



PLANNING & DEVELOPMENT SERVICES

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AOI Regarding Renewable Energy Systems and Major Utility Developments

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This document serves as an Administrative Official Interpretation¹ for renewable energy systems, including solar panels and windmills, that the Department currently considers “major utility developments” under Skagit County Code 14.04.

BACKGROUND

In past years, Skagit County Planning & Development Services has issued permits for several windmills and “power towers” that serve individual homes and businesses. In processing applications for those permits, the Department determined that Skagit County Code classifies those installations that would feed electricity back to the electrical grid as Major Utility Developments. The Department based that determination on the definition of Major Utility Development found in SCC 14.04:

Major utility development: utility developments designed to serve a broader community area, or are manned.

...

Utilities: include, but are not necessarily limited to, facilities and services that generate, transport, process, or store water, sewage, solid waste, electrical energy, communications and pipelines for fuel, oil, natural gas, and petroleum products.

Recently, several landowners have complained that the classification of windmills as Major Utility Developments is not justified by the language of the code, and unfair given that such developments require a special use permit in all zones. A special use permit in a residential zone currently requires a \$3,000 non-refundable application fee. Additional related fees might raise the applicant's expense to more than \$5,000. Moreover, under the Department’s current interpretation, simple roof-attached solar panels could also require a \$3,000 special use permit.

DISCUSSION

Many state-level policies support renewable energy. In 2006, Washington voters approved Initiative 937, which requires large utilities to obtain 15% of their electricity from renewable resources, not

¹ Administrative Official Interpretations are authorized by Skagit County Code 14.06.040(3).

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including hydropower, by 2020.² Other states in our regional electrical grid, including California and Montana, passed similar legislation that will create additional demand for renewable energy sources in Washington State.

Most renewable energy generation systems appropriate for single-family homes generate much less energy than a normal home consumes. Even the largest such Skagit County installation, a 160-foot windmill tower recently installed by Highland Energy Systems at its facility north of Burlington, generates about 25 kWh of electricity per day, or 9,125 kWh per year.³ A typical single-family dwelling in Washington State requires about 12,736 kWh per year.⁴

The goal of most household renewable energy systems is to be able to send electricity back to the grid, even though on average the household will still need to draw significant amounts from the grid. Renewable energy systems do not always generate electricity at the same time it is needed for household use, and battery systems are expensive. Most renewable energy customer-generators therefore use the “net-metering” provisions of RCW 80.60 to send the electricity to the electrical grid, where it can be used by other consumers and reduce demand on coal and other non-renewable systems. Washington State provides for a significant incentive payment for renewable electricity sent to the grid of up to 15¢ per kilowatt-hour, nearly double what a typical household pays for electricity from Puget Sound Energy.

CONCLUSION

There appears to be little justification, either as a matter of policy or as a matter of existing code, for considering renewable energy systems to be Major Utility Developments simply because they connect to the grid. A renewable energy system designed to generate less electricity than a typical single-family dwelling requires is not “designed to serve a broader community area,” even if it is connected to the regional power grid. Therefore, this AOI changes Planning & Development Services policy to no longer consider such renewable energy systems to be Major Utility Developments.

A windmill, photovoltaic array, or other renewable energy system that constitutes a “net metering system” under RCW 80.60 shall be considered an Accessory Use. An Accessory Use is defined in SCC 14.04 as “a use, building or structure, which is dependent on and subordinate or incidental to, and located on the same lot with, a principal use, building, or structure.” A special use permit will not be required.

² Washington Secretary of State, Text of Initiative 937, at 3-5,
<http://www.secstate.wa.gov/elections/initiatives/text/I937.pdf>.

³ The first line on the Highland Energy Systems website indicates that “...our ‘Power Tower’ is now on-line at our shop facility in Burlington, Washington, and is currently delivering about 25 kWh of carbon-free energy per day to the local utility grid.” <http://www.highlandenergysystems.com> (last visited Apr. 30, 2008).

⁴ U.S. Department of Energy, Average Residential Monthly Use, Electricity Basic Statistics,
<http://www.eia.doe.gov/neic/quickfacts/quickelectric.html> (last modified Nov. 2007).

RIGHT TO APPEAL

A notice of this Administrative Official Interpretation will be published in the *Skagit Valley Herald* on July 3, 2008. Administrative Interpretations may be appealed to the Skagit County Hearing Examiner, following the procedures of SCC 14.06.110(7)-(14). Standing to bring an appeal is limited to aggrieved parties. Parties with standing to appeal must submit the appeal form and appeal fees to the Planning & Development Services department within 14 calendar days of the publication of the notice of decision.

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