

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE HOUSE BILL 2248

66th Legislature
2020 Regular Session

Passed by the House March 12, 2020
Yeas 89 Nays 8

**Speaker of the House of
Representatives**

Passed by the Senate March 11, 2020
Yeas 36 Nays 12

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 2248** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE HOUSE BILL 2248

AS AMENDED BY THE SENATE

Passed Legislature - 2020 Regular Session

State of Washington 66th Legislature 2020 Regular Session

By House Environment & Energy (originally sponsored by Representatives Doglio, DeBolt, Fey, Lekanoff, Fitzgibbon, Shewmake, Leavitt, Ramel, Ryu, Tarleton, Appleton, Ramos, Slatter, Ormsby, Macri, Wylie, Kloba, Goodman, Peterson, Hudgins, Pollet, and Tharinger)

READ FIRST TIME 02/07/20.

1 AN ACT Relating to expanding equitable access to the benefits of
2 renewable energy through community solar projects; amending RCW
3 82.16.130, 82.16.160, 82.16.165, 82.16.170, 82.16.110, 82.16.120,
4 82.16.150, and 82.16.155; adding new sections to chapter 82.16 RCW;
5 creating new sections; providing expiration dates; and declaring an
6 emergency.

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

8 NEW SECTION. **Sec. 1.** (1) The legislature finds and declares
9 that stimulating local investment in community solar projects
10 continues to be an important part of a state energy strategy by
11 helping to increase energy independence from fossil fuels, promote
12 economic development, hedge against the effects of climate change,
13 and attain environmental benefits. The legislature finds that while
14 previous community solar programs were successful in stimulating
15 these benefits, the programs failed to provide an adequate framework
16 for low-income participation and long-term market certainty. The
17 legislature finds that the vast majority of Washingtonians still do
18 not have access to the benefits of solar energy. The legislature
19 intends to stimulate the deployment of community solar projects for
20 the benefit of all Washingtonians by funding the renewable energy
21 production incentive program for community solar projects and by

1 creating opportunities for broader participation, especially by low-
2 income households and low-income service providers. As of December
3 2019, the state is thirteen megawatts short of the one hundred
4 fifteen megawatts of solar photovoltaic capacity established as a
5 goal under RCW 82.16.155. The legislature therefore intends to
6 provide an incentive sufficient to promote installation of community
7 solar projects through June 30, 2031, at which point the legislature
8 expects to review the effectiveness of enhancing access to community
9 solar projects.

10 (2) The legislature finds that participation of low-income
11 customers in community solar projects is consistent with the goals
12 and intent of the energy assistance provisions of chapter 19.405 RCW,
13 the Washington clean energy transformation act, when this
14 participation achieves a reduction in energy burden for the
15 customers.

16 (3) The legislature also finds that offering energy assistance
17 through renewable energy programs, including community solar, at a
18 discount to low-income customers is consistent with the goal and
19 intent of RCW 80.28.068.

20 **Sec. 2.** RCW 82.16.130 and 2017 3rd sp.s. c 36 s 4 are each
21 amended to read as follows:

22 (1) A light and power business is allowed a credit against taxes
23 due under this chapter in an amount equal to:

24 (a) Incentive payments made in any fiscal year under RCW
25 82.16.120 and 82.16.165; and

26 (b) Any fees a utility is allowed to recover pursuant to RCW
27 82.16.165(5).

28 (2) The credits must be taken in a form and manner as required by
29 the department. The credit taken under this section for the fiscal
30 year may not exceed one and one-half percent of the (~~businesses~~)
31 business's taxable power sales generated in calendar year 2014 and
32 due under RCW 82.16.020(1)(b) or two hundred fifty thousand dollars,
33 whichever is greater, for incentive payments made for the following:

34 (a) Renewable energy systems, other than community solar
35 projects, that are certified for an incentive payment as of June 30,
36 2020; and

37 (b) Community solar and shared commercial projects that are under
38 precertification status under RCW 82.16.165(7)(b) as of June 30,

1 2020, and that are certified for an incentive payment in accordance
2 with the terms of that precertification by December 31, 2021.

3 (3) The credit may not exceed the tax that would otherwise be due
4 under this chapter. Refunds may not be granted in the place of
5 credits. Expenditures not used to earn a credit in one fiscal year
6 may not be used to earn a credit in subsequent years.

7 (4) For any business that has claimed credit for amounts that
8 exceed the correct amount of the incentive payable under RCW
9 82.16.120, the amount of tax against which credit was claimed for the
10 excess payments is immediately due and payable. The department may
11 deduct amounts due from future credits claimed by the business.

12 (a) Except as provided in (b) of this subsection, the department
13 must assess interest but not penalties on the taxes against which the
14 credit was claimed. Interest must be assessed at the rate provided
15 for delinquent excise taxes under chapter 82.32 RCW, retroactively to
16 the date the credit was claimed, and accrues until the taxes against
17 which the credit was claimed are repaid.

18 (b) A business is not liable for excess payments made in reliance
19 on amounts reported by the Washington State University extension
20 energy program as due and payable as provided under RCW
21 82.16.165(20), if such amounts are later found to be abnormal or
22 inaccurate due to no fault of the business.

23 (5) The amount of credit taken under this section is not
24 confidential taxpayer information under RCW 82.32.330 and is subject
25 to disclosure.

26 (6) The right to earn tax credits for incentive payments made
27 under RCW 82.16.120 expires June 30, 2020. Credits may not be claimed
28 after June 30, 2021.

29 (7) (a) The right to earn tax credits for incentive payments made
30 under RCW 82.16.165 for the following expires June 30, 2029:

31 (i) Renewable energy systems, other than community solar
32 projects, that are certified for an incentive payment as of June 30,
33 2020; and

34 (ii) Community solar and shared commercial projects that are
35 under precertification status under RCW 82.16.165(7)(b) as of June
36 30, 2020, and that are certified for an incentive payment in
37 accordance with the terms of that precertification by December 31,
38 2021.

39 (b) Credits may not be claimed after June 30, 2030.

40 (8) This section expires June 30, 2031.

1 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.16
2 RCW to read as follows:

3 (1) Beginning July 1, 2020, a light and power business is allowed
4 a credit against taxes due under this chapter in an amount equal to
5 incentive payments made in any fiscal year under section 7 of this
6 act.

7 (2) The credits must be taken in a form and manner as required by
8 the department. The credit taken under this section for the fiscal
9 year may not exceed one and one-half percent of the business's
10 taxable power sales generated in calendar year 2014 and due under RCW
11 82.16.020(1)(b) or two hundred fifty thousand dollars, whichever is
12 greater, for incentive payments made for community solar projects
13 that submit an application for precertification under section 7 of
14 this act on or after July 1, 2020, and that are certified for an
15 incentive payment in accordance with the terms of that
16 precertification by June 30, 2031.

17 (3) The credit may not exceed the tax that would otherwise be due
18 under this chapter. Refunds may not be granted in the place of
19 credits.

20 (4) For any business that has claimed credit for amounts that
21 exceed the correct amount of the incentive payable under section 7 of
22 this act, the amount of tax against which credit was claimed for the
23 excess payments is immediately due and payable. The department may
24 deduct amounts from future credits claimed by the business.

25 (a) Except as provided in (b) of this subsection, the department
26 must assess interest but not penalties on the taxes against which the
27 credit was claimed. Interest may be assessed at the rate provided for
28 delinquent excise taxes under chapter 82.32 RCW, retroactively to the
29 date the credit was claimed, and accrues until the taxes against
30 which the credit was claimed are repaid.

31 (b) A business is not liable for excess payments made in reliance
32 on amounts reported by the Washington State University extension
33 energy program as due and payable as provided under section 7 of this
34 act, if such amounts are later found to be abnormal or inaccurate due
35 to no fault of the business.

36 (5) The amount of credit taken under this section is not
37 confidential taxpayer information under RCW 82.32.330 and is subject
38 to disclosure.

1 (6) The right to earn tax credits for incentive payments made
2 under section 7 of this act expires June 30, 2034. Credits may not be
3 claimed under this section after June 30, 2035.

4 (7) This section expires June 30, 2036.

5 **Sec. 4.** RCW 82.16.160 and 2017 3rd sp.s. c 36 s 5 are each
6 amended to read as follows:

7 (1) The definitions in this section apply throughout this section
8 and RCW 82.16.165(~~(, 82.16.170,)~~) and 82.16.175 unless the context
9 clearly requires otherwise.

10 ~~((1))~~ (a) "Administrator" means the utility, nonprofit, or
11 other local housing authority that organizes and administers a
12 community solar project as provided in RCW 82.16.165 and 82.16.170.

13 ~~((2))~~ (b) "Certification" means the authorization issued by the
14 Washington State University extension energy program establishing a
15 person's eligibility to receive annual incentive payments from the
16 person's utility for the program term.

17 ~~((3))~~ (c) "Commercial-scale system" means a renewable energy
18 system or systems other than a community solar project or a shared
19 commercial solar project with a combined nameplate capacity greater
20 than twelve kilowatts that meets the applicable system eligibility
21 requirements established in RCW 82.16.165.

22 ~~((4))~~ (d) "Community solar project" means a solar energy system
23 that has a direct current nameplate generating capacity that is no
24 larger than one thousand kilowatts and meets the applicable
25 eligibility requirements established in RCW 82.16.165 and 82.16.170.

26 ~~((5))~~ (e) "Consumer-owned utility" has the same meaning as in
27 RCW 19.280.020.

28 ~~((6))~~ (f) "Customer-owner" means the owner of a residential-
29 scale or commercial-scale renewable energy system, where such owner
30 is not a utility and such owner is a customer of the utility and
31 either owns the premises where the renewable energy system is
32 installed or occupies the premises.

33 ~~((7))~~ (g) "Electric utility" or "utility" means a consumer-
34 owned utility or investor-owned utility as those terms are defined in
35 RCW 19.280.020.

36 ~~((8))~~ (h) "Governing body" has the same meaning as provided in
37 RCW 19.280.020.

38 ~~((9))~~ (i) "Person" means any individual, firm, partnership,
39 corporation, company, association, agency, or any other legal entity.

1 ~~((10))~~ (j) "Program term" means: ~~((a))~~ (i) For community
2 solar projects that are certified under RCW 82.16.165, eight years or
3 until cumulative incentive payments for electricity produced by the
4 project reach fifty percent of the total system price, including
5 applicable sales tax, whichever occurs first; and ~~((b))~~ (ii) for
6 other renewable energy systems, including shared commercial solar
7 projects, eight years or until cumulative incentive payments for
8 electricity produced by a system reach fifty percent of the total
9 system price, including applicable sales tax, whichever occurs first.

10 ~~((11))~~ (k) "Renewable energy system" means a solar energy
11 system, including a community solar project, an anaerobic digester as
12 defined in RCW 82.08.900, or a wind generator used for producing
13 electricity.

14 ~~((12))~~ (l) "Residential-scale system" means a renewable energy
15 system or systems located at a single situs with combined nameplate
16 capacity of twelve kilowatts or less that meets the applicable system
17 eligibility requirements established in RCW 82.16.165.

18 ~~((13))~~ (m) "Shared commercial solar project" means a solar
19 energy system, owned or administered by an electric utility, with a
20 combined nameplate capacity of greater than one megawatt and not more
21 than five megawatts and meets the applicable eligibility requirements
22 established in RCW 82.16.165 and 82.16.175.

23 (2) This section expires June 30, 2031.

24 **Sec. 5.** RCW 82.16.165 and 2017 3rd sp.s. c 36 s 6 are each
25 amended to read as follows:

26 (1) Beginning July 1, 2017, and through June 30, 2020, the
27 following persons may submit a one-time application to the Washington
28 State University extension energy program to receive a certification
29 authorizing the utility serving the situs of a renewable energy
30 system in the state of Washington to remit an annual production
31 incentive for each kilowatt-hour of alternating current electricity
32 generated by the renewable energy system:

33 (a) The utility's customer who is the customer-owner of a
34 residential-scale or commercial-scale renewable energy system;

35 (b) An administrator of a community solar project meeting the
36 eligibility requirements outlined in RCW 82.16.170(2) and applies for
37 certification on behalf of each of the project participants; or

38 (c) A utility or a business under contract with a utility that
39 administers a shared commercial solar project that meets the

1 eligibility requirements in RCW 82.16.175 and applies for
2 certification on behalf of each of the project participants.

3 (2) No person, business, or household is eligible to receive
4 incentive payments provided under subsection (1) of this section of
5 more than five thousand dollars per year for residential systems or
6 community solar projects, twenty-five thousand dollars per year for
7 commercial-scale systems, or thirty-five thousand dollars per year
8 for shared commercial solar projects.

9 (3) (a) No new certification may be issued under this section to
10 an applicant who submits a request for or receives an annual
11 incentive payment for a renewable energy system that was certified
12 under RCW 82.16.120, or for a renewable energy system served by a
13 utility that has elected not to participate in the incentive program,
14 as provided in subsection (4) of this section.

15 (b) The Washington State University extension energy program may
16 issue a new certification for an additional system installed at a
17 situs with a previously certified system so long as the new system
18 meets the requirements of this section and its production can be
19 measured separately from the previously certified system.

20 (c) The Washington State University extension energy program may
21 issue a recertification for a residential-scale or commercial-scale
22 system if a customer makes investments resulting in an expansion of
23 the system's nameplate capacity. Such recertification expires on the
24 same day as the original certification for the residential-scale or
25 commercial-scale system and applies to the entire system the
26 incentive rates and program rules in effect as of the date of the
27 recertification.

28 (4) A utility's participation in the incentive program provided
29 in this section is voluntary.

30 (a) A utility electing to participate in the incentive program
31 must notify the Washington State University extension energy program
32 of such election in writing.

33 (b) The utility may terminate its voluntary participation in the
34 production incentive program by providing notice in writing to the
35 Washington State University extension energy program to cease issuing
36 new certifications for renewable energy systems that would be served
37 by that utility.

38 (c) Such notice of termination of participation is effective
39 after fifteen days, at which point the Washington State University
40 extension energy program may not accept new applications for

1 certification of renewable energy systems that would be served by
2 that utility.

3 (d) Upon receiving a utility's notice of termination of
4 participation in the incentive program, the Washington State
5 University extension energy program must report on its web site that
6 customers of that utility are no longer eligible to receive new
7 certifications under the program.

8 (e) A utility's termination of participation does not affect the
9 utility's obligation to continue to make annual incentive payments
10 for electricity generated by systems that were certified prior to the
11 effective date of the notice. The Washington State University
12 extension energy program must continue to process and issue
13 certifications for renewable energy systems that were received by the
14 Washington State University extension energy program before the
15 effective date of the notice of termination.

16 (f) A utility that has terminated participation in the program
17 may resume participation upon filing notice with the Washington State
18 University extension energy program.

19 (5)(a) The Washington State University extension energy program
20 may certify a renewable energy system that is connected to equipment
21 capable of measuring the electricity production of the system and
22 interconnecting with the utility's system in a manner that allows the
23 utility, or the customer at the utility's option, to measure and
24 report to the Washington State University extension energy program
25 the total amount of electricity produced by the renewable energy
26 system.

27 (b) The Washington State University extension energy program must
28 establish a reporting and fee-for-service system to accept
29 electricity production data from the utility or the customer that is
30 not reported electronically and with the reporting entity selected at
31 the utility's option as described in subsection (19) of this section.
32 The fee-for-service agreement must allow for electronic reporting or
33 reporting by mail, may be specific to individual utilities, and must
34 recover only the program's costs of obtaining the electricity
35 production data and incorporating it into an electronic format. A
36 statement of the amount due for the fee-for-service must be provided
37 to the utility by the Washington State University extension energy
38 program with the report provided to the utility pursuant to
39 subsection (20)(a) of this section. The utility may determine how to
40 assess and remit the fee, and the utility may be allowed a credit for

1 fees paid under this subsection (5) against taxes due, as provided in
2 RCW 82.16.130(1).

3 (6) The Washington State University extension energy program may
4 issue a certification authorizing annual incentive payments up to the
5 following annual dollar limits:

6 (a) For community solar projects, five thousand dollars per
7 project participant;

8 (b) For residential-scale systems, five thousand dollars;

9 (c) For commercial-scale systems, twenty-five thousand dollars;
10 and

11 (d) For shared commercial solar projects, up to thirty-five
12 thousand dollars a year per participant, as determined by the terms
13 of subsection (15) of this section.

14 (7)(a) To obtain certification for the incentive payment provided
15 under subsection (1) of this section by June 30, 2020, for renewable
16 energy systems other than community solar projects, or by December
17 31, 2021, for community solar and shared commercial projects, a
18 person must submit to the Washington State University extension
19 energy program an application, including:

20 (i) A signed statement that the applicant has not previously
21 received a notice of eligibility from the department under RCW
22 82.16.120 entitling the applicant to receive annual incentive
23 payments for electricity generated by the renewable energy system at
24 the same meter location;

25 (ii) A signed statement of the total price, including applicable
26 sales tax, paid by the applicant for the renewable energy system;

27 (iii) System operation data including global positioning system
28 coordinates, tilt, estimated shading, and azimuth;

29 (iv) Any other information the Washington State University
30 extension energy program deems necessary in determining eligibility
31 and incentive levels, administering the program, tracking progress
32 toward achieving the limits on program participation established in
33 RCW 82.16.130, or facilitating the review of the performance of the
34 tax preferences by the joint legislative audit and review committee,
35 as described in RCW 82.16.155; and

36 (v)(A) Except as provided in (a)(v)(B) of this subsection (7),
37 the date that the renewable energy system received its final
38 electrical inspection from the applicable local jurisdiction, as well
39 as a copy of the permit or, if the permit is available online, the
40 permit number;

1 (B) The Washington State University extension energy program may
2 waive the requirement in (a)(v)(A) of this subsection (7), accepting
3 an application and granting provisional certification prior to proof
4 of final electrical inspection. Provisional certification expires one
5 hundred eighty days after issuance, unless the applicant submits
6 proof of the final electrical inspection from the applicable local
7 jurisdiction or the Washington State University extension energy
8 program extends the certification, for a term or terms of thirty
9 days, due to extenuating circumstances; and

10 (b)(i) Prior to obtaining certification under this subsection, a
11 community solar project or shared commercial solar project must apply
12 for precertification against the remaining funds available for
13 incentive payments under subsection (13)(d) of this section in order
14 to be guaranteed an incentive payment under subsection (1) of this
15 section. Community solar and shared commercial projects that are
16 under precertification status under this subsection (7) as of June
17 30, 2020, may not apply for precertification for the incentive
18 payment provided under section 7 of this act for that same project;

19 (ii) A project applicant of a community solar project or shared
20 commercial solar project must complete an application for
21 certification with the Washington State University extension energy
22 program within less than (~~one year~~) two years to retain the
23 precertification status described in this subsection. If a community
24 solar or shared commercial project application is in precertification
25 status as of June 30, 2020, the project applicant must continue in
26 that status until either it is certified by the Washington State
27 University extension energy program or its precertification expires;
28 and

29 (iii) The Washington State University extension energy program
30 may design a reservation or precertification system for an applicant
31 of a residential-scale or commercial-scale renewable energy system.

32 (8) No incentive payments may be authorized or accrued until the
33 final electrical inspection and executed interconnection agreement
34 are submitted to the Washington State University extension energy
35 program.

36 (9) Within thirty days of receipt of (~~the~~) an application for
37 certification, the Washington State University extension energy
38 program must notify the applicant and, except when a utility is the
39 applicant, the utility serving the situs of the renewable energy
40 system, by mail or electronically, whether certification has been

1 granted. The certification notice must state the rate to be paid per
2 kilowatt-hour of electricity generated by the renewable energy
3 system, as provided in subsection (12) of this section, subject to
4 any applicable cap on total annual payment provided in subsection (6)
5 of this section.

6 (10) Certification is valid for the program term and entitles the
7 applicant or, in the case of a community solar project or shared
8 commercial solar project, the participant, to receive incentive
9 payments for electricity generated from the date the renewable energy
10 system commences operation, or the date the system is certified,
11 whichever date is later. For purposes of this subsection, the
12 Washington State University extension energy program must define when
13 a renewable energy system commences operation and provide notice of
14 such date to the recipient and the utility serving the situs of the
15 system. Certification may not be retroactively changed except to
16 correct later discovered errors that were made during the original
17 application or certification process.

18 (11)(a) System certification follows the system if the following
19 conditions are met using procedures established by the Washington
20 State University extension energy program:

21 (i) The renewable energy system is transferred to a new owner who
22 notifies the Washington State University extension energy program of
23 the transfer; and

24 (ii) The new owner provides an executed interconnection agreement
25 with the utility serving the premises.

26 (b) In the event that a community solar project participant
27 terminates their participation in a community solar project, the
28 system certification follows the system and participation may be
29 transferred to a new participant. The administrator of a community
30 solar project must provide notice to the Washington State University
31 extension energy program of any changes or transfers in project
32 participation.

33 (12) The Washington State University extension energy program
34 must determine the total incentive rate for ~~((a new renewable energy
35 system certification by adding to the base rate any applicable made-
36 in-Washington bonus rate))~~ renewable energy systems, other than a
37 community solar project, certified through June 30, 2020, and for
38 community solar and shared commercial projects precertified as of
39 June 30, 2020, and certified through December 31, 2021, as provided
40 in this subsection. A made-in-Washington bonus rate is provided for a

1 renewable energy system or a community solar project certified
 2 through June 30, 2019, with solar modules made in Washington or with
 3 a wind turbine or tower that is made in Washington. Both the base
 4 rates and bonus rate vary, depending on the fiscal year in which the
 5 system is certified and the type of renewable energy system being
 6 certified, as provided in the following table:

7	Fiscal year	Base rate -	Base rate -	Base rate -	Base rate - shared	Made in
8	of system	residential-scale	commercial-scale	community solar	commercial solar	Washington
9	certification					bonus
10	2018	\$0.16	\$0.06	\$0.16	\$0.06	\$0.05
11	2019	\$0.14	\$0.04	\$0.14	\$0.04	\$0.04
12	2020	\$0.12	\$0.02	\$0.12	\$0.02	(\$0.03)
13	2021	(\$0.10)	(\$0.02)	\$0.10	(\$0.02)	(\$0.02)

14 (13) The Washington State University extension energy program
 15 must cease to issue new certifications:

16 (a) For community solar projects and shared commercial solar
 17 projects in any fiscal year for which the Washington State University
 18 extension energy program estimates that fifty percent of the
 19 remaining funds for credit available to a utility for renewable
 20 energy systems certified under this section as of July 1, 2017, have
 21 been allocated to community solar projects and shared commercial
 22 solar projects combined;

23 (b) For commercial-scale systems in any fiscal year for which the
 24 Washington State University extension energy program estimates that
 25 twenty-five percent of the remaining funds for credit available to a
 26 utility for renewable energy systems certified under this section as
 27 of July 1, 2017, have been allocated to commercial-scale systems;

28 (c) For any renewable energy system served by a utility, if
 29 certification is likely to result in incentive payments by that
 30 utility, including payments made under RCW 82.16.120, exceeding the
 31 utility's available funds for credit under RCW 82.16.130; and

32 (d) For any renewable energy system, if certification is likely
 33 to result in total incentive payments under this section exceeding
 34 one hundred ten million dollars.

35 (14) If the Washington State University extension energy program
 36 ceases issuing new certifications during a fiscal year or biennium as
 37 provided in subsection (13) of this section, in the following fiscal
 38 year or biennium, or when additional funds are available for credit

1 such that the thresholds described in subsection (13) of this section
2 are no longer exceeded, the Washington State University extension
3 energy program must resume issuing new certifications using a method
4 of awarding certifications that results in equitable and orderly
5 allocation of benefits to applicants.

6 (15) A customer who is a participant in a shared commercial solar
7 project may not receive incentive payments associated with the
8 project greater than the difference between the levelized cost of
9 energy output of the system over its production life and the retail
10 rate for the rate class to which the customer belongs. The levelized
11 cost of the output of the energy must be determined by the utility
12 that administers the shared commercial solar project and must be
13 disclosed, along with an explanation of the limitations on incentive
14 payments contained in this subsection (15), in the contractual
15 agreement with the shared commercial solar project participants.

16 (16) In order to begin to receive annual incentive payments, a
17 person who has been issued a certification for the incentive as
18 provided in subsection (9) of this section must obtain an executed
19 interconnection agreement with the utility serving the situs of the
20 renewable energy system.

21 (17) The Washington State University extension energy program
22 must establish a list of equipment that is eligible for the bonus
23 rates described in subsection (12) of this section. The Washington
24 State University extension energy program must, in consultation with
25 the department of commerce, develop technical specifications and
26 guidelines to ensure consistent and predictable determination of
27 eligibility. A solar module is made in Washington for purposes of
28 receiving the bonus rate only if the lamination of the module takes
29 place in Washington. A wind turbine is made in Washington only if it
30 is powered by a turbine or built with a tower manufactured in
31 Washington.

32 (18) The manufacturer of a renewable energy system component
33 subject to a bonus rate under subsection (12) of this section may
34 apply to the Washington State University extension energy program to
35 receive a determination of eligibility for such bonus rates. The
36 Washington State University extension energy program must publish a
37 list of components that have been certified as eligible for such
38 bonus rates. The Washington State University extension energy program
39 may assess an equipment certification fee to recover its costs. The

1 Washington State University extension energy program must deposit all
2 revenue generated by this fee into the state general fund.

3 (19) Annually, the utility must report electronically to the
4 Washington State University extension energy program the amount of
5 gross kilowatt-hours generated by each renewable energy system since
6 the prior annual report. For the purposes of this section, to report
7 electronically means to submit statistical or factual information in
8 alphanumeric form through a web site established by the Washington
9 State University extension energy program or in a list, table,
10 spreadsheet, or other nonnarrative format that can be digitally
11 transmitted or processed. The utility may instead opt to report by
12 mail or require program participants to report individually, but if
13 the utility exercises one or more of these options it must negotiate
14 with the Washington State University extension energy program the
15 fee-for-service arrangement described in subsection (5)(b) of this
16 section.

17 (20)(a) The Washington State University extension energy program
18 must calculate for the year and provide to the utility the amount of
19 the incentive payment due to each participant and the total amount of
20 credit against tax due available to the utility under RCW 82.16.130
21 that has been allocated as annual incentive payments. Upon notice to
22 the Washington State University extension energy program, a utility
23 may opt to directly perform this calculation and provide its results
24 to the Washington State University extension energy program.

25 (b) If the Washington State University extension energy program
26 identifies an abnormal production claim, it must notify the utility,
27 the department of revenue, and the applicant, and must recommend
28 withholding payment until the applicant has demonstrated that the
29 production claim is accurate and valid. The utility is not liable to
30 the customer for withholding payments pursuant to such recommendation
31 unless and until the Washington State University extension energy
32 program notifies the utility to resume incentive payments.

33 (21)(a) The utility must issue the incentive payment within
34 ninety days of receipt of the information required under subsection
35 (20)(a) of this section from the Washington State University
36 extension energy program. The utility must resume the incentive
37 payments withheld under subsection (20)(b) of this section within
38 thirty days of receiving notice from the Washington State University
39 extension energy program that the claim has been demonstrated
40 accurate and valid and payment should be resumed.

1 (b) A utility is not liable for incentive payments to a customer-
2 owner if the utility has disconnected the customer due to a violation
3 of a customer service agreement, such as nonpayment of the customer's
4 bill, or a violation of an interconnection agreement.

5 (22) Beginning January 1, 2018, the Washington State University
6 extension energy program must post on its web site and update at
7 least monthly a report, by utility, of:

8 (a) The number of certifications issued for renewable energy
9 systems, including estimated system sizes, costs, and annual energy
10 production and incentive yields for various system types; and

11 (b) An estimate of the amount of credit that has not yet been
12 allocated for incentive payments under each utility's credit limit
13 and remains available for new renewable energy system certifications.

14 (23) Persons receiving incentive payments under this section must
15 keep and preserve, for a period of five years for the duration of the
16 consumer contract, suitable records as may be necessary to determine
17 the amount of incentive payments applied for and received. The
18 Washington State University extension energy program may direct a
19 utility to cease issuing incentive payments if the records are not
20 made available for examination upon request. A utility receiving such
21 a directive is not liable to the applicant for any incentive payments
22 or other damages for ceasing payments pursuant to the directive.

23 (24) The nonpower attributes of the renewable energy system
24 belong to the utility customer who owns or hosts the system or, in
25 the case of a community solar project or a shared commercial solar
26 project, the participant, and can be kept, sold, or transferred at
27 the utility customer's discretion unless, in the case of a utility-
28 owned community solar or shared commercial solar project, a contract
29 between the customer and the utility clearly specifies that the
30 attributes will be retained by the utility.

31 (25) All lists, technical specifications, determinations, and
32 guidelines developed under this section must be made publicly
33 available online by the Washington State University extension energy
34 program.

35 (26) No certification may be issued under this section by the
36 Washington State University extension energy program for any
37 renewable energy system, other than a community solar project, after
38 June 30, ((2021)) 2020. No certification may be issued under this
39 section for any community solar or shared commercial project after
40 December 31, 2021.

1 (27) The Washington State University extension energy program
2 must collect a one-time fee for applications submitted under
3 subsection (1) of this section of one hundred twenty-five dollars per
4 applicant. The Washington State University extension energy program
5 must deposit all revenue generated by this fee into the state general
6 fund. The Washington State University extension energy program must
7 administer and budget for the program established in RCW 82.16.120,
8 this section, and RCW 82.16.170 in a manner that ensures its
9 administrative costs through June 30, 2022, are completely met by the
10 revenues from this fee. If the Washington State University extension
11 energy program determines that the fee authorized in this subsection
12 is insufficient to cover the administrative costs through June 30,
13 2022, the Washington State University extension energy program must
14 report to the legislature on costs incurred and fees collected and
15 demonstrate why a different fee amount or funding mechanism should be
16 authorized.

17 (28) The Washington State University extension energy program
18 may, through a public process, develop any program requirements,
19 policies, and processes necessary for the administration or
20 implementation of this section, RCW 82.16.120, 82.16.155, and
21 82.16.170. The department is authorized, in consultation with the
22 Washington State University extension energy program, to adopt any
23 rules necessary for administration or implementation of the program
24 established under this section and RCW 82.16.170.

25 (29) Applications, certifications, requests for incentive
26 payments under this section, and the information contained therein
27 are not deemed tax information under RCW 82.32.330 and are subject to
28 disclosure.

29 (30)(a) By November 1, 2019, and in compliance with RCW
30 43.01.036, the Washington State University extension energy program
31 must submit a report to the legislature that includes the following:

32 (i) The number and types of renewable energy systems that have
33 been certified under this section as of July 1, 2019, both statewide
34 and per participating utility;

35 (ii) The number of utilities that are approaching or have reached
36 the credit limit established under RCW 82.16.130(2) or the thresholds
37 established under subsection (13) of this section;

38 (iii) The share of renewable energy systems by type that
39 contribute to each utility's threshold under subsection (13) of this
40 section;

1 (iv) An assessment of the deployment of community solar projects
2 in the state, including but not limited to the following:

3 (A) An evaluation of whether or not community solar projects are
4 being deployed in low-income and moderate-income communities, as
5 those terms are defined in RCW 43.63A.510, including a description of
6 any barriers to project deployment in these communities;

7 (B) A description of the share of community solar projects by
8 administrator type that contribute to each utility's threshold under
9 subsection (13)(a) of this section; and

10 (C) A description of any barriers to participation by nonprofits
11 and local housing authorities in the incentive program established
12 under this section and under RCW 82.16.170;

13 (v) The total dollar amount of incentive payments that have been
14 made to participants in the incentive program established under this
15 section to date; and

16 (vi) The total number of megawatts of solar photovoltaic capacity
17 installed to date by participants in the incentive program
18 established under this section.

19 (b) By December 31, 2019, the legislature must review the report
20 submitted under (a) of this subsection and determine whether the
21 credit limit established under RCW 82.16.130(2) should be increased
22 to two percent of a light and power business's taxable power sales
23 generated in calendar year 2014 and due under RCW 82.16.020(1)(b) or
24 two hundred fifty thousand dollars, whichever is greater, in order to
25 achieve the legislative intent under section 1, chapter 36, Laws of
26 2017 3rd sp. sess.

27 (31) This section expires June 30, 2031.

28 NEW SECTION. **Sec. 6.** A new section is added to chapter 82.16
29 RCW to read as follows:

30 (1) The definitions in this section apply throughout this section
31 and section 7 of this act unless the context clearly requires
32 otherwise.

33 (a)(i) "Administrator" means the utility, nonprofit, tribal
34 housing authority as provided in (a)(ii) of this subsection, or other
35 local housing authority that organizes and administers a community
36 solar project as provided in section 7 of this act and RCW 82.16.170.

37 (ii) A tribal housing authority may only administer a community
38 solar project on tribal lands or lands held in trust for a federally

1 recognized tribe by the United States for subscribers who are tribal
2 members.

3 (b) "Certification" means the authorization issued by the
4 Washington State University extension energy program establishing a
5 community solar project administrator's eligibility to receive a low-
6 income community solar incentive payment from the electric utility
7 serving the site of the community solar project, on behalf of, and
8 for the purpose of providing direct benefits to, its low-income
9 subscribers, low-income service provider subscribers, and tribal and
10 public agency subscribers.

11 (c) "Community solar project" means a solar energy system that:

12 (i) Has an alternating current nameplate capacity that is greater
13 than twelve kilowatts but no greater than one hundred ninety-nine
14 kilowatts;

15 (ii) Has, at minimum, either two subscribers or one low-income
16 service provider subscriber; and

17 (iii) Meets the applicable eligibility requirements in section 7
18 of this act and RCW 82.16.170.

19 (d) "Consumer-owned utility" has the same meaning as in RCW
20 19.280.020.

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

24 (f) "Energy assistance" has the same meaning as provided in RCW
25 19.405.020.

26 (g) "Energy burden" has the same meaning as provided in RCW
27 19.405.020.

28 (h) "Governing body" has the same meaning as provided in RCW
29 19.280.020.

30 (i) "Low-income" has the same meaning as provided in RCW
31 19.405.020.

32 (j) "Low-income service provider" includes, but is not limited
33 to, a local community action agency or local community service agency
34 designated by the department of commerce under chapter 43.63A RCW,
35 local housing authority, tribal housing authority, low-income tribal
36 housing program, affordable housing provider, food bank, or other
37 nonprofit organization that provides services to low-income
38 households.

1 (k) "Multifamily residential building" means a building
2 containing more than two sleeping units or dwelling units where
3 occupants are primarily permanent in nature.

4 (l) "Person" means an individual, firm, partnership, corporation,
5 company, association, agency, or any other legal entity.

6 (m) "Public agency" means any political subdivision of the state
7 including, but not limited to, municipal and county governments,
8 special purpose districts, and local housing authorities, but does
9 not include state agencies.

10 (n)(i) Except as otherwise provided in (n)(ii) of this
11 subsection, "qualifying subscriber" means a low-income subscriber,
12 low-income service provider subscriber, tribal agency subscriber, or
13 public agency subscriber.

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

19 (o) "Subscriber" means a retail electric customer of an electric
20 utility who owns or is the beneficiary of one or more units of a
21 community solar project directly interconnected with that same
22 utility.

23 (p) "Subscription" means an agreement between a subscriber and
24 the administrator of a community solar project.

25 (2) This section expires June 30, 2036.

26 NEW SECTION. **Sec. 7.** A new section is added to chapter 82.16
27 RCW to read as follows:

28 (1) Beginning July 1, 2020, through June 30, 2031, an
29 administrator of a community solar project meeting the eligibility
30 requirements described in this section and RCW 82.16.170(3) may
31 submit an application to the Washington State University extension
32 energy program to receive a precertification for a community solar
33 project. Projects with precertification applications approved by the
34 Washington State University extension energy program have two years
35 to complete their projects and apply for certification. By certifying
36 qualified projects pursuant to the requirements of this section and
37 RCW 82.16.170(3), the Washington State University extension energy
38 program authorizes the utility serving the site of a community solar
39 project in the state of Washington to remit a one-time low-income

1 community solar incentive payment to the community solar project
2 administrator, who accepts the payment on behalf of, and for the
3 purpose of providing direct benefits to, the project's qualifying
4 subscribers.

5 (2) A one-time low-income community solar incentive payment
6 remitted to a community solar project administrator for a project
7 certified under this section equals the sum of the following:

8 (a) An amount, not to exceed twenty thousand dollars per
9 community solar project, equal to the community solar project's
10 administrative costs related to the administrative start-up of the
11 project for qualifying subscribers; and

12 (b) An amount that does not exceed one hundred percent of the
13 proportional cost of the share of the community solar project that
14 provides direct benefits to qualifying subscribers.

15 (3) No new certification may be issued under this section to an
16 applicant who receives an annual incentive payment for a community
17 solar project that was certified under RCW 82.16.120 or 82.16.165, or
18 for a community solar project served by a utility that has elected
19 not to participate in the incentive program provided in this section.

20 (4) Community solar projects that are under precertification
21 status under RCW 82.16.165 as of June 30, 2020, may not apply for
22 precertification of that same project for the one-time low-income
23 community solar incentive payment provided in this section.

24 (5)(a) In addition to the one-time low-income community solar
25 incentive payment under subsection (2) of this section, a
26 participating utility must also provide the following compensation
27 for the generation of electricity from the certified project:

28 (i) For a community solar project that has an alternating current
29 nameplate capacity greater than twelve kilowatts but no greater than
30 one hundred kilowatts, and that is connected behind the electric
31 service meter, compensation must be determined in accordance with RCW
32 80.60.020 and provided to the metered customer receiving service at
33 the situs of the meter.

34 (ii) For all other community solar projects, compensation must be
35 determined at a value set by the participating utility and paid to
36 the administrator or subscribers according to the agreement between
37 the project and the utility.

38 (iii) An administrator may deduct ongoing administrative costs
39 from compensation provided from power generation, provided those
40 costs are identified in the subscription agreement.

1 (b) If the utility provides compensation for the generation of
2 electricity to the administrator, the administrator of a community
3 solar project must provide that compensation to the project
4 subscribers. For ten years after certification, and by March 1st of
5 each year following certification, the provider of compensation for
6 the generation of electricity to the subscriber, whether the utility
7 or the administrator, but not both, must provide the Washington State
8 University extension energy program with signed statements of the
9 following for the preceding year:

10 (i) The energy production for the period for which compensation
11 is to be provided;

12 (ii) Each subscriber's units of the project;

13 (iii) The amount disbursed to each subscriber for the period; and

14 (iv) The date and amount disbursed to each subscriber.

15 (6) A utility's participation in the incentive program provided
16 in this section is voluntary.

17 (a) A utility electing to participate in the incentive program
18 must notify the Washington State University extension energy program
19 of such election in writing by January 1st of each year.

20 (b) The utility may terminate its voluntary participation in the
21 program by providing notice in writing to the Washington State
22 University extension energy program to cease accepting new
23 applications for precertification for community solar projects that
24 would be served by that utility. Such notice of termination of
25 participation is effective after fifteen days, at which point the
26 Washington State University extension energy program may not accept
27 new applications for precertification for community solar projects
28 that would be served by that utility.

29 (c) Upon receiving a utility's notice of termination of
30 participation in the incentive program, the Washington State
31 University extension energy program must report on its web site that
32 community solar project customers of that utility are no longer
33 eligible to receive new certifications under the program.

34 (d) A utility that has terminated participation in the program
35 may resume participation upon filing a notice with the Washington
36 State University extension energy program.

37 (7) (a) The Washington State University extension energy program
38 may issue certifications authorizing incentive payments under this
39 section in a total statewide amount not to exceed twenty million
40 dollars, and subject to the following biennial dollar limits:

1 (i) For fiscal year 2021, three hundred thousand dollars; and
2 (ii) For each biennium beginning on or after July 1, 2021, five
3 million dollars.

4 (b) The Washington State University extension energy program will
5 attempt to equitably distribute incentive funds throughout the state.
6 Considerations for equitable fund distribution, based on
7 precertification applications received from administrators served by
8 utilities voluntarily participating in the program, may include
9 measures to reserve or allocate available funds based on the
10 proportion of public utility taxes collected, the proportion of the
11 state's low-income customers served by each utility based on low-
12 income home energy assistance program data at the department of
13 commerce, and measures to achieve an equitable geographic
14 distribution of community solar installations and a diversity of
15 administrative models for community solar projects. If an equitable
16 distribution of funds is not feasible due to a lack of
17 precertification applications, the Washington State University
18 extension energy program may allocate funds based on (a) of this
19 subsection on a first-come, first-served basis.

20 (c) The Washington State University extension energy program
21 shall regularly publish and update guidelines for how it will manage
22 the allocation of available funding, based on the evaluation of
23 applications and the factors specified in (b) of this subsection.

24 (8)(a) Prior to obtaining certification under this section, the
25 administrator of a community solar project must apply for
26 precertification against the funds available for incentive payments
27 under subsection (7) of this section in order to be guaranteed an
28 incentive payment under this section. The application for
29 precertification must include, at a minimum:

30 (i) A demonstration of how the project will deliver continuing
31 direct benefits to low-income subscribers. A direct benefit can
32 include credit for the power generation for the community solar
33 project, from sales of renewable energy credits, or other mechanisms
34 that lower the energy burden of a low-income subscriber; and

35 (ii) Any other information the Washington State University
36 extension energy program deems necessary in determining eligibility
37 for precertification.

38 (b) The administrator of a community solar project must complete
39 an application for certification in accordance with the requirements
40 of subsection (9) of this section within less than two years of being

1 approved for precertification status. The administrator must submit a
2 project update to the Washington State University extension energy
3 program after one year in precertification status.

4 (9) To obtain certification for the one-time community solar
5 incentive payment provided under this section, a project
6 administrator must submit to the Washington State University
7 extension energy program an application, including, at a minimum:

8 (a) A signed statement that the applicant has not previously
9 received a notice of eligibility from the department under RCW
10 82.16.120 or the Washington State University extension energy program
11 under RCW 82.16.165 entitling the applicant to receive annual
12 incentive payments for electricity generated by the community solar
13 project at the same meter location;

14 (b) A signed statement of the costs paid by the administrator
15 related to administering the project for qualifying subscribers;

16 (c) A signed statement of the total project costs, including the
17 proportional cost of the share of the community solar project that
18 provides direct benefits to qualifying subscribers;

19 (d) A signed statement describing the amount of the upfront
20 incentive and the timing, method, and distribution of estimated
21 benefits to qualifying subscribers. The statement must describe any
22 estimated energy burden reduction associated with the direct
23 benefits.

24 (e) Available system operation data, such as global positioning
25 system coordinates, tilt, estimated shading, and azimuth;

26 (f) Any other information the Washington State University
27 extension energy program deems necessary in determining eligibility
28 and incentive levels or administering the program;

29 (g)(i) Except as provided in (g)(ii) of this subsection (9), the
30 date that the community solar project received its final electrical
31 inspection from the applicable local jurisdiction, as well as a copy
32 of the permit or, if the permit is available online, the permit
33 number or other documentation deemed acceptable by the Washington
34 State University extension energy program;

35 (ii) The Washington State University extension energy program may
36 waive the requirement in (g)(i) of this subsection (9), accepting an
37 application and granting provisional certification prior to proof of
38 final electrical inspection. Provisional certification expires one
39 hundred eighty days after issuance, unless the applicant submits
40 proof of the final electrical inspection from the applicable local

1 jurisdiction or the Washington State University extension energy
2 program extends certification, for a term or terms of thirty days,
3 due to extenuating circumstances;

4 (h) Confirmation of the number of qualifying subscribers; and

5 (i) Any other information the Washington State University
6 extension energy program deems necessary in determining eligibility
7 and incentive levels or administering the program.

8 (10) No incentive payments may be authorized or accrued until the
9 final electrical inspection and executed interconnection agreement
10 are submitted to the Washington State University extension energy
11 program.

12 (11)(a) The Washington State University extension energy program
13 must review each project for which an application for certification
14 is submitted in accordance with subsection (8) of this section for
15 reasonable cost and financial structure, with a targeted cost of
16 three dollars per watt of installed system capacity that is
17 designated for a community solar project's qualifying subscribers.
18 The Washington State University extension energy program may approve
19 an application for a project that costs more or less than three
20 dollars per watt of installed system capacity based on a review of
21 the project, documents submitted by the project applicant, and
22 available data. Project cost evaluations must exclude costs
23 associated with energy storage systems. Applicants may petition the
24 Washington State University extension energy program to approve a
25 higher cost per watt for unusual circumstances, except that such
26 costs may not include costs associated with energy storage systems.

27 (b) The Washington State University extension energy program may
28 review the cost per watt target under (a) of this subsection prior to
29 each fiscal biennium and is authorized to determine a new cost per
30 watt target.

31 (12)(a) Within thirty days of receipt of an application for
32 certification, the Washington State University extension energy
33 program must notify the applicant and, except when a utility is the
34 applicant, the utility serving the site of the community solar
35 project, by mail or electronically, whether certification has been
36 granted. The certification notice must state the total dollar amount
37 of the low-income community solar incentive payment for which the
38 applicant is eligible under this section.

39 (b) Within sixty days of receipt of a notification under (a) of
40 this subsection, the utility serving the site of the community solar

1 project must remit the applicable one-time low-income community solar
2 incentive payment to the project administrator, who accepts the
3 payment on behalf of, and for the purpose of providing direct
4 benefits to, the project's qualifying subscribers.

5 (13)(a) Certification follows the community solar project if the
6 following conditions are met using procedures established by the
7 Washington State University extension energy program:

8 (i) The community solar project is transferred to a new owner who
9 notifies the Washington State University extension energy program of
10 the transfer;

11 (ii) The new owner provides an executed interconnection agreement
12 with the utility serving the site of the community solar project; and

13 (iii) The new owner agrees to provide equivalent ongoing benefits
14 to qualifying subscribers as the current owner.

15 (b) In the event that a qualifying subscriber terminates their
16 participation in a community solar project, the system certification
17 follows the project and participation must be transferred to a new
18 qualifying subscriber.

19 (14) Beginning January 1, 2021, the Washington State University
20 extension energy program must post on its web site and update at
21 least monthly a report, by utility, of:

22 (a) The number of certifications issued for community solar
23 projects; and

24 (b) An estimate of the amount of credit that has not yet been
25 allocated for low-income community solar incentive payments under
26 each utility's credit limit and that remains available for new
27 community solar project certifications in the state.

28 (15) Persons receiving incentive payments under this section must
29 keep and preserve, for a period of five years for the duration of the
30 consumer contract, suitable records as may be necessary to determine
31 the amount of incentive payments applied for and received.

32 (16) The nonpower attributes of the community solar project
33 belong to the individual subscribers, and must be kept, sold, or
34 transferred at a subscriber's discretion, unless a contract between
35 the subscriber and administrator clearly specifies that the
36 attributes will be transferred to the administrator. If the nonpower
37 attributes are sold or transferred, the utility to which the project
38 is interconnected has the first right of refusal to procure the
39 nonpower attributes at their fair market value.

1 (17) All lists, technical specifications, determinations, and
2 guidelines developed under this section must be made publicly
3 available online by the Washington State University extension energy
4 program.

5 (18) The Washington State University extension energy program
6 must collect a one-time fee for precertification applications
7 submitted under this section of five hundred dollars per applicant.
8 The Washington State University extension energy program must deposit
9 all revenue generated by this fee into the state general fund.

10 (19) The Washington State University extension energy program
11 may, through a public process, develop program requirements,
12 policies, and processes necessary for the administration or
13 implementation of this section.

14 (20) Applications, certifications, requests for incentive
15 payments under this section, and the information contained therein
16 are not deemed tax information under RCW 82.32.330 and are subject to
17 disclosure.

18 (21) No certification may be issued under this section by the
19 Washington State University extension energy program for a community
20 solar project after June 30, 2033.

21 (22) This section expires June 30, 2036.

22 **Sec. 8.** RCW 82.16.170 and 2017 3rd sp.s. c 36 s 7 are each
23 amended to read as follows:

24 (1) The purpose of community solar programs is to facilitate
25 broad, equitable community investment in and access to solar power.
26 Beginning July 1, 2017, a community solar administrator may organize
27 and administer a community solar project as provided in this section.

28 (2) ~~((A))~~ In order to receive certification for the incentive
29 payment provided under RCW 82.16.165(1) by December 31, 2021, a
30 community solar project must have a direct current nameplate capacity
31 that is no more than one thousand kilowatts and must have at least
32 ten participants or one participant for every ten kilowatts of direct
33 current nameplate capacity, whichever is greater. A community solar
34 project that has a direct current nameplate capacity greater than
35 five hundred kilowatts must be subject to a standard interconnection
36 agreement with the utility serving the situs of the community solar
37 project. Except for community solar projects authorized under
38 subsection ~~((9))~~ (10) of this section, each participant must be a

1 customer of the utility providing service at the situs of the
2 community solar project.

3 (3) In order to receive certification for the incentive payment
4 provided under section 7 of this act beginning July 1, 2020, a
5 community solar project must meet the following requirements:

6 (a) The administrator of the community solar project must be a
7 utility, nonprofit, tribal housing authority that administers a
8 community solar project on tribal lands or lands held in trust for a
9 federally recognized tribe by the United States for subscribers who
10 are tribal members, or other local housing authority. The
11 administrator of the community solar project must apply for
12 precertification under section 7 of this act on or after July 1,
13 2020;

14 (b) The community solar project must have an alternating current
15 nameplate capacity that is greater than twelve kilowatts but no
16 greater than one hundred ninety-nine kilowatts, and must have at
17 least two subscribers or one low-income service provider subscriber;

18 (c) The administrator of the community solar project must provide
19 a verified list of qualifying subscribers;

20 (d) Verification that an individual household subscriber meets
21 the definition of low-income must be provided to the administrator by
22 an entity with authority to maintain the confidentiality of the
23 income status of the low-income subscriber. If the providing entity
24 incurs costs to verify a subscriber's income status, the
25 administrator must provide reimbursement of those costs;

26 (e) Except for community solar projects authorized under
27 subsection (10) of this section, each subscriber must be a customer
28 of the utility providing service at the site of the community solar
29 project;

30 (f) In the event that a low-income subscriber in a community
31 solar project certified under section 7 of this act moves from the
32 household premises of the subscriber's current subscription to
33 another, the subscriber may continue the subscription, provided that
34 the new household premises is served by the utility providing service
35 at the site of the community solar project. In the event that a
36 subscriber is no longer served by that utility or the subscriber
37 terminates participation in a community solar project certified under
38 section 7 of this act, the certification follows the system and
39 participation may be transferred by the administrator to a new
40 qualifying subscriber;

1 (g) The administrator must include in the application for
2 precertification a project prospectus that demonstrates how the
3 administrator intends to provide direct benefits to qualifying
4 subscribers for the duration of their subscription to the community
5 solar project; and

6 (h) The length of the subscription term for low-income
7 subscribers must be the same length as for other subscribers, if
8 applicable.

9 (4) The administrator of a community solar project must
10 administer the project in a transparent manner that allows for fair
11 and nondiscriminatory opportunity for participation by utility
12 customers.

13 ~~((4))~~ (5) The administrator of a community solar project may
14 establish a reasonable fee to cover costs incurred in organizing and
15 administering the community solar project. Project participants,
16 prior to making the commitment to participate in the project, must be
17 given clear and conspicuous notice of the portion of the incentive
18 payment that will be used for this purpose.

19 ~~((5))~~ (6) The administrator of a community solar project must
20 maintain and update annually through June 30, 2030, the following
21 information for each project it operates or administers:

22 (a) Ownership information;

23 (b) Contact information for technical management questions;

24 (c) Business address;

25 (d) Project design details, including project location, output
26 capacity, equipment list, and interconnection information; and

27 (e) Subscription information, including rates, fees, terms, and
28 conditions.

29 ~~((6))~~ (7) The administrator of a community solar project must
30 provide the information required in subsection ~~((5))~~ (6) of this
31 section to the Washington State University extension energy program
32 at the time it submits the applications allowed under RCW
33 82.16.165(1) and section 7 of this act.

34 ~~((7))~~ (8) The administrator of a community solar project must
35 provide each project participant with a disclosure form containing
36 all material terms and conditions of participation in the project,
37 including but not limited to the following:

38 (a) Plain language disclosure of the terms under which the
39 project participant's share of any incentive payment will be

1 calculated by the Washington State University extension energy
2 program (~~over the life of the contract~~);

3 (b) Contract provisions regulating the disposition or transfer of
4 the project participant's interest in the project, including any
5 potential costs associated with such a transfer;

6 (c) All recurring and nonrecurring charges;

7 (d) A description of the billing and payment procedures;

8 (e) A description of any compensation to be paid in the event of
9 project underperformance;

10 (f) Current production projections and a description of the
11 methodology used to develop the projections;

12 (g) Contact information for questions and complaints; and

13 (h) Any other terms and conditions of the services provided by
14 the administrator.

15 (~~(8)~~) (9) A utility may not adopt rates, terms, conditions, or
16 standards that unduly or unreasonably discriminate between utility-
17 administered community solar projects and those administered by
18 another entity.

19 (~~(9)~~) (10) A public utility district that is engaged in
20 distributing electricity to more than one retail electric customer in
21 the state and a joint operating agency organized under chapter 43.52
22 RCW on or before January 1, 2017, may enter into an agreement with
23 each other to construct and own a community solar project that is
24 located on property owned by a joint operating agency or on property
25 that receives electric service from a participating public utility
26 district. Each participant of a community solar project under this
27 subsection must be a customer of at least one of the public utility
28 districts that is a party to the agreement with a joint operating
29 agency to construct and own a community solar project.

30 (~~(10)~~) (11) The Washington utilities and transportation
31 commission must publish, without disclosing proprietary information,
32 a list of the following:

33 (a) Entities other than utilities, including affiliates or
34 subsidiaries of utilities, that organize and administer community
35 solar projects; and

36 (b) Community solar projects and related programs and services
37 offered by investor-owned utilities.

38 (~~(11)~~) (12) If a consumer-owned utility opts to provide a
39 community solar program or contracts with a nonutility administrator
40 to offer a community solar program, the governing body of the

1 consumer-owned utility must publish, without disclosing proprietary
2 information, a list of the nonutility administrators contracted by
3 the utility as part of its community solar program.

4 ~~((12))~~ (13) Except for parties engaged in actions and
5 transactions regulated under laws administered by other authorities
6 and exempted under RCW 19.86.170, a violation of this section
7 constitutes an unfair or deceptive act in trade or commerce in
8 violation of chapter 19.86 RCW, the consumer protection act. Acts in
9 violation of chapter 36, Laws of 2017 3rd sp. sess. are not
10 reasonable in relation to the development and preservation of
11 business, and constitute matters vitally affecting the public
12 interest for the purpose of applying the consumer protection act,
13 chapter 19.86 RCW.

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

18 (15) This section expires June 30, 2036.

19 **Sec. 9.** RCW 82.16.110 and 2011 c 179 s 2 are each amended to
20 read as follows:

21 (1) The definitions in this section apply throughout this chapter
22 unless the context clearly requires otherwise.

23 ~~((1))~~ (a) "Administrator" means an owner and assignee of a
24 community solar project as defined in ~~((subsection—(2)(a)(i))~~
25 (b)(i)(A) of this ~~((section))~~ subsection that is responsible for
26 applying for the investment cost recovery incentive on behalf of the
27 other owners and performing such administrative tasks on behalf of
28 the other owners as may be necessary, such as receiving investment
29 cost recovery incentive payments, and allocating and paying
30 appropriate amounts of such payments to the other owners.

31 ~~((2)(a))~~ (b)(i) "Community solar project" means:

32 ~~((i))~~ (A) A solar energy system that is capable of generating
33 up to seventy-five kilowatts of electricity and is owned by local
34 individuals, households, nonprofit organizations, or nonutility
35 businesses that is placed on the property owned by a cooperating
36 local governmental entity that is not in the light and power business
37 or in the gas distribution business;

38 ~~((ii))~~ (B) A utility-owned solar energy system that is capable
39 of generating up to seventy-five kilowatts of electricity and that is

1 voluntarily funded by the utility's ratepayers where, in exchange for
2 their financial support, the utility gives contributors a payment or
3 credit on their utility bill for the value of the electricity
4 produced by the project; or

5 ~~((iii))~~ (C) A solar energy system, placed on the property owned
6 by a cooperating local governmental entity that is not in the light
7 and power business or in the gas distribution business, that is
8 capable of generating up to seventy-five kilowatts of electricity,
9 and that is owned by a company whose members are each eligible for an
10 investment cost recovery incentive for the same customer-generated
11 electricity as provided in RCW 82.16.120.

12 ~~((b))~~ (ii) For the purposes of "community solar project" as
13 defined in ~~((a))~~ (b)(i) of this subsection:

14 ~~((i))~~ (A) "Company" means an entity that is:

15 ~~((A))~~ (I) A limited liability company; ~~((II—A))~~ a cooperative
16 formed under chapter 23.86 RCW; or ~~((III—A))~~ a mutual corporation
17 or association formed under chapter 24.06 RCW; and

18 ~~((B))~~ (II) Not a "utility" as defined in this subsection
19 ~~((2—b))~~ (1)(b)(ii); and

20 ~~((ii))~~ (B) "Nonprofit organization" means an organization
21 exempt from taxation under 26 U.S.C. Sec. 501(c)(3) of the federal
22 internal revenue code of 1986, as amended, as of January 1, 2009; and

23 ~~((iii))~~ (C) "Utility" means a light and power business, an
24 electric cooperative, or a mutual corporation that provides
25 electricity service.

26 ~~((3))~~ (c) "Customer-generated electricity" means a community
27 solar project or the alternating current electricity that is
28 generated from a renewable energy system located in Washington and
29 installed on an individual's, businesses', or local government's real
30 property that is also provided electricity generated by a light and
31 power business. Except for community solar projects, a system located
32 on a leasehold interest does not qualify under this definition.
33 Except for utility-owned community solar projects, "customer-
34 generated electricity" does not include electricity generated by a
35 light and power business with greater than one thousand megawatt-
36 hours of annual sales or a gas distribution business.

37 ~~((4))~~ (d) "Economic development kilowatt-hour" means the actual
38 kilowatt-hour measurement of customer-generated electricity
39 multiplied by the appropriate economic development factor.

1 ~~((5))~~ (e) "Local governmental entity" means any unit of local
2 government of this state including, but not limited to, counties,
3 cities, towns, municipal corporations, quasi-municipal corporations,
4 special purpose districts, and school districts.

5 ~~((6))~~ (f) "Photovoltaic cell" means a device that converts
6 light directly into electricity without moving parts.

7 ~~((7))~~ (g) "Renewable energy system" means a solar energy
8 system, an anaerobic digester as defined in RCW 82.08.900, or a wind
9 generator used for producing electricity.

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

13 ~~((9))~~ (i) "Solar inverter" means the device used to convert
14 direct current to alternating current in a solar energy system.

15 ~~((10))~~ (j) "Solar module" means the smallest nondivisible self-
16 contained physical structure housing interconnected photovoltaic
17 cells and providing a single direct current electrical output.

18 ~~((11))~~ (k) "Stirling converter" means a device that produces
19 electricity by converting heat from a solar source utilizing a
20 stirling engine.

21 (2) This section expires June 30, 2031.

22 **Sec. 10.** RCW 82.16.120 and 2017 3rd sp.s. c 36 s 3 are each
23 amended to read as follows:

24 (1)(a) Any individual, business, local governmental entity, not
25 in the light and power business or in the gas distribution business,
26 or a participant in a community solar project may apply to the light
27 and power business serving the situs of the system, each fiscal year
28 beginning on July 1, 2005, and ending June 30, 2017, for an
29 investment cost recovery incentive for each kilowatt-hour from a
30 customer-generated electricity renewable energy system.

31 (b) In the case of a community solar project as defined in RCW
32 82.16.110~~((2)(a)(i))~~ (1)(b)(i)(A), the administrator must apply for
33 the investment cost recovery incentive on behalf of each of the other
34 owners.

35 (c) In the case of a community solar project as defined in RCW
36 82.16.110~~((2)(a)(iii))~~ (1)(b)(i)(C), the company owning the
37 community solar project must apply for the investment cost recovery
38 incentive on behalf of each member of the company.

1 (2) (a) Before submitting for the first time the application for
2 the incentive allowed under subsection (4) of this section, the
3 applicant must submit to the department of revenue and to the climate
4 and rural energy development center at the Washington State
5 University, established under RCW 28B.30.642, a certification in a
6 form and manner prescribed by the department that includes, but is
7 not limited to, the information described in (c) of this subsection.

8 (b) The department may not accept certifications submitted to the
9 department under (a) of this subsection after September 30, 2017.

10 (c) The certification must include:

11 (i) The name and address of the applicant and location of the
12 renewable energy system.

13 (A) If the applicant is an administrator of a community solar
14 project as defined in RCW 82.16.110(~~((2)(a)(i))~~) (1)(b)(i)(A), the
15 certification must also include the name and address of each of the
16 owners of the community solar project.

17 (B) If the applicant is a company that owns a community solar
18 project as defined in RCW 82.16.110(~~((2)(a)(iii))~~) (1)(b)(i)(C), the
19 certification must also include the name and address of each member
20 of the company;

21 (ii) The applicant's tax registration number;

22 (iii) That the electricity produced by the applicant meets the
23 definition of "customer-generated electricity" and that the renewable
24 energy system produces electricity with:

25 (A) Any solar inverters and solar modules manufactured in
26 Washington state;

27 (B) A wind generator powered by blades manufactured in Washington
28 state;

29 (C) A solar inverter manufactured in Washington state;

30 (D) A solar module manufactured in Washington state;

31 (E) A stirling converter manufactured in Washington state; or

32 (F) Solar or wind equipment manufactured outside of Washington
33 state;

34 (iv) That the electricity can be transformed or transmitted for
35 entry into or operation in parallel with electricity transmission and
36 distribution systems; and

37 (v) The date that the renewable energy system received its final
38 electrical inspection from the applicable local jurisdiction.

39 (d) Within thirty days of receipt of the certification the
40 department of revenue must notify the applicant by mail, or

1 electronically as provided in RCW 82.32.135, whether the renewable
2 energy system qualifies for an incentive under this section. The
3 department may consult with the climate and rural energy development
4 center to determine eligibility for the incentive. System
5 certifications and the information contained therein are not
6 confidential tax information under RCW 82.32.330 and are subject to
7 disclosure.

8 (3) (a) By August 1st of each year through August 1, 2017, the
9 application for the incentive must be made to the light and power
10 business serving the situs of the system by certification in a form
11 and manner prescribed by the department that includes, but is not
12 limited to, the following information:

13 (i) The name and address of the applicant and location of the
14 renewable energy system.

15 (A) If the applicant is an administrator of a community solar
16 project as defined in RCW 82.16.110(~~((2)(a)(i))~~) (1)(b)(i)(A), the
17 application must also include the name and address of each of the
18 owners of the community solar project.

19 (B) If the applicant is a company that owns a community solar
20 project as defined in RCW 82.16.110(~~((2)(a)(iii))~~) (1)(b)(i)(C), the
21 application must also include the name and address of each member of
22 the company;

23 (ii) The applicant's tax registration number;

24 (iii) The date of the notification from the department of revenue
25 stating that the renewable energy system is eligible for the
26 incentives under this section; and

27 (iv) A statement of the amount of kilowatt-hours generated by the
28 renewable energy system in the prior fiscal year.

29 (b) Within sixty days of receipt of the incentive certification
30 the light and power business serving the situs of the system must
31 notify the applicant in writing whether the incentive payment will be
32 authorized or denied. The business may consult with the climate and
33 rural energy development center to determine eligibility for the
34 incentive payment. Incentive certifications and the information
35 contained therein are not confidential tax information under RCW
36 82.32.330 and are subject to disclosure.

37 (c) (i) Persons, administrators of community solar projects, and
38 companies receiving incentive payments must keep and preserve, for a
39 period of five years, suitable records as may be necessary to
40 determine the amount of incentive applied for and received. Such

1 records must be open for examination at any time upon notice by the
2 light and power business that made the payment or by the department.
3 If upon examination of any records or from other information obtained
4 by the business or department it appears that an incentive has been
5 paid in an amount that exceeds the correct amount of incentive
6 payable, the business may assess against the person for the amount
7 found to have been paid in excess of the correct amount of incentive
8 payable and must add thereto interest on the amount. Interest is
9 assessed in the manner that the department assesses interest upon
10 delinquent tax under RCW 82.32.050.

11 (ii) If it appears that the amount of incentive paid is less than
12 the correct amount of incentive payable the business may authorize
13 additional payment.

14 (4) Except for community solar projects, the investment cost
15 recovery incentive may be paid fifteen cents per economic development
16 kilowatt-hour unless requests exceed the amount authorized for credit
17 to the participating light and power business. For community solar
18 projects, the investment cost recovery incentive may be paid thirty
19 cents per economic development kilowatt-hour unless requests exceed
20 the amount authorized for credit to the participating light and power
21 business. For the purposes of this section, the rate paid for the
22 investment cost recovery incentive may be multiplied by the following
23 factors:

24 (a) For customer-generated electricity produced using solar
25 modules manufactured in Washington state or a solar stirling
26 converter manufactured in Washington state, two and four-tenths;

27 (b) For customer-generated electricity produced using a solar or
28 a wind generator equipped with an inverter manufactured in Washington
29 state, one and two-tenths;

30 (c) For customer-generated electricity produced using an
31 anaerobic digester, or by other solar equipment or using a wind
32 generator equipped with blades manufactured in Washington state, one;
33 and

34 (d) For all other customer-generated electricity produced by
35 wind, eight-tenths.

36 (5)(a) No individual, household, business, or local governmental
37 entity is eligible for incentives provided under subsection (4) of
38 this section for more than five thousand dollars per year.

1 (b) Except as provided in (c) through (e) of this subsection (5),
2 each applicant in a community solar project is eligible for up to
3 five thousand dollars per year.

4 (c) Where the applicant is an administrator of a community solar
5 project as defined in RCW 82.16.110(~~((2)-(a)-(i))~~) (1)(b)(i)(A), each
6 owner is eligible for an incentive but only in proportion to the
7 ownership share of the project, up to five thousand dollars per year.

8 (d) Where the applicant is a company owning a community solar
9 project that has applied for an investment cost recovery incentive on
10 behalf of its members, each member of the company is eligible for an
11 incentive that would otherwise belong to the company but only in
12 proportion to each ownership share of the company, up to five
13 thousand dollars per year. The company itself is not eligible for
14 incentives under this section.

15 (e) In the case of a utility-owned community solar project, each
16 ratepayer that contributes to the project is eligible for an
17 incentive in proportion to the contribution, up to five thousand
18 dollars per year.

19 (6) The climate and rural energy development center at Washington
20 State University energy program may establish guidelines and
21 standards for technologies that are identified as Washington
22 manufactured and therefore most beneficial to the state's
23 environment.

24 (7) The environmental attributes of the renewable energy system
25 belong to the applicant, and do not transfer to the state or the
26 light and power business upon receipt of the investment cost recovery
27 incentive.

28 (8) No incentive may be paid under this section for kilowatt-
29 hours generated before July 1, 2005, or after June 30, 2017, except
30 as provided in subsections (10) through (12) of this section.

31 (9) Beginning October 1, 2017, program management, technical
32 review, and tracking responsibilities of the department under this
33 section are transferred to the Washington State University extension
34 energy program. At the earliest date practicable and no later than
35 September 30, 2017, the department must transfer all records
36 necessary for the administration of the remaining incentive payments
37 due under this section to the Washington State University extension
38 energy program.

39 (10) Participants in the renewable energy investment cost
40 recovery program under this section will continue to receive payments

1 for electricity produced through June 30, 2020, at the same rates
2 their utility paid to participants for electricity produced between
3 July 1, 2015, and June 30, 2016.

4 (11) In order to continue to receive the incentive payment
5 allowed under subsection (4) of this section, a person or community
6 solar project administrator who has, by September 30, 2017, submitted
7 a complete certification to the department under subsection (2) of
8 this section must apply to the Washington State University extension
9 energy program by April 30, 2018, for a certification authorizing the
10 utility serving the situs of the renewable energy system to annually
11 remit the incentive payment allowed under subsection (4) of this
12 section for each kilowatt-hour generated by the renewable energy
13 system through June 30, 2020.

14 (12)(a) The Washington State University extension energy program
15 must establish an application process and form by which to collect
16 the system operation data described in RCW 82.16.165(7)(a)(iii) from
17 each person or community solar project administrator applying for a
18 certification under subsection (11) of this section. The Washington
19 State University extension energy program must notify any applicant
20 that providing this data is a condition of certification and that any
21 certification issued pursuant to this section is void as of June 30,
22 2018, if the applicant has failed to provide the data by that date.

23 (b) Beginning July 1, 2018, the Washington State University
24 extension energy program must, in a form and manner that is
25 consistent with the roles and processes established under RCW
26 82.16.165 (19) and (20), calculate for the year and provide to the
27 utility the amount of the incentive payment due to each participant
28 under subsection (11) of this section.

29 (13) This section expires June 30, 2031.

30 **Sec. 11.** RCW 82.16.150 and 2010 c 202 s 5 are each amended to
31 read as follows:

32 (1) Owners of a community solar project as defined in RCW
33 82.16.110(~~((2)(a)(i) and (iii))~~) (1) (b) (i) (A) and (C) must agree to
34 hold harmless the light and power business serving the situs of the
35 system, including any employee, for the good faith reliance on the
36 information contained in an application or certification submitted by
37 an administrator or company. In addition, the light and power
38 business and any employee is immune from civil liability for the good
39 faith reliance on any misstatement that may be made in such

1 application or certification. Should a light and power business or
2 employee prevail upon the defense provided in this section, it is
3 entitled to recover expenses and reasonable attorneys' fees incurred
4 in establishing the defense.

5 (2) This section expires June 30, 2031.

6 **Sec. 12.** RCW 82.16.155 and 2017 3rd sp.s. c 36 s 2 are each
7 amended to read as follows:

8 (1) This section is the tax preference performance statement for
9 the tax preference and incentives created under ((~~RCW 82.16.130 and~~))
10 sections 4 and 6, chapter 36, Laws of 2017 3rd sp. sess. This
11 performance statement is only intended to be used for subsequent
12 evaluation of the tax preference and incentives. It is not intended
13 to create a private right of action by any party or be used to
14 determine eligibility for preferential tax treatment.

15 (2) The legislature categorizes the tax preference created under
16 ((~~RCW 82.16.130~~)) section 4, chapter 36, Laws of 2017 3rd sp. sess.
17 and incentive payments authorized in section 6, chapter 36, Laws of
18 2017 3rd sp. sess. as intended to:

19 (a) Induce participating utilities to make incentive payments to
20 utility customers who invest in renewable energy systems; and

21 (b) By inducing utilities, nonprofit organizations, and utility
22 customers to acquire and install renewable energy systems, retain
23 jobs in the clean energy sector and create additional jobs.

24 (3) The legislature's public policy objectives are to:

25 (a) Increase energy independence from fossil fuels; and

26 (b) Promote economic development through increasing and improving
27 investment in, development of, and use of clean energy technology in
28 Washington; and

29 (c) Increase the number of jobs in and enhance the sustainability
30 of the clean energy technology industry in Washington.

31 (4) It is the legislature's intent to provide the incentives in
32 sections 4 and 6, chapter 36, Laws of 2017 3rd sp. sess. ((~~and RCW~~
33 ~~82.16.130~~)) in order to ensure the sustainable job growth and
34 vitality of the state's renewable energy sector. The purpose of the
35 incentive is to reduce the costs associated with installing and
36 operating solar energy systems by persons or entities receiving the
37 incentive.

38 (5) As part of its 2021 tax preference reviews, the joint
39 legislative audit and review committee must review the tax

1 preferences and incentives in sections 4 and 6, chapter 36, Laws of
2 2017 3rd sp. sess. (~~(and RCW 82.16.130.)~~) The legislature intends for
3 the legislative auditor to determine that the incentive has achieved
4 its desired outcomes if the following objectives are achieved:

5 (a) Installation of one hundred fifteen megawatts of solar
6 photovoltaic capacity by participants in the incentive program
7 between July 1, 2017, and June 30, 2021; and

8 (b) Growth of solar-related employment from 2015 levels, as
9 evidenced by:

10 (i) An increased per capita rate of solar energy-related jobs in
11 Washington, which may be determined by consulting a relevant trade
12 association in the state; or

13 (ii) Achievement of an improved national ranking for solar
14 energy-related employment and per capita solar energy-related
15 employment, as reported in a nationally recognized report.

16 (6) In order to obtain the data necessary to perform the review,
17 the joint legislative audit and review committee may refer to data
18 collected by the Washington State University extension energy program
19 and may obtain employment data from the employment security
20 department.

21 (7) The Washington State University extension energy program must
22 collect, through the application process, data from persons claiming
23 the tax credit under (~~(RCW 82.16.130)~~) section 4, chapter 36, Laws of
24 2017 3rd sp. sess. and persons receiving the incentive payments
25 created in (~~(RCW 82.16.165)~~) section 6, chapter 36, Laws of 2017 3rd
26 sp. sess., as necessary, and may collect data from other interested
27 persons as necessary to report on the performance of chapter 36, Laws
28 of 2017 3rd sp. sess.

29 (8) All recipients of tax credits or incentive payments awarded
30 under this chapter must provide data necessary to evaluate the tax
31 preference performance objectives in this section as requested by the
32 Washington State University extension energy program or the joint
33 legislative audit and review committee. Failure to comply may result
34 in the loss of a tax credit award or incentive payment in the
35 following year.

36 (9) This section expires June 30, 2031.

37 NEW SECTION. **Sec. 13.** The provisions of RCW 82.32.805 and
38 82.32.808 do not apply to this act.

1 NEW SECTION. **Sec. 14.** This act is necessary for the immediate
2 preservation of the public peace, health, or safety, or support of
3 the state government and its existing public institutions, and takes
4 effect immediately.

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