



Washington State Solar Summit

New Renewable Energy System Incentive Program

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Energy Program

WASHINGTON STATE UNIVERSITY

History: The Renewable Energy Cost Recovery Program (Legacy Program)

- In 2005, a production incentive was established in the State of Washington for homeowners, businesses and local governments that install solar electric, wind power or anaerobic digester systems
- The WSU Energy Program provided technical support to the Department of Revenue in the administration of this program
- In 2009, the program was expanded to include community solar projects

Renewable Energy System Incentive Program

In 2017, Engrossed
Substitute Senate
Bill 5939 directed the
WSU Energy Program to
launch and administer a
new renewable energy
incentive program for
citizens and businesses
of Washington



New Program Elements

The new program is different from the legacy program. New elements include:

- Program term
- Data requirements
- Project types
- Declining incentive rates



New Program Term

- The new program term is eight years of incentive payments, or 50 percent of the system price – whichever comes first
- It is a four-year enrollment through June 2021



New Program Data Requirements

Additional data requirements:

- Completed Interconnection Agreement
- System details and operation data:
 - GPS coordinates, tilt, azimuth, estimated shading
- System price details, including sales tax



New Participation Categories

Project types with specific requirements and incentive rates:

- Residential-scale – $12 \text{ kW}_{\text{dc}}$ or less, combined
 - Annual incentive limit is \$5,000
- Commercial-scale – Greater than $12 \text{ kW}_{\text{dc}}$
 - Annual incentive limit is \$25,000
- Community Solar Project – $1,000 \text{ kW}_{\text{dc}}$ or less
 - Annual incentive limit is \$5,000 per participant
- Shared Commercial Solar Project – 1 to 5 MW_{dc}
 - Annual incentive limit is \$35,000 per participant

Incentive Rates

Base Rate

- Residential-scale \$0.14
- Commercial-scale \$0.04
- Community Solar \$0.14
- Shared Commercial Solar \$0.04

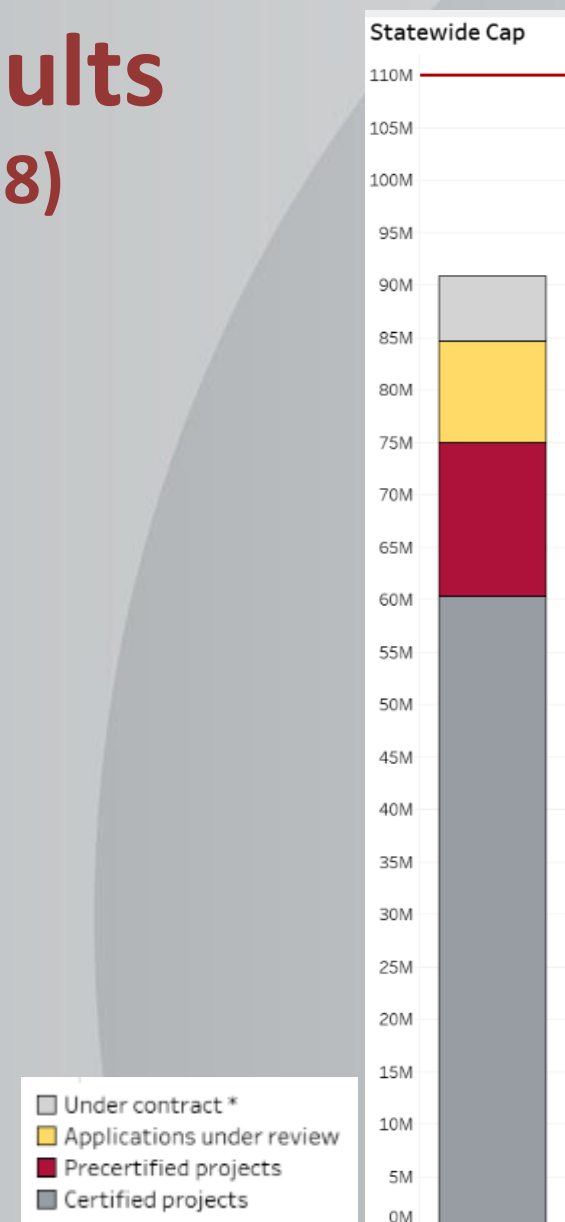
*** Made in Washington Bonus – \$0.04*

Fiscal year of system certification	Base rate - residential-scale	Base rate - commercial-scale	Base rate - community solar	Base rate - shared commercial solar	Made in Washington bonus
2018	\$0.16	\$0.06	\$0.16	\$0.06	\$0.05
2019	\$0.14	\$0.04	\$0.14	\$0.04	\$0.04
2020	\$0.12	\$0.02	\$0.12	\$0.02	\$0.03
2021	\$0.10	\$0.02	\$0.10	\$0.02	\$0.02

New Program Results

(as of October 16, 2018)

- 4,800 applications submitted
- Capacity – 46.5 MW_{dc}
 - 37.2 MW_{dc} residential-scale
 - 9.3 MW_{dc} commercial-scale
- Incentives obligated – \$85 million



New Program Results

(continued)

- Reported system price – \$169 million
- Average \$/Watt – \$3.62
 - \$3.66 residential-scale
 - \$2.87 commercial-scale
- Pre-certifications approved
 - 1.5 MW_{dc} community solar project
 - 27.8 MW_{dc} shared commercial solar project



Timeline

7-7-2017

ESSB 5939 signed into law

10-1-2017

Administration of legacy program transitions from DOR to WSU

10-30-2017

Emergency Rule filed

12-27-2017

Start accepting new incentive applications

7-1-2018

Start of FY 2019

9-21-2018

Final Rule adopted

11-16-2018

Deadline to submit precertification applications – community solar and shared commercial solar

1-31-2019

Deadline to submit FEI – residential-scale and commercial-scale systems

2-14-2019

Deadline to submit applications – residential-scale and commercial-scale systems



Progress at a Glance

New Program Implementation

- Overall program management
 - Technical and Financial Review
- Tracking responsibilities
- Monthly reporting

Meeting reapplication requirements

Responsibilities associated with legacy program

- Additional statewide incentive tracking

Rulemaking



PowerClerk

- Procured an online platform to streamline the application process
- PowerClerk was the best tool available to facilitate program start
- Industry standard among utility and incentive program administrators



Challenges

Reapplications/Legacy Program

- Legislative timeline
- Reapplication requirements
 - Multiple approaches to reapply
 - Survey
 - Utility directed
 - Additional outreach
 - Data collection
- 49 utilities
- Confusion about the new program and old program
- Communication challenges
- Customer service
- Increased volume

Challenges (continued)

New Program

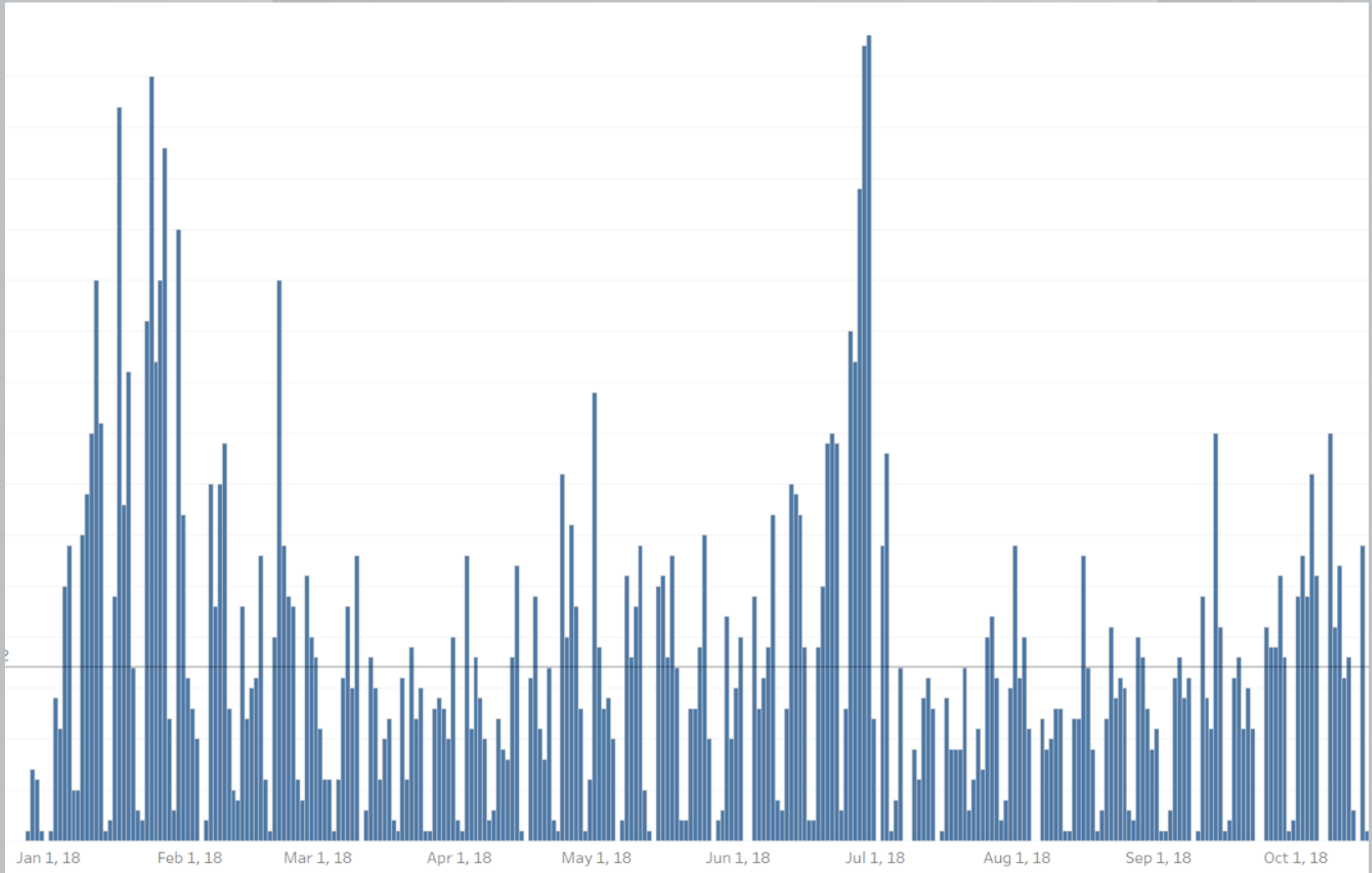
High Volume

- 1.5 percent utility credit limit
- Pipeline information on systems
- Fiscal year rush/incentive change
- 3,000 applications in a six month time period
- Approaching 5,000 applications to date
- High volume of calls and emails – owners, installers and utilities
- Community Solar and Shared Commercial interests

Challenges – Volume

Submission rate: January 2018 – October 2018

Submitted applications



Focus on the Caps

- \$110 million statewide cap on program
- 1½ percent per utility Public Utility Tax credit
- Annual and cumulative incentive payments



Utility Update

Funding Limit Reached

- Orcas Power and Light
- Kittitas County PUD

Temporary Suspension Pending Review

- City of Richland
- Benton REA
- Okanogan County Electric Coop

Terminated Voluntary Participation

- Elmhurst Mutual



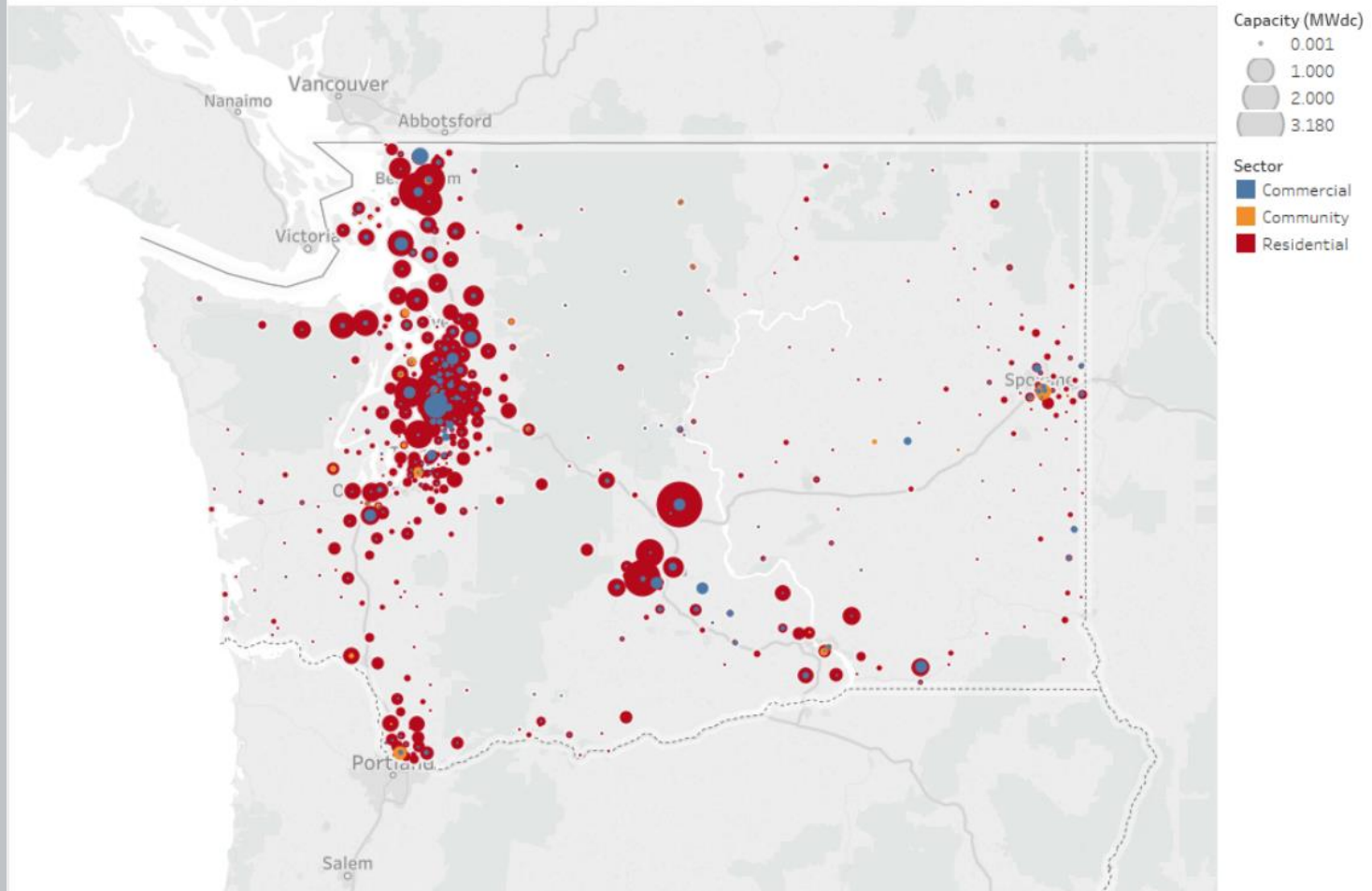
Program Deadlines

To ensure the \$110 million incentive limit fixed in law is respected, deadlines now in place:

- Pre-certification applications for Shared Commercial and Community Solar projects must be submitted by **November 16, 2018**
- Residential-scale and commercial-scale systems must receive final electrical inspection by **January 31, 2019**, and be submitted to the WSU Energy Program by **February 14, 2019**

Note: Applications submitted after these dates automatically placed on a waiting list, pending the availability of funds.

System Capacity (MWdc)



Moving Forward

We will deliver a preliminary Report to Legislature that covers our experiences through December 2018



Thank you

We appreciate the opportunity to continue to work with you to meet the goals of the legislation and contribute to the growth of renewable energy in the State of Washington





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