SOLAR LEGISLATION IN 2016

Suzanne DuRard, Seattle City Light
Washington State Solar Summit 2015
WHERE WE ARE
CUSTOMER GENERATION

• Number of PV Systems: 2037 (Aug. 2015)
• Capacity: 10.7 MW (Aug. 2015)
• Incentives paid in 2015: $3,390,000
CAPACITY

• 10,660 kW installed
• Residential systems average 5-6 kW
• Non-residential systems are much larger, 10kW-200 kW
COMMUNITY SOLAR

Installed Capacity by Project

<table>
<thead>
<tr>
<th>Project</th>
<th>Capacity (kW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jefferson Park</td>
<td>23.4</td>
</tr>
<tr>
<td>Seattle Aquarium</td>
<td>44.4</td>
</tr>
<tr>
<td>Phinney Ridge</td>
<td>74.79</td>
</tr>
<tr>
<td>Capitol Hill EcoDistrict</td>
<td>25.92</td>
</tr>
<tr>
<td>(Holiday Apartments)</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>168.51</strong></td>
</tr>
</tbody>
</table>
• 93% of our solar customers are residential
• The majority of customers receive the state incentive
WHAT’S NEXT FOR SOLAR LEGISLATION?
CITY LIGHT SOLAR LEGISLATIVE PRIORITIES

• Seattle supports extending the solar production incentive
  o The incentive rate must be lowered to deal with the potential fiscal impact.

• Seattle City Light supports addressing the per-utility tax credit limit
  o Different ways to address the fiscal note: adjust rate over time; adjust the rate as MW installation goals are reached; annual limit on the incentive payments
LEGISLATIVE PRIORITIES

• Community Solar is important for our service territory -- half our customers are renters
  o Community Solar incentive rate should be sufficient to encourage utilities to participate and establish these programs
  o Size of the projects should be revisited - why limit to 75kw?

• City Light favors some type of State incentive program for customers – addresses utility issue re gift of public funds for solar not used for I-937
STRATEGIES FOR 2016

• Keep the bill narrow
  o 2015 bill became unwieldy due to side issues: net-metering; smart inverters; distributed energy resource planning; third-party leasing

• Recognize the production incentive is paid from State General Fund dollars. The call to extend the production incentive must be balanced with other needs of the State and the City

• Understand State fiscal issues – for instance, impact of 2% cap seems untenable
WISH LIST

• Production metering becomes optional
• Administration moves from DOR to WSU Energy Office
• WSU Energy tracks installation/capacity/caps
• Issues for another bill/another time
  o End of life/module recycling
  o Smart inverters/grid planning
LEGISLATIVE DISTRACTIONS

• Net-metering is not our issue in 2016
  o Seattle Municipal Code increases net-meter requirement from .5% of 1996 peak load (appx. 10 MW) to 1% of 1996 peak load (20 MW)
  o City Light will only support language that is permissive
  o Citizens’ Review Panel oversees rates – legislation should not limit their input on City Light rate design

• Solar leasing – neutral – fine if it’s not in bill
OUR VISION
To set the standard—to deliver the best customer service experience of any utility in the nation.

OUR MISSION
Seattle City Light is dedicated to exceeding our customers’ expectations in producing and delivering environmentally responsible, safe, low-cost and reliable power.

OUR VALUES
Excellence, Accountability, Trust and Stewardship.