

Backbone Community Solar Project



A Community Investment in Our Energy Future Today

The key recommendations:

Developed through conversations with a broad variety of stakeholders and are currently presenting to those in Washington State government agencies and legislature include:

- Create a Rolling 10 year incentive for investors in all projects that qualify.

- To qualify for the highest incentive program, an automatic transfer of ownership to public host is required.

- Change \$5k incentive payment per person/household, per year limit to \$5k per project, per person, per year.

Additional recommendations:

- Allow Dept. of Commerce, WSU, Housing and Finance Commission or other agency to assume administration from Department of Revenue (DOR) on appropriate elements of program.
- Ensure that Department of Financial Institutions (DFI) involvement is not triggered or involvement minimized, possibly through making shares nontransferable, passing of ownership to host, automatic guaranteed incentives.

Additional recommendations: (cont.)

- Eliminate the arbitrary 5% company owned, 25% utility owned, 70% individuals and groups limits on the incentive pool to avoid prorated of incentives in certain categories, while others remain untapped.

Additional recommendations:

- Lift the current limit of .5% of utility tax burden allotted to incentives so a successful program putting renewable energy on schools, libraries, and public facilities can flourish, not be choked, and is not under threat of having incentives oversubscribed and prorated undermining the guaranteed return.

Additional recommendations: (cont.)

- Retroactive decisions, such as those by DOR should not be allowed;
- All projects in the current program are grandfathered in;
- That incentive rates are locked for each project and not vulnerable to future prorating or elimination.

Rep. McCoy's bill includes these changes among others):

- Inclusion of community colleges (?) and definitely tribes.
- 10 year incentive contract between projects and utility, but not beyond July 1, 2031
- Utilities may charge applicants an administrative fee
- Transfers some aspects of administration to Commerce and WSU

Rep. McCoy's bill retains these elements:

- 5/25/70 % allocation of incentive pool
- Seems that the \$5000 per person incentive limits remains in tact.
- Still limited to $\frac{1}{2}$ of 1% of Tax liability of the utility

Concerns about Governor Inslee & other's idea of Third Party Financing...

Seems this is the Solar City/Sun Run systems for which we have little control over long term benefit for public, post incentive.

Maybe not appropriate for our public hosts of "Community solar" projects receiving \$1.08 incentive.

Crazy new idea:

“GREEN ENERGY BONDS”

for the public facilities element of the program and finance those bonds through the Utility Tax, as an alternative to current model?