



Energy Program

WASHINGTON STATE UNIVERSITY

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August 31, 2021

Mr. Keenan Konopaski
Legislative Auditor
106 11th Avenue SW
P.O. Box 40910
Olympia, WA 98504-0910

Mr. Konopaski,

Thank you for the opportunity to comment on the staff's review of the Credit for Renewable Energy Program Payments for the Joint Legislative Audit and Review Committee (JLARC). As you know, the Washington State University Energy Program administered, and continues to administer, this credit on behalf of the state. Therefore, we are intimately familiar with the legislation that created the credit and the features of the credit that we administer.

Overall, we agree with the conclusion that resulted from your review and the recommendation to allow the tax credit to expire in its current form. Specifically, we believe the review:

- Evidences a clear understanding of the credit and the resulting program by the your staff
- Correctly identifies the stated legislative objectives
- Correctly identifies the legislative intent in:
 - Promoting the installation of renewable energy systems
 - Creating opportunities for broader low-income participation
 - Balancing a mix of system types and community solar system owners
 - Catalyzing the manufacturing of solar modules in the State of Washington
- Correctly assesses the effectiveness of the credit in supporting the achievement of those objectives and legislative intent elements, determining that the credit achieved, or nearly achieved some, but not all of those outcomes
- Correctly notes specifically that the credit design did not lead to as much low-income participation as had been hoped

It is clear to us that the credit and its predecessor were a catalyst for the solar industry in Washington, and that the industry has become self-sustaining. It is clear that Silfab Solar intends to continue manufacturing modules in Washington both for use in Washington and for sale elsewhere. And it is clear that the experience that utilities gained with solar through the program will be part of the foundation on which they build for their achievement of the goals of the State's Clean Energy Transformation Act.

It is also clear that the design of the community solar effort did, in fact provide benefits for low income residents of the state. However, those efforts did not result in unsubsidized replicable models for providing solar benefits to low income. Developing a model for community solar that is successful in both attracting low income participants and providing benefits to low income individuals has been a challenge nationally. The review notes that some of the community solar projects explored ways of providing benefits to low income individuals or organizations that support them. These were voluntary explorations by those project sponsors from which others can learn. However, our experience with the credit did not reveal any models for an unsubsidized community solar development process that achieves these low income participation and support goals. There is more to be done in this area.

Thank you for the opportunity to provide comments on the staff review.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd Currier", with a long, sweeping horizontal stroke extending to the right.

Todd Currier
Director