

FINAL BILL REPORT

E2SHB 1007

C 65 L 09
Synopsis as Enacted

Brief Description: Creating a sustainable energy trust.

Sponsors: House Committee on Capital Budget (originally sponsored by Representatives Morris, Chase, Morrell, Liias, Anderson, Upthegrove, Seaquist, Hudgins and Moeller).

House Committee on Technology, Energy & Communications
House Committee on Capital Budget
Senate Committee on Environment, Water & Energy

Background:

The Housing Finance Commission (Commission) was established in 1983 to act as a financial conduit which, without using public funds or lending the credit of the state or local government, can issue revenue bonds and participate in federal, state, and local housing programs. In setting up the Commission, the Legislature sought to make available additional funds at affordable rates to help provide housing throughout the state.

The Commission is authorized to:

- issue bonds;
- invest in, purchase, or make commitments to purchase or take assignments from mortgage lenders of mortgages or mortgage loans;
- make loans to or deposits with mortgage lenders for the purpose of making mortgage loans; and
- participate fully in federal and other governmental programs.

Summary:

Sustainable Energy Trust Program.

If economically feasible, the Housing Finance Commission (Commission) must develop and implement a Sustainable Energy Trust Program to provide financing for qualified improvement projects. In developing the Sustainable Energy Trust Program, the Commission must establish eligibility criteria for financing that will enable it to choose eligible applicants who are likely to repay loans made or acquired by the Commission and funded from the proceeds of Commission bonds.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Commission is directed, if economically feasible, to:

- issue bonds for the purpose of financing loans for qualified energy efficiency and renewable energy improvement projects;
- participate fully in federal and other governmental programs and take actions that secure to itself and the people of the state the benefits of programs to promote energy efficiency and renewable energy technologies;
- contract with a certifying authority to accept applications for energy efficiency and renewable energy improvement projects, to review applications, including binding fixed price bids for the improvements, and to approve qualified improvements for financing by the Commission; and
- consult with the Washington State University Energy Extension Program to determine which potential improvement technologies are appropriate, before entering into a contract with a certifying authority that is not the Washington Climate and Rural Energy Development Center.

No State General Fund resources may be expended to implement the Sustainable Energy Trust Program.

Definitions.

"Certifying authority" means: (1) for improvements involving solar electric systems, the Washington Climate and Rural Energy Development Center at Washington State University; or (2) for all other energy efficiency and renewable energy improvements, any utility company or other institution qualified to assess and certify the feasibility and benefit of energy efficiency and renewable energy improvements in a manner that is efficient and minimizes the amount of time or cost.

"Eligible applicant" means, with respect to the Sustainable Energy Trust Program, an owner of a residential, agricultural, commercial, state, or municipal property.

"Energy efficiency improvement" means an installation or modification that is designed to reduce energy consumption in residential, agricultural, commercial, state, or municipal properties. The term includes, but is not limited to: insulation; storm windows and doors; automatic energy control systems; heating, ventilating, or air conditioning and distribution system modifications or replacements in buildings or central plants; caulking and weather stripping; energy recovery systems; geothermal heat pumps; and day lighting systems.

"Qualified improvement" means an energy efficiency improvement which has been approved by a certifying authority or a net metering system as defined under the net metering statute.

"Under the net metering system" means a fuel cell, a facility that produces electricity and used and useful thermal energy from a common fuel source, or a facility for the production of electrical energy that generates renewable energy, and that:

- has an electrical generating capacity of not more than 100 kilowatts;
- is located on the customer-generator's premises;
- operates in parallel with the electric utility's transmission and distribution facilities;
- and

- is intended primarily to offset part or all of the customer-generator's requirements for electricity.

"Renewable energy" is defined under the net metering statute to mean energy generated by a facility that uses water, wind, solar energy, or biogas from animal waste as a fuel.

Votes on Final Passage:

House	85	10
Senate	43	2

Effective: July 26, 2009