

August 28, 2017

**The PUD has received customer comments about potential changes to our solar program. Here are some regional and local updates about solar issues.**

**First, some updates about the state production incentive program:**

- A new bill was passed and signed by Governor Inslee changing what Washington state will authorize the PUD to pay current solar customers for their generation during the 2016/17 fiscal year.
- The Department of Revenue has advised us that amendments to RCW 82.16.120 allow the PUD to pay full incentive rates for production in the 2016/2017 fiscal year.
- With this direction, we are currently working to prepare and send out applications for the Cost Recovery Program to all qualified solar customers.

**You also may have received an email or letter from your solar installer relating to a rate schedule change Snohomish PUD is considering. Here are some key points around that possible change:**

- A presentation on this issue was made in an open public session to our Board of Commissioners on July 25 (read here) and had robust community feedback – including from solar installers – after the presentation. Additionally, we actively reached out to concerned groups such as the Northwest Energy Coalition to attend the meeting and provide input.
- No decision has been made on net metering rates by our Commission, and there's no date set on when the Commissioners will make a decision. We are in the early stages of this process.
- *Under the proposal, existing solar customers would continue to receive their current rates. If you are now a net metering customer of Snohomish PUD, you will continue to receive credits on your electric bill as you have been and per your contract.*
- The PUD has shown a strong commitment to solar and other renewables. Our Board directs us to seek out local renewable sources first for our power portfolio (including solar).
- The rate structure changes we are considering are in line with many utilities across the US. Going forward, we are taking into account the actual value of solar energy, equity among all of our customer/owners and the effect of solar generation on our system throughout the year.
- As solar installations have grown in our service area, the costs associated with them have come down. As a result, it's become harder for us to ask all of our customers to continue to subsidize future solar installations through their electric rates, as well as through their taxes, as they've been doing since the beginning of the program.

**We appreciate your support of solar and hope this will help answer questions and clarify some issues.**