
35 adoption of rules, each investor-owned utility must publish new
36 tariffs or update existing tariffs to implement the community solar
37 program;

38 (i) Opportunities for subscribers that receive utility
39 allowances; and

1 (j) Community solar program evaluations and consumer protections
2 to ensure that subscribers are effectively and equitably receiving
3 savings from participating in the community solar program.

4 NEW SECTION. **Sec. 5.** A new section is added to chapter 80.28
5 RCW to read as follows:

6 (1) The commission shall conduct reviews of the community solar
7 program described in this act once five years after the rules for the
8 program have been adopted and once 10 years after the rules for the
9 program have been adopted and submit a report to the legislature with
10 the following information:

11 (a) The number and location of operating community solar
12 facilities;

13 (b) The amount of nameplate capacity certified;

14 (c) The number of subscribers, how much energy was subscribed to
15 by those subscribers, and the types of customer classes that
16 subscribed;

17 (d) The number of low-income subscribers and low-income service
18 providers, how much energy was subscribed to by those subscribers,
19 and the types of customer classes that subscribed;

20 (e) Whether savings were achieved by subscribers; and

21 (f) Any other metrics identified by the commission or stakeholder
22 working group.

23 (2) The commission may adopt rules to require community solar
24 organizations and electric utilities to provide the commission with a
25 report containing the relevant information described in subsection
26 (1) of this section.

27 NEW SECTION. **Sec. 6.** A new section is added to chapter 80.28
28 RCW to read as follows:

29 (1) A consumer-owned utility may voluntarily adopt the
30 commission's new community solar program rules or develop their own,
31 provided they meet the requirements of section 3 of this act. A
32 consumer-owned utility that does not voluntarily adopt the
33 commission's program rules or develop their own is not subject to the
34 requirements in section 3 of this act.

35 (2) A consumer-owned utility may voluntarily adopt the
36 commission's community solar credit rate valuation methodology, or
37 develop their own, provided they meet the requirements of section 3
38 of this act.

1 (3) A participating consumer-owned utility must efficiently
2 connect a community solar project to its electrical distribution grid
3 and not discriminate against facilities or subscribers.

4 (4) A consumer-owned utility is not required to approve a
5 community solar project if the system conflicts with the Bonneville
6 power administration's definition of a small generator.

7 (5) A consumer-owned utility's program rules must establish
8 community solar program reporting and consumer protections to ensure
9 that subscribers are effectively and equitably receiving savings from
10 participating in the community solar program.

11 **Sec. 7.** RCW 80.28.375 and 2017 3rd sp.s. c 36 s 11 are each
12 amended to read as follows:

13 (1) No community solar (~~company~~) project manager or their
14 contracted agents, affiliates, or electric service providers may
15 engage in business in this state except in accordance with the
16 provisions of this chapter unless they are an established electric
17 utility. Engaging in business (~~as a community solar company~~)
18 includes advertising, soliciting, offering, or entering into an
19 agreement to own a community solar project and provide community
20 solar project services to (~~electric utility~~) customers.

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

29 (a) The name and address of the community solar (~~company~~)
30 project manager;

31 (b) The name and address of the community solar (~~company's~~)
32 project manager's registered agent, if any;

33 (~~The name, address, and title of each officer or director;~~
34 ~~d~~) The community solar (~~company's most current balance~~
35 ~~sheet~~) project manager's proof of insurance;

36 (~~e~~) (d) The community solar (~~company's~~) project manager's
37 latest annual report, if any, which should be filed confidentially;

1 ~~((f))~~ (e) A description of the services the community solar
2 ~~((company))~~ project manager offers or intends to offer(~~(, including~~
3 ~~financing models))~~; and

4 ~~((g))~~ (f) Disclosure of any pending litigation against it.

5 (3) As a precondition to registration, the commission may require
6 the procurement of a performance bond or other mechanism sufficient
7 to cover any advances or deposits the community solar ~~((company))~~
8 project manager may collect from ~~((project participants))~~ subscribers
9 or order that the advances or deposits be held in escrow or trust.
10 Required performance bonds must be of a size commensurate with the
11 scope of the projects offered and may not be set in such a manner as
12 to preclude nonprofits, individuals, and small businesses from
13 participating as community solar project managers.

14 (4) The commission may deny registration to any community solar
15 ~~((company))~~ project manager that:

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

17 (b) Fails to provide a performance bond or other mechanism, if
18 required(~~(+~~

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

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

23 (5) The commission must take action to approve or issue a notice
24 of hearing concerning any application for registration within
25 ~~((thirty))~~ 30 days after receiving the application. The commission
26 may approve an application with or without a hearing. Should 30 days
27 pass since an application has been filed and the commission has not
28 acted, the application is deemed approved. The commission may deny an
29 application after a hearing.

30 (6) The commission may charge a community solar ~~((company))~~
31 project manager an ~~((annual))~~ application fee to recover the cost of
32 processing applications for registration under this section. The fee
33 must not be set in such a manner as to preclude nonprofits,
34 individuals, and small businesses from participating as community
35 solar project managers.

36 (7) The commission may adopt rules that describe the manner by
37 which it will register a community solar ~~((company))~~ project manager,
38 ensure that the terms and conditions of community solar projects or
39 community solar project services comply with the requirements of
40 chapter 36, Laws of 2017 3rd sp. sess., establish the community solar

1 (~~company's~~) project manager's responsibilities for responding to
2 customer complaints and disputes, and adopt annual reporting
3 requirements. In addition to the application fee authorized under
4 subsection (6) of this section, the commission may adopt regulatory
5 fees applicable to a community solar (~~companies~~) project manager
6 pursuant to RCW 80.04.080, 80.24.010, and 80.24.020. Such fees may
7 not exceed the cost of ensuring compliance with this chapter.

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

16 (9) For the purpose of ensuring compliance with this chapter, the
17 commission may issue penalties against community solar (~~companies~~)
18 project managers for violations of this chapter as provided for
19 public service companies pursuant to chapter 80.04 RCW.

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

24 (11) A violation of this section constitutes an unfair or
25 deceptive act in trade or commerce in violation of chapter 19.86 RCW,
26 the consumer protection act. Acts in violation of chapter 36, Laws of
27 2017 3rd sp. sess. are not reasonable in relation to the development
28 and preservation of business, and constitute matters vitally
29 affecting the public interest for the purpose of applying the
30 consumer protection act, chapter 19.86 RCW.

31 (12) For the purposes of RCW 19.86.170, actions or transactions
32 of a community solar (~~company~~) project manager may not be deemed
33 otherwise permitted, prohibited, or regulated by the commission.

34 (13) Community solar subscription managers must register with the
35 commission before engaging in business in this state. The
36 registration must be on a form prescribed by the commission and
37 contain that information as the commission may by rule require, but
38 must include at a minimum:

39 (a) The name and address of the community solar subscription
40 manager;

1 (b) The name and address of the community solar subscription
2 manager's registered agent, if any;

3 (c) A description of the services the community solar
4 subscription manager offers or intends to offer;

5 (d) Disclosure of any pending litigation against the community
6 solar subscription manager;

7 (e) The community solar subscription manager's proof of
8 insurance; and

9 (f) A copy of the standard community solar subscription agreement
10 the community solar subscription manager will utilize.

11 **Sec. 8.** RCW 82.16.182 and 2022 c 212 s 4 are each amended to
12 read as follows:

13 (1) The definitions in this section apply throughout this section
14 and RCW 82.16.183 unless the context clearly requires otherwise.

15 (a) ~~((i))~~ "Administrator" means the utility, nonprofit,
16 community solar project manager, tribal housing authority ~~((as~~
17 ~~provided in (a)(ii) of this subsection))~~, public agency, or other
18 local housing authority that organizes and administers a community
19 solar project as provided in RCW 82.16.183 and 82.16.170.

20 ~~((ii) A tribal housing authority may only administer a community~~
21 ~~solar project on tribal lands or lands held in trust for a federally~~
22 ~~recognized tribe by the United States for subscribers who are tribal~~
23 ~~members.))~~

24 (b) "Certification" means the authorization issued by the
25 Washington State University extension energy program establishing a
26 community solar project administrator's eligibility to receive a low-
27 income community solar incentive payment from the electric utility
28 serving the site of the community solar project, on behalf of, and
29 for the purpose of providing direct benefits to, its low-income
30 subscribers, low-income service provider subscribers, and tribal and
31 public agency subscribers.

32 (c) (i) "Community solar project" means a solar energy system
33 that:

34 (A) Has a direct current nameplate capacity ~~((that is greater~~
35 ~~than 12 kilowatts but no greater than 199 kilowatts;~~

36 ~~(B) Has, at minimum, either two subscribers or one low-income~~
37 ~~service provider subscriber; and~~

38 ~~(C) Meets the applicable eligibility requirements in RCW~~
39 ~~82.16.183)) no greater than 199 kilowatts, has, at minimum, two~~

1 subscribers or one low-income service provider subscriber, and meets
2 the applicable eligibility requirements in RCW 82.16.183; or

3 (B) Has the same meaning as defined in RCW 80.28.370.

4 (ii) A community solar project may include a storage system with
5 a solar energy system.

6 (d) "Consumer-owned utility" has the same meaning as in RCW
7 19.280.020.

8 (e) "Electric utility" or "utility" means a consumer-owned
9 utility or investor-owned utility as those terms are defined in RCW
10 19.280.020.

11 (f) "Energy assistance" has the same meaning as provided in RCW
12 19.405.020.

13 (g) "Energy burden" has the same meaning as provided in RCW
14 19.405.020.

15 (h) "Governing body" has the same meaning as provided in RCW
16 19.280.020.

17 (i) (i) "Installed cost" includes only the renewable energy system
18 components and fees that are integral and necessary for the
19 generation and storage of electricity. Components and fees include:

20 (A) Solar modules and inverters;

21 (B) Battery systems;

22 (C) Balance of system, such as racking, wiring, switch gears, and
23 meter bases;

24 (D) Nonhardware costs incurred up to the date of the final
25 electrical inspection, such as fees associated with engineering,
26 permitting, interconnection, and application;

27 (E) Labor; and

28 (F) Sales tax.

29 (ii) "Installed cost" does not include structures and fixtures
30 that are not integral and necessary to the generation or storage of
31 electricity, such as carports and roofing.

32 (j) "Interconnection customer" means the person, corporation,
33 partnership, government agency, or other entity that proposes to
34 interconnect, or has executed an interconnection agreement, with the
35 electric utility.

36 (k) "Low-income" has the same meaning as provided in RCW
37 (~~19.405.020~~) 80.28.370.

38 (l) "Low-income service provider" includes, but is not limited
39 to, a local community action agency or local community service agency
40 designated by the department of commerce under chapter 43.63A RCW,

1 local housing authority, tribal housing authority, low-income tribal
2 housing program, affordable housing provider, food bank, or other
3 nonprofit organization that provides services to low-income
4 households as part of their core mission.

5 (m) "Multifamily residential building" means a building
6 containing more than two sleeping units or dwelling units where
7 occupants are primarily permanent in nature.

8 (n) "Person" means an individual, firm, partnership, corporation,
9 company, association, agency, or any other legal entity.

10 (o) "Preferred sites" (~~means rooftops, structures, existing~~
11 ~~impervious surfaces, landfills, brownfields, previously developed~~
12 ~~sites, irrigation canals and ponds, stormwater collection ponds,~~
13 ~~industrial areas, dual-use solar projects that ensure ongoing~~
14 ~~agricultural operations, and other sites that do not displace~~
15 ~~critical habitat or productive farmland as defined by state and~~
16 ~~county planning processes~~) has the same meaning as defined in RCW
17 80.28.370.

18 (p) "Public agency" means any political subdivision of the state
19 including, but not limited to, municipal and county governments,
20 special purpose districts, and local housing authorities, but does
21 not include state agencies.

22 (q)(i) Except as otherwise provided in (q)(ii) of this
23 subsection, "qualifying subscriber" means a low-income subscriber,
24 low-income service provider subscriber, tribal agency subscriber, or
25 public agency subscriber.

26 (ii) For tribal agency subscribers and public agency subscribers,
27 only the portion of their subscription to a community solar project
28 that is demonstrated to benefit low-income beneficiaries, including
29 low-income service providers and services provided to low-income
30 citizens or households, is to be considered a qualifying subscriber.

31 (r) "Retail electric customer" has the same meaning as in RCW
32 80.60.010.

33 (s) "Subscriber" (~~means a retail electric customer of an~~
34 ~~electric utility who owns or is the beneficiary of one or more units~~
35 ~~of a community solar project directly interconnected with that same~~
36 ~~utility~~) has the same meaning as defined in RCW 80.28.370.

37 (t) "Subscription" (~~means an agreement between a subscriber and~~
38 ~~the administrator of a community solar project~~) has the same meaning
39 as defined in RCW 80.28.370.

1 (u) "Community solar project manager" has the same meaning as
2 defined in RCW 80.28.370.

3 (2) This section expires June 30, 2038.

--- **END** ---