

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 2297 HB	<b>Title:</b> Solar energy systems/schools
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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		446,000		4,222,000		8,071,000
Local Gov. Other						
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
Superintendent of Public Instruction	.0	0	0	0	.0	0	0	0	.0	0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Superintendent of Public Instruction	.5	726,000	726,000	1.0	4,590,000	4,590,000	1.0	8,439,000	8,439,000
<b>Total \$</b>	<b>0.5</b>	<b>726,000</b>	<b>726,000</b>	<b>1.0</b>	<b>4,590,000</b>	<b>4,590,000</b>	<b>1.0</b>	<b>8,439,000</b>	<b>8,439,000</b>

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			446,000			4,222,000			8,071,000
Local Gov. Other									
Local Gov. Total									

## Estimated Capital Budget Breakout

NONE

Agency Name	2023-25		2025-27		2027-29	
	Total		Total		Total	
Construction	446,000		4,222,000		8,071,000	
Grants/Loans	446,000		4,222,000		8,071,000	
Staff	280,000		368,000		368,000	
<b>Total \$</b>	<b>1,172,000</b>		<b>8,812,000</b>		<b>16,510,000</b>	

<b>Prepared by:</b> Kelsey Rote, OFM	<b>Phone:</b> (360) 000-0000	<b>Date Published:</b> Final 1/18/2024
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 2297 HB	<b>Title:</b> Solar energy systems/schools	<b>Agency:</b> 350-Superintendent of Public Instruction
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

NONE

### Estimated Operating Expenditures from:

NONE

### Estimated Capital Budget Impact:

	2023-25		2025-27		2027-29	
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Predesign/Design	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Grants/Loans	0	446,000	467,000	3,755,000	3,939,000	4,132,000
Staff	0	280,000	184,000	184,000	184,000	184,000
Other	0	0	0	0	0	0
<b>Total \$</b>	<b>0</b>	<b>726,000</b>	<b>651,000</b>	<b>3,939,000</b>	<b>4,123,000</b>	<b>4,316,000</b>

*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: John Wilson-Tepeli	Phone: 360-786-7115	Date: 01/14/2024
Agency Preparation: Kirti Vijay	Phone: 3607256261	Date: 01/18/2024
Agency Approval: Randy Newman	Phone: 360 725-6267	Date: 01/18/2024
OFM Review: Kelsey Rote	Phone: (360) 000-0000	Date: 01/18/2024

## 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: The new section elaborates on the intent of the bill to transition to the use of solar energy as an effective means of reducing the state's reliance on fossil fuels and moving towards more energy efficient buildings.

Sec. 2(1) specifies that the requirements will only apply to public schools that receive a grant award notification under subsection 4 within OSPI's notification timeline.

Sec. 2(2) states that public schools with more than 50,000 gross square feet that commence construction on or after June 1st, 2027 must install qualifying solar energy systems.

Sec. 2(3)(a) includes that public schools planning to construct a qualifying school building must notify OSPI prior to commencement of construction.

Sec. 2(3)(b) elaborates that such notification must include

- (i) the estimated cost of permitting, purchasing, and installing a qualifying solar energy system
- (ii) a comparison of the proposed system's capacity to the school campus' anticipated electrical energy consumption

Sec. 2(3)(c) specifies that the above comparison shall include energy consumption from planned capital investments included in the school district's 10 year capital plan as well as anticipated improvements required to comply with the clean buildings act.

Sec. 2(3)(d) states that to facilitate the submission of project notifications and to assess the public benefit potential of each project, OSPI must:

- (i) Provide technical assistance for estimating costs and project scope.
- (ii) Perform a cost benefit analysis for each project and compare the state's investment to the value produced by the project over a period of at least 25 years. OSPI must estimate whether the project would result in a positive net present value over the period of analysis.

Sec. 2(4) clarifies that OSPI must award grants on a reimbursement basis for the actual cost of qualifying solar energy systems installed. The grants may only be awarded to projects that would result in a positive net present value over the period of analysis.

Sec. 2(5) OSPI must develop a grant program and related administrative processes to:

- (a) Estimate the implementation cost of the program prior to each fiscal biennium.
- (b) Request legislative appropriations for each fiscal biennium no later than September 30th, beginning in 2024.

Sec. 2(6) clarifies that

- (a) Commencement of construction means the date that a building permit is issued for the construction of the school building.
- (b) Qualifying school buildings means buildings owned by public schools that are required to provide solar zones under the building code.
- (c) Qualifying solar energy systems means photovoltaic panels that would maximize the solar energy generation potential but not exceed the school campus' anticipated electrical energy consumption.

### 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.*

No impact to the Office of Superintendent of Public Instruction’s (OSPI) cash receipts.

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.

No impact to OSPI’s operating budget.

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

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
057-1	State Building Construction Account	State	0	726,000	726,000	4,590,000	8,439,000
Total \$			0	726,000	726,000	4,590,000	8,439,000

IV. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		1.0	0.5	1.0	1.0
A-Salaries and Wages		115,400	115,400	230,800	230,800
B-Employee Benefits		55,200	55,200	110,000	110,000
C-Professional Service Contracts		84,600	84,600		
E-Goods and Other Services		6,800	6,800	13,600	13,600
G-Travel		6,800	6,800	13,600	13,600
J-Capital Outlays		11,200	11,200		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services		446,000	446,000	4,222,000	8,071,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	726,000	726,000	4,590,000	8,439,000

#### IV. C - Capital Budget Breakout

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

Construction Estimate	FY 2024	FY 2025	2023-25	2025-27	2027-29
Predesign/Design					
Construction					
Grants/Loans		446,000	446,000	4,222,000	8,071,000
Staff		280,000	280,000	368,000	368,000
Other					
<b>Total \$</b>		726,000	726,000	4,590,000	8,439,000

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

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
WMS 2			1.0	0.5	1.0	1.0
<b>Total FTEs</b>			1.0	0.5	1.0	1.0

The proposed legislation aims to establish a new grant program wherein public schools will be awarded grants to install qualifying solar energy systems on new buildings that exceed 50,000 square feet.

Based on the stipulations of the proposed legislation, data around the number of new or new-in-lieu projects for which grants were awarded under the School Construction Assistance Program between fiscal years 2008 and 2019 were considered. The average square footage and number of aforesaid projects was considered to obtain a fair idea of the volume of the proposed grant program.

Below is a summary of the grant outlined in the proposed legislation. See Attachment 1 and Attachment 2 for detailed calculations.

Long term capital energy consumption comparison report

The bill states that the school districts must provide a comparison of the proposed solar energy system's capacity to the school campus' anticipated electrical energy consumption. This must include the electrical energy consumption from planned capital investments included in their 10-year capital plans as well as from anticipated improvements required to comply with the state's clean building standards.

An estimate of the grants awarded would be as follows,

FY 2025 - \$315,000  
FY 2026 - \$330,000  
FY 2027 - \$346,000  
FY 2028 - \$363,000  
FY 2029 - \$381,000  
FY 2030 - \$400,000  
FY 2031 - \$420,000  
FY 2032 - \$441,000  
FY 2033 - \$463,000  
FY 2034 - \$486,000  
FY 2035 - \$510,000

Life Cycle Cost Analysis & energy conservation report

The bill requires OSPI to perform a cost-benefit analysis for each project and to estimate the net present value of the state's investment over the period of analysis. A life cycle cost analysis would be needed to facilitate this requirement. The

estimated cost of the cost-benefit analysis is based on the costs of the energy conservation report in WAC 392-343-075. Below is an estimate of the grants to be awarded to the school districts to perform this required work,

- FY 2025 - \$131,000
- FY 2026 - \$137,000
- FY 2027 - \$144,000
- FY 2028 - \$151,000
- FY 2029 - \$158,000
- FY 2030 - \$166,000
- FY 2031 - \$174,000
- FY 2032 - \$183,000
- FY 2033 - \$192,000
- FY 2034 - \$201,000
- FY 2035 - \$211,000

Cost of permitting, installation, and commissioning

Based on the square footage, building construction type, building type and the estimated cost of construction, an estimate of the permitting fees, installation, and commissioning charges, are as follows,

- FY 2025 – No Fiscal Impact
- FY 2026 - No Fiscal Impact
- FY 2027 - \$ 954,000
- FY 2028 - \$1,001,000
- FY 2029 - \$1,050,000
- FY 2030 - \$1,101,000
- FY 2031 - \$1,155,000
- FY 2032 - \$1,212,000
- FY 2033 - \$1,271,000
- FY 2034 - \$1,333,000
- FY 2035 - \$1,398,000

Cost of qualifying solar energy systems

The following cost estimates are based on scaling the kilowatt system requirements depending on the building square footage of the project being considered.

- FY 2025 – No Fiscal Impact
- FY 2026 - No Fiscal Impact
- FY 2027 - \$2,311,000
- FY 2028 - \$2,424,000
- FY 2029 - \$2,543,000
- FY 2030 - \$2,668,000
- FY 2031 - \$2,799,000
- FY 2032 - \$2,936,000
- FY 2033 - \$3,080,000
- FY 2034 - \$3,230,000
- FY 2035 - \$3,389,000

OSPI Program Administration

To administer the tasks and responsibilities outlined in the bill, OSPI would need to hire a Program Administrator (1.0 FTE)

to implement and coordinate the new grant program. The position will assist in the creation of the new program, provide technical assistance to school districts wanting to apply for grants, and manage the grants funding awards. In addition to the new hire, OSPI would need to hire a consultant to perform the cost-benefit analysis for the projects being considered for grant awards. The consultant would also help with estimating the net present value over the period of 25 years for which the analysis is to be conducted.

- FY 2025 - \$280,000
- FY 2026 - \$184,000
- FY 2027 - \$184,000
- FY 2028 - \$184,000
- FY 2029 - \$184,000
- FY 2030 - \$184,000
- FY 2031 - \$184,000
- FY 2032 - \$184,000
- FY 2033 - \$184,000
- FY 2034 - \$184,000
- FY 2035 - \$184,000

**Part V: New Rule Making Required**

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



Office of Superintendent of Public Instruction

HB 2297 - Solar Systems in Schools

OSPI Attachment 1

Details	2023-25 Biennium		2025-27 Biennium		2027-29 Biennium		2029-31 Biennium		2031-33 Biennium		2033-35 Biennium	
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Total estimated cost of purchasing solar system				\$ 2,311,000	\$ 2,424,000	\$ 2,543,000	\$ 2,668,000	\$ 2,799,000	\$ 2,936,000	\$ 3,080,000	\$ 3,230,000	\$ 3,389,000
Estimated cost of permitting, installation, etc.				\$ 954,000	\$ 1,001,000	\$ 1,050,000	\$ 1,101,000	\$ 1,155,000	\$ 1,212,000	\$ 1,271,000	\$ 1,333,000	\$ 1,398,000
Long term capital energy consumption comparison report		\$ 315,000	\$ 330,000	\$ 346,000	\$ 363,000	\$ 381,000	\$ 400,000	\$ 420,000	\$ 441,000	\$ 463,000	\$ 486,000	\$ 510,000
Life Cycle Cost Analysis & Energy Conservation Report		\$ 131,000	\$ 137,000	\$ 144,000	\$ 151,000	\$ 158,000	\$ 166,000	\$ 174,000	\$ 183,000	\$ 192,000	\$ 201,000	\$ 211,000
Total estimated project costs	\$ -	\$ 446,000	\$ 467,000	\$ 3,755,000	\$ 3,939,000	\$ 4,132,000	\$ 4,335,000	\$ 4,548,000	\$ 4,772,000	\$ 5,006,000	\$ 5,250,000	\$ 5,508,000
Biennial Total estimated project costs		446,000		4,222,000		8,071,000		8,883,000		9,778,000		10,758,000
OSPI Administration Costs		280,000	184,000	184,000	184,000	184,000	184,000	184,000	184,000	184,000	184,000	184,000
Biennial Total Administrative Costs		280,000		368,000		368,000		368,000		368,000		368,000
Total Costs of Solar Systems in Schools	-	726,000	651,000	3,939,000	4,123,000	4,316,000	4,519,000	4,732,000	4,956,000	5,190,000	5,434,000	5,692,000
Biennial Total Cost of Solar Systems in Schools		726,000		4,590,000		8,439,000		9,251,000		10,146,000		11,126,000

Office of Superintendent of Public Instruction  
HB 2297 - Solar Systems in Schools  
SDF Attachment 2

Details	2023-25 Biennium		2025-27 Biennium		2027-29 Biennium		2029-31 Biennium		2031-33 Biennium		2033-35 Biennium	
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Total estimated grants for purchasing solar system				\$ 2,311,000	\$ 2,424,000	\$ 2,543,000	\$ 2,668,000	\$ 2,799,000	\$ 2,936,000	\$ 3,080,000	\$ 3,230,000	\$ 3,389,000
Estimated cost of permitting, installation, etc.				\$ 954,000	\$ 1,001,000	\$ 1,050,000	\$ 1,101,000	\$ 1,155,000	\$ 1,212,000	\$ 1,271,000	\$ 1,333,000	\$ 1,398,000
Long term capital energy consumption comparison report		\$ 315,000	\$ 330,000	\$ 346,000	\$ 363,000	\$ 381,000	\$ 400,000	\$ 420,000	\$ 441,000	\$ 463,000	\$ 486,000	\$ 510,000
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Total estimated grant funding		\$ 446,000	\$ 467,000	\$ 3,755,000	\$ 3,939,000	\$ 4,132,000	\$ 4,335,000	\$ 4,548,000	\$ 4,772,000	\$ 5,006,000	\$ 5,250,000	\$ 5,508,000
Biennial Total estimated grant funding		446,000		4,222,000		8,071,000		8,883,000		9,778,000		10,758,000

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 2297 HB	<b>Title:</b> Solar energy systems/schools	<b>Agency:</b> SDF-School District Fiscal Note - SPI
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Local School District-Private/Local New-7		446,000	446,000	4,222,000	8,071,000
<b>Total \$</b>		446,000	446,000	4,222,000	8,071,000

**Estimated Operating Expenditures from:**  
NONE

### Estimated Capital Budget Impact:

	2023-25		2025-27		2027-29	
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Predesign/Design	0	0	0	0	0	0
Construction	0	446,000	467,000	3,755,000	3,939,000	4,132,000
Grants/Loans	0	0	0	0	0	0
Staff	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>Total \$</b>	<b>0</b>	<b>446,000</b>	<b>467,000</b>	<b>3,755,000</b>	<b>3,939,000</b>	<b>4,132,000</b>

*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: John Wilson-Tepeli	Phone: 360-786-7115	Date: 01/14/2024
Agency Preparation: Kirti Vijay	Phone: 3607256261	Date: 01/18/2024
Agency Approval: Randy Newman	Phone: 360 725-6267	Date: 01/18/2024
OFM Review: Kelsey Rote	Phone: (360) 000-0000	Date: 01/18/2024

## 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: The new section elaborates on the intent of the bill to transition to the use of solar energy as an effective means of reducing the state's reliance on fossil fuels and moving towards more energy efficient buildings.

Sec. 2(1) specifies that the requirements will only apply to public schools that receive a grant award notification under subsection 4 within OSPI's notification timeline.

Sec. 2(2) states that public schools with more than 50,000 gross square feet that commence construction on or after June 1st, 2027 must install qualifying solar energy systems.

Sec. 2(3)(a) includes that public schools planning to construct a qualifying school building must notify OSPI prior to commencement of construction.

Sec. 2(3)(b) elaborates that such notification must include

- (i) the estimated cost of permitting, purchasing, and installing a qualifying solar energy system
- (ii) a comparison of the proposed system's capacity to the school campus' anticipated electrical energy consumption

Sec. 2(3)(c) specifies that the above comparison shall include energy consumption from planned capital investments included in the school district's 10 year capital plan as well as anticipated improvements required to comply with the clean buildings act.

Sec. 2(3)(d) states that to facilitate the submission of project notifications and to assess the public benefit potential of each project, OSPI must

- (i) Provide technical assistance for estimating costs and project scope
- (ii) Perform a cost benefit analysis for each project and compare the state's investment to the value produced by the project over a period of at least 25 years. OSPI must estimate whether the project would result in a positive net present value over the period of analysis

Sec. 2(4) clarifies that OSPI must award grants on a reimbursement basis for the actual cost of qualifying solar energy systems installed. The grants may only be awarded to projects that would result in a positive net present value over the period of analysis.

Sec. 2(5) OSPI must develop a grant program and related administrative processes to

- (a) Estimate the implementation cost of the program prior to each fiscal biennium
- (b) Request legislative appropriations for each fiscal biennium no later than September 30th, beginning in 2024

Sec. 2(6) clarifies that

- (a) Commencement of construction means the date that a building permit is issued for the construction of the school building
- (b) Qualifying school buildings means buildings owned by public schools that are required to provide solar zones under the building code
- (c) Qualifying solar energy systems means photovoltaic panels that would maximize the solar energy generation potential but not exceed the school campus' anticipated electrical energy consumption

### 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.*

The proposed legislation aims to establish a new grant program wherein public schools will be awarded a grant to install qualifying solar energy systems on new buildings that exceed 50,000 square feet.

Below is a summary of the grant outlined in the proposed legislation. See Attachment 2 for detailed calculations.

FY 2025 - \$ 446,000  
FY 2026 - \$ 467,000  
FY 2027 - \$ 3,755,000  
FY 2028 - \$ 3,939,000  
FY 2029 - \$ 4,132,000  
FY 2030 - \$ 4,335,000  
FY 2031 - \$ 4,548,000  
FY 2032 - \$ 4,772,000  
FY 2033 - \$ 5,006,000  
FY 2034 - \$ 5,250,000  
FY 2035 - \$ 5,508,000

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.

No impact to local school district’s operating budget.

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

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
New-7	Local School District	State	0	446,000	446,000	4,222,000	8,071,000
Total \$			0	446,000	446,000	4,222,000	8,071,000

#### IV. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services					
G-Travel					
J-Capital Outlays		446,000	446,000	4,222,000	8,071,000
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
<b>Total \$</b>	0	446,000	446,000	4,222,000	8,071,000

#### IV. C - Capital Budget Breakout

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

Construction Estimate	FY 2024	FY 2025	2023-25	2025-27	2027-29
Predesign/Design					
Construction		446,000	446,000	4,222,000	8,071,000
Grants/Loans					
Staff					
Other					
<b>Total \$</b>		446,000	446,000	4,222,000	8,071,000

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

NONE

The proposed legislation aims to establish a new grant program wherein public schools will be awarded grants to install qualifying solar energy systems on new buildings that exceed 50,000 square feet.

Below is a summary of the grant outlined in the proposed legislation. See Attachment 2 for detailed calculations.

Long term capital energy consumption comparison report

The bill states that the school districts must provide a comparison of the proposed solar energy system's capacity to the school campus' anticipated electrical energy consumption. This must include the electrical energy consumption from planned capital investments included in their 10-year capital plans as well as from anticipated improvements required to comply with the state's clean building standards.

An estimate of the grants awarded would be as follows,

FY 2025 - \$315,000  
FY 2026 - \$330,000  
FY 2027 - \$346,000  
FY 2028 - \$363,000  
FY 2029 - \$381,000  
FY 2030 - \$400,000  
FY 2031 - \$420,000  
FY 2032 - \$441,000

FY 2033 - \$463,000  
FY 2034 - \$486,000  
FY 2035 - \$510,000

#### Life Cycle Cost Analysis & energy conservation report

The bill requires OSPI to perform a cost-benefit analysis for each project and to estimate the net present value of the state's investment over the period of analysis. A life cycle cost analysis would be needed to facilitate this requirement. The estimated cost of the cost-benefit analysis is based on the costs of the energy conservation report in WAC 392-343-075, an estimate of the grants to be awarded to the school districts to perform this required work is as follows:

FY 2025 - \$131,000  
FY 2026 - \$137,000  
FY 2027 - \$144,000  
FY 2028 - \$151,000  
FY 2029 - \$158,000  
FY 2030 - \$166,000  
FY 2031 - \$174,000  
FY 2032 - \$183,000  
FY 2033 - \$192,000  
FY 2034 - \$201,000  
FY 2035 - \$211,000

#### Grants for permitting, installation, and commissioning

Based on the square footage, building construction type, building type and the estimated cost of construction, an estimate of the permitting fees, installation, and commissioning charges, are as follows,

FY 2025 – No Fiscal Impact  
FY 2026 - No Fiscal Impact  
FY 2027 - \$ 954,000  
FY 2028 - \$1,001,000  
FY 2029 - \$1,050,000  
FY 2030 - \$1,101,000  
FY 2031 - \$1,155,000  
FY 2032 - \$1,212,000  
FY 2033 - \$1,271,000  
FY 2034 - \$1,333,000  
FY 2035 - \$1,398,000

#### Grants for qualifying solar energy systems

The following grant estimates are based on scaling the kilowatt system requirements depending on the building square footage of the project being considered.

FY 2025 – No Fiscal Impact  
FY 2026 - No Fiscal Impact  
FY 2027 - \$2,311,000  
FY 2028 - \$2,424,000  
FY 2029 - \$2,543,000  
FY 2030 - \$2,668,000

FY 2031 - \$2,799,000  
FY 2032 - \$2,936,000  
FY 2033 - \$3,080,000  
FY 2034 - \$3,230,000  
FY 2035 - \$3,389,000

## **Part V: New Rule Making Required**

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



Office of Superintendent of Public Instruction

HB 2297 - Solar Systems in Schools

SDF Attachment 2

Details	2023-25 Biennium		2025-27 Biennium		2027-29 Biennium		2029-31 Biennium		2031-33 Biennium		2033-35 Biennium	
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Total estimated grants for purchasing solar system				\$ 2,311,000	\$ 2,424,000	\$ 2,543,000	\$ 2,668,000	\$ 2,799,000	\$ 2,936,000	\$ 3,080,000	\$ 3,230,000	\$ 3,389,000
Estimated cost of permitting, installation, etc.				\$ 954,000	\$ 1,001,000	\$ 1,050,000	\$ 1,101,000	\$ 1,155,000	\$ 1,212,000	\$ 1,271,000	\$ 1,333,000	\$ 1,398,000
Long term capital energy consumption comparison report		\$ 315,000	\$ 330,000	\$ 346,000	\$ 363,000	\$ 381,000	\$ 400,000	\$ 420,000	\$ 441,000	\$ 463,000	\$ 486,000	\$ 510,000
Life Cycle Cost Analysis & Energy Conservation Report		\$ 131,000	\$ 137,000	\$ 144,000	\$ 151,000	\$ 158,000	\$ 166,000	\$ 174,000	\$ 183,000	\$ 192,000	\$ 201,000	\$ 211,000
Total estimated grant funding		\$ 446,000	\$ 467,000	\$ 3,755,000	\$ 3,939,000	\$ 4,132,000	\$ 4,335,000	\$ 4,548,000	\$ 4,772,000	\$ 5,006,000	\$ 5,250,000	\$ 5,508,000
Biennial Total estimated grant funding		446,000		4,222,000		8,071,000		8,883,000		9,778,000		10,758,000