



Distributed Solar Energy in Washington State

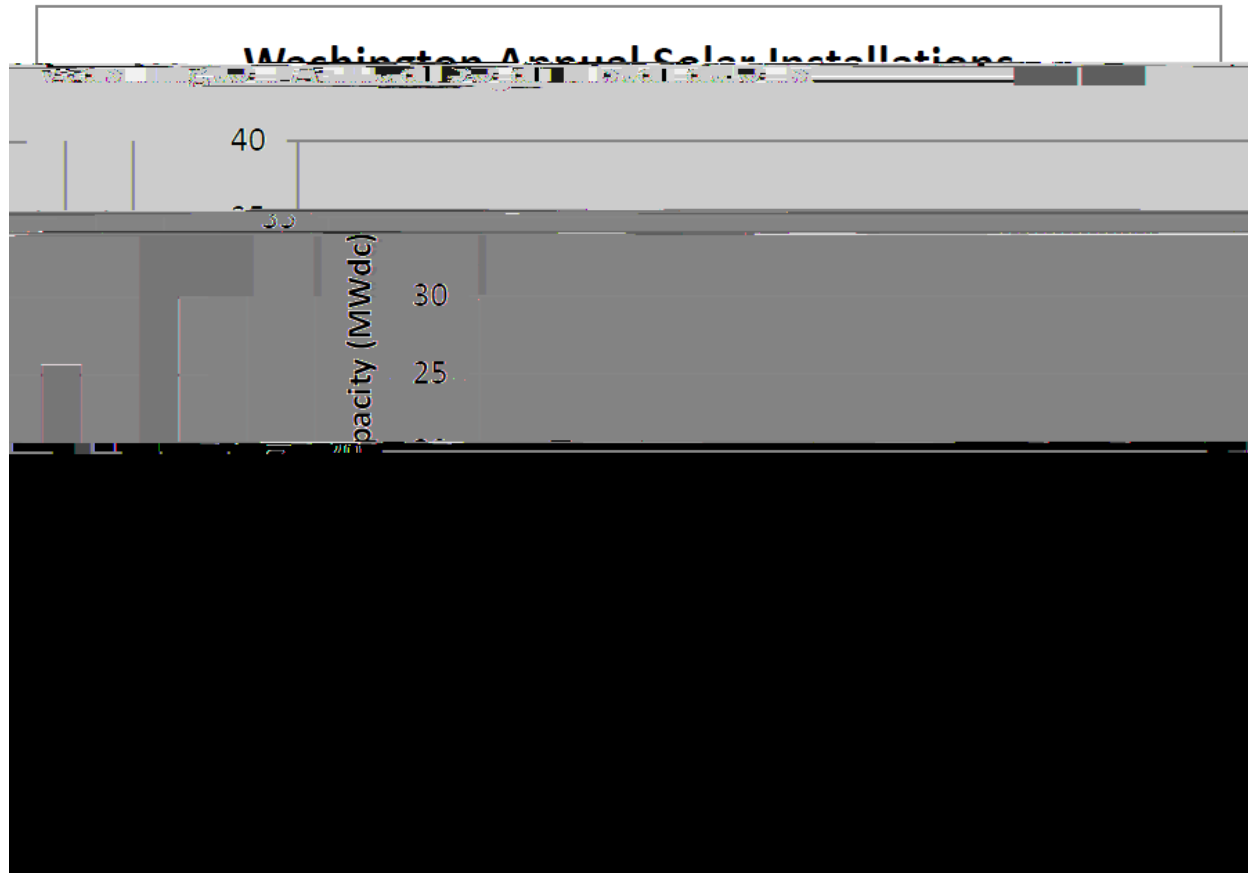
Ann Rendahl, Commissioner

June 21, 2016



Solar Energy in Washington State

WA ranks 26th nationally, with 70 MW of total installed capacity



Source: SEIA: Solar Spotlight Washington, June 15, 2016





Net Metering



Production Incentives

WA Renewable Energy Cost Recovery Incentive

RCW 82.16.120, .130

Program Elements:

- Annual payments to customers based on actual system production
- Utilities receive a tax credit equal to annual payments to customers

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Policy Statement

Key Findings

- Third-party owners of net-metered systems likely “electrical companies” subject to UTC jurisdiction under RCW 80.04.010(11), but analysis is fact-specific.
- Offering solar energy under PPA or lease not a natural monopoly and should not be subject to full scope of UTC jurisdiction, including rate regulation.
- Need for consumer protection regulation to ensure:
 - Adequate disclosure of contract rates and terms
 - Investigation and enforcement of consumer complaints
 - Dispute resolution
 - Shared jurisdiction with Office of Attorney General





Policy Statement

Key Findings

- *[W]e believe both the Commission and the Attorney General's Consumer Protection Division have a role to play. The Commission would like to perform the same services for consumers of third-party owners as it does for consumers of electrical companies. This includes promulgating rules, receiving consumer complaints, investigating the issues raised, helping resolve disputes once escalated, and initiating administrative action against companies when appropriate. ... Additionally, the Attorney General should be provided the opportunity to investigate fraudulent and deceptive business practices and bring suits in court on behalf of the public.*
- *Therefore, we believe that the best course of action would be for the Legislature to clarify the Commission's authority over and regulation of third-party owners of net metering systems in statute. This would produce a level of certainty that the Commission alone is unable to provide and could serve to avoid potential litigation over jurisdictional issues.*