

Multiple Agency Fiscal Note Summary

Bill Number: 2253 HB	Title: Community solar
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Estimated Cash Receipts

NONE

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	Fiscal note not available					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Commerce	.0	0	0	0	.0	0	0	0	.0	0	0	0
Utilities and Transportation Commission	2.4	795,037	795,037	795,037	1.0	278,842	278,842	278,842	1.3	415,151	415,151	415,151
Washington State University	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	2.4	795,037	795,037	795,037	1.0	278,842	278,842	278,842	1.3	415,151	415,151	415,151

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Fiscal note not available								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Utilities and Transportation Commission	.0	0	0	.0	0	0	.0	0	0
Washington State University	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Fiscal note not available								
Local Gov. Total									

Estimated Capital Budget Breakout

Prepared by: Tiffany West, OFM	Phone: (360) 890-2653	Date Published: Preliminary 1/16/2024
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Individual State Agency Fiscal Note

Bill Number: 2253 HB	Title: Community solar	Agency: 103-Department of Commerce
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Megan McPhaden	Phone: 360-786-7114	Date: 01/10/2024
Agency Preparation: Marla Page	Phone: 360-725-3129	Date: 01/12/2024
Agency Approval: Marla Page	Phone: 360-725-3129	Date: 01/12/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 01/16/2024

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

The Department of Commerce (department) is not named nor required to take any actions in this bill. The department assumes no fiscal impact to implement the activities stated in this bill.

Effective date is assumed to be 90 days after adjournment of the session in which this bill is passed.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

None.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

There is no fiscal impact to the department. The department may voluntarily participate in the workshops that the Utilities and Transportation Commission must convene per Section 4 of the bill but it is not named the working group that the Utilities and Transportation (UTC) is to establish on community solar. The department assumes any work would be done within existing resources.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

None.

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

None.

Individual State Agency Fiscal Note

Bill Number: 2253 HB	Title: Community solar	Agency: 215-Utilities and Transportation Commission
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	4.8	2.4	1.0	1.4
Account					
General Fund-State 001-1	0	795,037	795,037	278,842	415,151
Total \$	0	795,037	795,037	278,842	415,151

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Megan McPhaden	Phone: 360-786-7114	Date: 01/10/2024
Agency Preparation: Kim Anderson	Phone: 360-664-1153	Date: 01/16/2024
Agency Approval: Kim Anderson	Phone: 360-664-1153	Date: 01/16/2024
OFM Review: Tiffany West	Phone: (360) 890-2653	Date: 01/16/2024

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Sec. 1 establishes the intention of the legislature to stimulate energy independence from fossil fuels, reduce energy burden, promote economic development, hedge against the effects of climate change, create more energy equity, and attain environmental benefits. The Legislature also finds that participation in low-income solar project supports Clean Energy Transformation Act; offers energy assistance and bill credit to solar customers.

Sec. 2 alters many definitions found in the WAC 480-103, which will need to be updated through a rule making.

Sec. 3 establishes the responsibilities of a community solar project manager and community solar subscription manager. It also allows the Commission to amend required low-income service subscriber levels no sooner than 10-years after the adoption of program rules. Additionally, it requires the Commission to adopt community solar bill credit valuation methodology to recognize and incorporate factors that community solar projects bring to the electrical grid, including adopting a rate for electric utilities to use when crediting a subscriber's bill. The Commission must also adopt a valuation methodology for unsubscribed energy. This engagement is expected to have fiscal impact with additional Staff time.

Sec. 4 requires the Commission to host a minimum of two workshops with interested parties on community solar and within 18 months of the effective date, will adopt rules to implement rules to on the community solar program. This engagement is expected to have significant fiscal impact with additional Staff time.

Sec. 5 establishes a five-year review period of the community solar program once the rules of the program have been adopted and after 10 years, submit a report to the legislature. This engagement is expected to have fiscal impact with additional Staff time.

Sec. 6 establishes the ability of consumer-owned utilities to adopt rules developed by the Commissioner or develop their own. This engagement is expected to have no fiscal impact.

Sec. 7 establishes that no community solar project manager or the like may enter into business in Washington, except established electric utilities, unless they register with the Commission. The contents of the form are detailed, and it provides authority to the Commission to approve or deny registrations, allowing the Commission to charge an application fee to cover the costs of processing. It allows the commission to adopt rules to ensure terms and conditions of community solar projects or services comply with Chapter 36. It establishes authority within the Commission to suspend or revoke registration and issue penalties for violations of the Chapter. This engagement is expected to have fiscal impact with additional Staff time.

Sec. 8 defines various terms. This definition section by nature does not have additional fiscal impact.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

None.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Simple Rulemaking to update definitions.

Sec. 2 and 8 add new and update definitions to the chapter.

FY2025 - \$39,699 total cost

(Administrative Law Judge, 0.06 FTE; Deputy Director | Regulatory Services, 0.02 FTE; Director | Regulatory Services, 0.02 FTE; Policy Advisor, 0.02 FTE; Deputy Asst. Director | Regulatory Services, 0.02 FTE; Regulatory Analyst 2, 0.03 FTE; Regulatory Analyst 3, 0.04 FTE; Asst. Director Policy, 0.02 FTE)

Extensive Rulemaking into Community Solar Program

Sec. 4 requires the Commission to adopt rules related to the Community Solar Project.

FY2025 - \$292,406 total cost

(Administrative Law Judge, 0.08 FTE; Commissioner, 0.04 FTE; Deputy Director | Regulatory Services, 0.08 FTE; Director | Admin. Law & Policy, 0.01 FTE; Paralegal 3, 0.04 FTE; Policy Advisor, 0.42 FTE; Regulatory Analyst 2, 0.30 FTE; Regulatory Analyst 3, 0.13 FTE; Asst. Director Policy, 0.10 FTE; Deputy Asst. Director | Regulatory Services, 0.47 FTE)

Complex Rulemaking to adopt a community solar bill credit valuation methodology.

Sec. 3 – UTC assumes work is needed to adopt community solar bill credit valuation methodology for subscribed and unsubscribed energy, including adopting a rate for electric utilities to use when crediting a subscriber’s bill.

FY2025 - \$202,648 total cost

(Administrative Law Judge, 0.17 FTE; Commissioner, 0.05 FTE; Cons. Prog. Spec. 3, 0.31 FTE; Deputy Director | Regulatory Services, 0.05 FTE; Director | Regulatory Services, 0.05 FTE; Paralegal 3, 0.07 FTE; Policy Advisor, 0.13 FTE; Regulatory Analyst 2, 0.05 FTE; Regulatory Analyst 3, 0.31 FTE; Asst. Director Policy, 0.10 FTE)

Hosting a minimum of two Workshops with Interested parties related to Community Solar Program.

Sec. 4 – UTC assumes workload to host a minimum of two workshops prior to completing the rulemaking for Community Solar Program.

FY2025 - \$120,862 total cost

(Commissioner, 0.03 FTE; Director | Regulatory Services, 0.05 FTE; Deputy Director | Regulatory Services, 0.05 FTE; Policy Advisor, 0.10 FTE; Section Manager | Regulatory Services, 0.07 FTE; Regulatory Analyst 3, 0.10 FTE; Regulatory Analyst 2, 0.09 FTE; Attorney General, 0.10 FTE; Cons. Prog. Spec. 3, 0.07 FTE)

Community Solar Program Review and Report

Sec. 5 – UTC assumes increased workload five years after establishing Community Solar Program rules for review and 10 years after for reporting to the Legislature.

FY2029 and FY2034 - \$136,308 per fiscal year

(Commissioner, 0.03 FTE; Director | Regulatory Services, 0.04 FTE; Deputy Director | Regulatory Services, 0.06 FTE; Policy Advisor, 0.12 FTE; Section Manager | Regulatory Services, 0.09 FTE; Regulatory Analyst 3, 0.12 FTE; Regulatory Analyst 2, 0.09 FTE; Attorney General, 0.12 FTE; Asst. Director, Policy, 0.04 FTE)

Community Solar Registration

Sec. 7 – UTC assumes increased workload due to community solar project managers registering with the Commission before engaging in business in the state of Washington.

FY2025, FY2026, FY2027, FY2028 and FY2029 - \$35,975 per fiscal year

(Asst. Director, Transportation Safety, 0.05 FTE; Licensing Services Manager, 0.12 FTE; Regulatory Analyst 3, 0.12 FTE; Records Manager Specialist, 0.05 FTE)

Community Solar Operation Violations

Sec. 7 – UTC assumes increased workload related to investigations into community solar project managers operating in the state of Washington without registering with the Commission.

FY2025, FY2026, FY2027, FY2028 and FY2029 - \$103,447 per fiscal year

(Asst. Director, Transportation Safety, 0.10 FTE; Licensing Services Manager, 0.14 FTE; Regulatory Analyst 3, 0.17 FTE; Investigator 3, 0.17 FTE; Attorney General, 0.07 FTE)

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	0	795,037	795,037	278,842	415,151
Total \$			0	795,037	795,037	278,842	415,151

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		4.8	2.4	1.0	1.4
A-Salaries and Wages		512,435	512,435	189,690	282,416
B-Employee Benefits		179,354	179,354	66,390	98,845
C-Professional Service Contracts					
E-Goods and Other Services		103,248	103,248	22,762	33,890
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	795,037	795,037	278,842	415,151

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Administrative Law Judge	119,604		0.3	0.2		
Asst. Director, Policy	119,808		0.2	0.1		0.0
Asst. Director, Transportation Safety			0.2	0.1	0.2	0.2
Attorney General	237,600		0.2	0.1	0.1	0.1
Commissioner	174,732		0.1	0.1		0.0
Cons Prog Spec 1	55,224		0.1	0.1	0.1	0.1
Cons Prog Spec 3	70,800		0.4	0.2		
Deputy Asst. Director Regulatory Services	115,440		0.5	0.3		
Deputy Director Regulatory Services	122,724		0.2	0.1		0.0
Director, Administrative Law & Policy	13,477		0.0	0.0		
Director, Regulatory Services	139,908		0.1	0.1		0.0
Investigator 3	86,208		0.2	0.1	0.2	0.2
Licensing Services Manager	80,604		0.3	0.1	0.3	0.3
Paralegal 3	84,192		0.1	0.1		
Policy Advisor	104,004		0.7	0.3		0.1
Records Management Specialist	51,384		0.1	0.0	0.1	0.1
Regulatory Analyst 2	86,208		0.5	0.2		0.1
Regulatory Analyst 3	97,596		0.8	0.4	0.2	0.2
Section Manager Regulatory Services	102,996		0.1	0.0		0.1
Total FTEs			4.8	2.5	1.0	1.4

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Sec. 2 and 8 alters many definitions found in the WAC 480-103, which will need to be updated through a rule making.

Sec. 3 - allows the Commission to amend required low-income service subscriber levels no sooner than 10 years after the adoption of program rules (Sec. 4). Additionally, the Commission must adopt community solar bill credit valuation methodology to recognize and incorporate factors that community solar projects bring to the electrical grid, including adopting a rate for electric utilities to use when crediting a subscriber's bill. The Commission must also adopt a valuation methodology for unsubscribed energy.

Sec. 4 requires the Commission to, within 18 months of the effective date, adopt rules to implement the community solar program.

Individual State Agency Fiscal Note

Bill Number: 2253 HB	Title: Community solar	Agency: 365-Washington State University
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Megan McPhaden	Phone: 360-786-7114	Date: 01/10/2024
Agency Preparation: Anne-Lise Brooks	Phone: 509-335-8815	Date: 01/15/2024
Agency Approval: Chris Jones	Phone: 509-335-9682	Date: 01/15/2024
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 01/15/2024

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

House Bill 2253 relates to the offering of energy assistance through renewable energy programs, including community solar, at a discount to low-income customers.

Section 8 (b) "Certification" means the authorization issued by the Washington State University extension energy program establishing a community solar project administrator's eligibility to receive a low income community solar incentive payment from the electric utility serving the site of the community solar project, on behalf of, and for the purpose of providing direct benefits to, its low-income subscribers, low-income service provider subscribers, and tribal and public agency subscribers.

The Washington State University Extension Energy Program does not expect changes in this bill will affect its costs for administering the community solar program.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.