



# The 2017 Solar Jobs Bill

Washington's Legislature updated the Renewable Energy Cost Recovery Incentive Payment Program during the 2017 Legislative session. Its goals include:

- Stimulate further local investment in renewable energy
- Ensure the program's cost-effectiveness
- Prevent further erosion of production incentives for existing solar owners enrolled in the legacy solar program
- Ensure simplicity and certainty for new solar owners
- Create opportunities for low-income households to access savings via Community Solar balanced among utilities, non-profits, and housing authorities

## LEGACY PROGRAM for existing solar owners

## NEW PROGRAM for future solar owners

<b>Source</b>	Utility-specific incentive funding cap based on 1.5% of annual utility revenues, or \$250k, whichever is greater  Legacy program closed to new entrants after September 30th, 2017	Utility-specific incentive funding cap based on 1.5% of annual utility revenues, or \$250k, whichever is greater; and  Total program capped at \$110M state-wide payout. WSU administers tracking and communication																								
<b>Incentive structure</b>	Solar owners receive production incentives from utility until June 30, 2020, locked at their utility's FY 2016 production incentive rates. No further incentive rate reductions	Solar owners receive the same, fixed production incentive rate for a program term of 8 years, or until 50% of cost recouped, whichever comes first. Starting incentive rates step down over time, and stay fixed for the project's program term:																								
	Existing solar owners will be paid for their power on all kWhs produced until June 30, 2020, at the same rate paid by their utility during FY-2016	<table border="1"> <thead> <tr> <th>Fiscal Year</th> <th colspan="2">Base rates (\$/kWh)</th> <th>Made-in-WA bonus (\$/kWh)</th> </tr> <tr> <td></td> <th>Residential, Community</th> <th>Commercial, Shared Commercial</th> <th>All installation types</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>\$0.16</td> <td>\$0.06</td> <td>\$0.05</td> </tr> <tr> <td>2019</td> <td>\$0.14</td> <td>\$0.04</td> <td>\$0.04</td> </tr> <tr> <td>2020</td> <td>\$0.12</td> <td>\$0.02</td> <td>\$0.03</td> </tr> <tr> <td>2021</td> <td>\$0.10</td> <td>\$0.02</td> <td>\$0.02</td> </tr> </tbody> </table>	Fiscal Year	Base rates (\$/kWh)		Made-in-WA bonus (\$/kWh)		Residential, Community	Commercial, Shared Commercial	All installation types	2018	\$0.16	\$0.06	\$0.05	2019	\$0.14	\$0.04	\$0.04	2020	\$0.12	\$0.02	\$0.03	2021	\$0.10	\$0.02	\$0.02
	Fiscal Year	Base rates (\$/kWh)		Made-in-WA bonus (\$/kWh)																						
		Residential, Community	Commercial, Shared Commercial	All installation types																						
2018	\$0.16	\$0.06	\$0.05																							
2019	\$0.14	\$0.04	\$0.04																							
2020	\$0.12	\$0.02	\$0.03																							
2021	\$0.10	\$0.02	\$0.02																							
For solar projects installed between 7/1/17 and 9/30/17, customers have the option to enroll under Legacy or New program. Details forthcoming from WSU																										
<i>More on program administration below</i>																										
<b>Sales tax</b>	Until September 30, 2017, sales tax exemption for systems <10kW, or 75% remittance for systems ≥10kW	Beginning 10/1/2017, sales tax applies to systems under 500 kW. Systems ≥500 kW may receive 75% remittance																								
<b>Project scale definitions</b>	Residential & Commercial not defined. Annual payment limited to \$5,000/participant  Community solar projects must be installed on certain properties to qualify, and is limited to 75 kW.	<p><b>Residential-scale:</b> ≤ 12kW. Annual payment limited to \$5,000 per project participant</p> <p><b>Commercial-scale:</b> &gt;12kW. Annual payment limited to \$25,000 per project participant. Total commercial installations may not exceed 25% of available funds</p> <p><b>Community Solar Project*:</b> ≤ 1MW. Annual payment limited to \$5,000 per project participant. Expands eligibility to nonprofits, housing authorities, and community solar companies. Must have at least ten participants or one for every 10 kW, whichever is greater</p> <p><b>Shared Commercial Solar Project*:</b> 1-5MW. Annual payment limited to \$35,000 per project participant. Owned or administered by a utility. Must have at least five participants</p> <p><i>* Total Community Solar + Shared Commercial installations may not exceed 50% of available funds</i></p>																								
<b>Eligible ownership</b>	Solar owner must own the land, building, and solar equipment to qualify for utility production incentives.  Certification transfers to subsequent property owners	Residential, commercial, and shared commercial projects must own solar equipment, own or occupy premises, and be utility customer to qualify for incentives. Community solar project participants must be customers of utility administering the project and Washington residents  Certification transfers to subsequent property owners																								
<b>Project administration</b>	Administered by Department of Revenue until 9/30/17. Starting 10/1/17, administration transferred to WSU Energy Extension Program.  Existing participants must reapply to WSU by 4/30/18 to finish out program participation through June 30, 2020. A solar system's tilt, azimuth, GPS, estimated shading, and other info may be required. Additional details forthcoming from WSU	Administered by WSU Energy Extension Program, providing sound technical oversight and clarity for customers, industry, & policy leaders																								

\* Information contained in this document remains subject to forthcoming rule-making process by WSU Energy Extension program.