



Olympia
Community Solar

COMMUNITY SOLAR PROGRAM

PREPARED FOR
THE WASHINGTON STATE LEGISLATURE

EXECUTIVE SUMMARY



Despite the advantages of solar energy, a vast majority of Washingtonians lack access to it.

Community solar is a proven, cost-effective solution that broadens access to clean energy and utility bill savings for families, small businesses, farms, Tribes, and public service organizations.

Community Solar stimulates local investment in solar projects and increases energy independence while promoting local economic development, reducing energy burden, and preventing pollution.

MOST WASHINGTONIANS FACE BARRIERS TO SOLAR, INCLUDING:

- 3.2 million renters
- 700,000 low-income residents
- Multifamily housing residents
- Shaded or old homes

77%

OF AMERICANS face barriers to rooftop solar energy.

ORGANIZED BY



Olympia
Community Solar

Olympia Community Solar is a non-profit organization with a mission to steward an equitable and accessible transition to clean energy

SUPPORTED BY



AND MANY MORE

PROBLEM STATEMENT

Despite the advantages of rooftop solar energy, a vast majority of Washingtonians lack access to it. Washington's 3.2 million renters, 700 thousand low-income residents, as well as those in multifamily housing residents, shaded or old homes are **unable to access rooftop solar**.

The Washington legislature has committed to a goal of 100% renewable energy by 2045 with the Clean Energy Transition Act. Only providing solar to homeowners with sunny, unobstructed, new roofs and the financial resources to purchase rooftop solar does not support this goal.

The disproportionate impact of energy expenses on economically disadvantaged or marginalized individuals or communities is called **"energy burden"**. It measures the percentage of income households allocate to cover energy-related costs such as electricity, heating, cooling, and other energy sources. Energy burden is a pressing issue, particularly for low-income households and marginalized communities.

Approximately one out of five households in Washington spend over 10% of their income on energy-related expenses. Furthermore, data reveals that low-income households in the state spend, on average, three to four times more of their income on energy costs compared to higher-income households. This disparity places a significant strain on the financial stability and well-being of vulnerable populations.

This policy seeks to address the disparity and facilitate the deployment of community solar projects, making solar energy accessible and beneficial for everyone.

BENEFITS



JOBS AND THE ECONOMY

By stimulating local investments in solar energy, community solar supports local businesses and industries, creates job opportunities in the renewable energy sector, and simultaneously contributes to the state's broader economic development goals.



SUPPORT ELECTRIFICATION

Community solar contributes essential distributed energy to the grid, allowing more electrification without expensive transmission or distribution system upgrades. Transitioning our transportation and building heating systems to electric vehicles and heat pumps is adding tremendous amounts of new demand on the electrical grid.



ACCESS TO RENEWABLES

By promoting economic development through local investments, it aims to reduce energy burden for households and businesses, fostering greater energy equity across the state. This policy seeks to address the current disparity in access to solar energy by unlocking the opportunity for all Washingtonians to benefit from community solar projects.

BENEFITS



SUPPORTING FARMERS

Farmers across the country have turned to community solar projects to support their bottom line. By hosting these projects on their property, the resulting lease payments can provide an economic lifeline to farmers, allowing farm operations to stay within families.



MEET NEW BUILDING CODE REQUIREMENTS

Community solar bill crediting options would help Washingtonians cost-effectively meet the state energy code mandates. Building developers and owners can choose to subscribe to community solar to earn points toward code compliance, rather than install rooftop solar for the same purpose.



REDUCE ENERGY BURDEN

The policy aims to advance energy equity by supporting low-income customer participation in community solar projects. Low-income customers dedicate three to four times more of their annual income to energy expenses compared to higher income consumers. Community solar can reduce their energy burden and free up significant amounts of their income.

THE POLICY^{1/2}

The policy establishes a community solar program aimed at increasing access to solar energy for all Washingtonians. Community solar projects will be developed and connected to the electric grid.

Subscribers to community solar projects will receive a community solar bill credit that represents the value of their subscription's energy generation. **The monthly bill credit can offset the costs of the subscriber's electric bill.** Any unused bill credits can be carried forward month-to-month and allocated to the subscriber's bill.

The community solar **bill credit rate** will be determined by the Utilities And Transportation Commission, and will account for solar-related costs and benefits.

The bill credit rate will vary based on the project's locational benefits and the proportion of low-income customers subscribing to it.

The bill credit rate will provide subscribers fair value for the energy their project produces, and incentivize solar development on the built environment.



THE POLICY^{2/2}

To encourage low-income participation, **a significant portion of the total program generating capacity is reserved for low-income customers and low-income service providers.** This ensures that solar energy benefits are accessible to disadvantaged communities.

The policy directs the UTC to **develop the new program rules**, conduct reviews to evaluate the program's effectiveness, and engage stakeholders through a working group to assist in rule promulgation.

The policy amends RCW 80.28.375, **the existing registration system and regulations for community solar companies.** The amendment updates definitions to align with the new program.

The policy amends RCW 82.16.182, the **WSU low-income community solar program.** The amendment updates the program's definitions to align with the new program, and expands the eligibility criteria for applicants to include public agencies and community solar providers.



FRAMEWORK^{1/2}

The policy's framework is designed to ensure the successful implementation and equitable access to community solar projects.

Key components include:

COMMUNITY SOLAR PROJECT MANAGERS:



Community solar project managers are responsible for developing projects, communicating subscriber and subscription information to the utility, enrolling low-income subscribers and service providers, and operating projects in a transparent manner.

ELECTRIC UTILITY COOPERATION:



Electric utilities are responsible for facilitating community solar crediting on utility bills. Electric utilities may recover reasonable costs associated with implementing the community solar program and establish fees for managing the community solar program.

RULES AND EVALUATIONS:



The Utilities and Transportation commission will convene an ongoing stakeholder working group to assist in rule promulgation. Rules for the community solar program are established, covering the establishment of community solar projects and ensuring consumer protection.

FRAMEWORK

PREFERRED SITING:



The policy encourages development on "preferred sites" meaning: structures, existing impervious surfaces, landfills, brownfields, previously developed sites, irrigation canals and ponds, stormwater collection ponds, industrial areas, etc.

SUBSCRIBER PROTECTIONS:



The policy framework ensures robust consumer protections for subscribers. A standardized customer disclosure form for residential subscribers is mandated. Upfront sign-on fees and credit checks are prohibited, and early termination charges for unsubscribing are not allowed.

LOW-INCOME PARTICIPATION



At least 50 percent of the total community solar program generating capacity must be reserved for low-income customers and low-income service providers. Community solar capacity or generation allocated to low-income subscribers is exempt from program-related fees, ensuring equitable access. Existing funding at WSU Energy Extension and the Department of Commerce will support financing low-income participation.

NET-CREDITING



Subscribers have the option to participate in net-crediting, which incorporates the subscriber's subscription fee onto their electric bill, and the subscriber receives a net credit equivalent to the total bill credit value for that generation period minus the subscription fee. Net crediting is a national best practice that improves the customer experience.

IMPLEMENTATION

To effectively implement the community solar policy, the following key steps must be taken:

ESTABLISHMENT OF STAKEHOLDER WORKING GROUP:



The Utilities and Transportation commission will convene and facilitate an ongoing stakeholder working group comprising electric utilities, community solar industry representatives, consumer advocates, and other interested parties.

PROMULGATION OF RULES AND GUIDELINES:



Within 18 months of the policy's effective date, the commission, with assistance from the working group will promulgate rules to govern the community solar program. The rules will include procedures for creating and certifying community solar facilities, subscriber enrollment, and consumer protection provisions.

GUARANTEED SAVINGS AND CONSUMER PROTECTION



The commission will establish robust consumer protections to ensure subscribers receive savings by participating in the community solar program. A standardized customer disclosure form for residential subscribers will be mandated.

COMMUNITY SOLAR PROVIDER REGISTRATION



Community solar project managers must register with the Commission prior to doing business. The annual registration collects key business information from providers and ensures they accurately represent their products to subscribers.

HOW TO HELP

- Sign on to our advocacy list by visiting communitysolarwa.org
- Fill out our [barriers-to-solar survey](#).
- Call/email your legislators.
- [Write to the Governors office.](#)
- Connect our team with stakeholders.

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THANK YOU

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