

POLICY NO. 30-425**SUBJECT: Renewable Energy Incentive Program****PURPOSE:**

To establish the way in which OCEC (the Cooperative) will voluntarily participate in the State of Washington's Renewable Energy System Cost Recovery program as set forth in Washington Administrative Code 458-20-273. That rule explains the renewable energy system cost recovery program provided in RCW 82.16.110 through 82.16.130, which authorizes an incentive payment based on production to offset the costs associated with the purchase of renewable energy systems located in Washington state that generate electricity using solar, wind or certain types of systems or anaerobic digesters.

REFERENCE:

WAC 458-20-273 is available online at: <http://apps.leg.wa.gov/WAC/default.aspx?cite=458-20-273> .

RCW 82.16 is available online at: <http://app.leg.wa.gov/RCW/default.aspx?cite=82.16.110>

DEFINITIONS:

NET METERING: Measuring the difference between the electricity supplied by the Cooperative and the electricity generated by a Member-generator that is fed back to the Cooperative over the applicable billing period.

NET METERING SYSTEM: 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:

- Uses either water, wind, solar energy, or biogas from animal waste as a fuel;
- Has an electrical generating capacity of not more than one hundred kilowatts;
- Is located on the Member-generator's premises and for which the Cooperative has, at the time of application as Member-generator, an active account in the Member-generator's name;
- Operates in parallel with the Cooperative's transmission and distribution facilities; and
- Is intended to offset part or all of the Member-generator's requirements for electricity.

NET METERING LOCATION: The single connection point of a net metering system to the OCEC power system where power flow is measured in both directions.

POLICY:

The Cooperative has reached the limit of incentive payments available under WAC 458-20-273 and therefore will not consider new applications for the incentive payments program at this time. If any new incentives are approved, the Board will look at all options for the use of these incentives and this may or may not include incentives for individual installations.

Notwithstanding the cap on new applications, the Cooperative will continue to fulfill its obligations to OCEC members who became eligible for incentive payments as set forth in WAC 458-20-273 prior to the OCEC reaching its incentive payment limit.

I. REQUIREMENTS:

A. **Eligibility:** Those receiving incentive payments must continue to:

- a. be an OCEC member with an active account at their net metering location;
- b. meet the terms and conditions of their net metering agreement with OCEC;
- c. meet all requirements specified in WAC 458-20-273.

B. **Metering**

The member will provide the Cooperative reasonable access to the electric meter used to measure energy production of the member's net metering system.

C. Accounting and Billing

The Automatic Meter Reading (AMR) production meter will be read remotely by Cooperative personnel at least annually and the annual incentive payment will be calculated by the Cooperative. The member will be notified within sixty days whether an incentive payment is authorized or denied. Such annual production payments will be based on the meter reading or readings made prior to the accounting date of July 1st. If authorized, the Cooperative will process the incentive payment on or before December 15th of each year.

The Cooperative's Accountant shall be responsible for applying a credit on the Cooperative's Washington State public utility taxes equal to the actual amount paid out as incentive payments to its qualifying members.

D. Limitations

Issuance of incentive payments by the Cooperative is limited by the greater of:

- (a) Twenty-five one hundredths of one percent (0.25%) of the Cooperative's prior year's taxable sales under Washington State's law; or
- (b) One hundred thousand dollars (\$100,000), whichever is greater.

Based on this public utility tax credit limitation, qualifying members' incentive payments may be proportionally reduced.

- E. Survivorship
The invalidity of any one or more phrases, clauses, sentences, paragraphs or provisions of this policy by virtue of state or federal laws shall not affect the remaining portions hereof and all surviving sections of the policy shall remain in full force and effect.
- F. The Washington Renewable Incentive Program agreement is transferrable to any entity that acquires the property designated in the original agreement.

II. RESPONSIBILITY:

The General Manager shall have the responsibility for implementation of this policy.

ATTESTING:

Secretary

President

Date

Revised 09/26/2016
Revised 04/24/12
Revised 04/26/11
Established 7/29/08