

MINUTES
Board of Regents
September 21, 2018

The Board of Regents of Washington State University (WSU or University) met pursuant to call in Open Meeting at 8:30 a.m. on Friday, September 21, 2018, at WSU Vancouver, Firstenburg Student Commons, Rooms 101-103, Vancouver, Washington.

Present: Regent Ron Sims, Chair; Regents Ted Baseler, Brett Blankenship, Scott Carson, Marty Dickinson, Jordan Frost, Lura Powell, Heather Redman, and Mike Worthy; President Kirk H. Schulz; Faculty Representative Judith McDonald.

I. OPENING

A. Report from the Chair of the Board of Regents. Chair Sims called the meeting to order and provided welcoming remarks to the audience. Chair Sims said he would like to begin his report by extending a special welcome to the Board's newest members, Regent Marty Dickinson and Student Regent Jordan Frost. Chair Sims reported Regent Frost was appointed by Governor Jay Inslee to serve a term of July 1, 2018 – June 30, 2019 and is currently a first year graduate student at WSU Spokane, pursuing a master's degree in teaching. Regent Dickinson is a graduate of Washington State University, currently serves in the forefront of Spokane's business and civic organizations and has led successful teams across a wide range of industries. She has more than 27 years of marketing, branding, communications and organizational management experience.

Chair Sims reported on recent activities Board members had participated in since the last regular Board meeting:

- The WSU Board of Regents held its annual retreat June 7-8 in Woodinville, WA. Regents heard presentations and participated in discussions on topics including: Benchmarking, WSU/UW Partnerships, Student Health and Wellness initiatives, and Information Technology initiatives. Chair Sims reminded the audience that Board of Regents retreats provide a unique and important opportunity for Board members and University leadership to review and discuss in depth, issues and initiatives that impact the University system-wide.
- Regent and Vice Chair Blankenship attended the new Plant Sciences Building Groundbreaking Ceremony on June 27. The fourth of six planned buildings in the V. Lane Rawlins Research and Education Complex on the Pullman Campus was approved by the Washington State Legislature this year. It is a four-story, 95,000 square-foot building that supports Washington's \$51 billion food and agriculture industry by providing a modern research venue for faculty and students in plant biochemistry, plant pathology, horticulture, and crop and soil sciences.
- Regent Frost attended the Student Government Council (SGC) meetings on July 12 and 13 at WSU Everett and participated in this year's Convocation ceremony on August 17 held in Pullman.

- Regents Powell, Blankenship and Frost attended the Elson S. Floyd College of Medicine second Annual White Coat Ceremony on August 17th in Spokane.

In conclusion, Chair Sims reminded the audience there would be a public comment period during the meeting. He said the public comment period would be after the regular agenda items and would be for up to 10 minutes.

B. Report from the President of the University. President Schulz said there are many reasons to feel optimistic about the university's future, including many recent achievements that will advance the Drive to 25 and provide tremendous momentum as WSU begins the fall semester. President Schulz reported:

- Record system-wide enrollment: 31,478 students. Total enrollment increased 2.8% from a year ago, nearly a 10% increase from 5 years ago. Undergraduate enrollment is up 3.2% system-wide to 26,098 students with increases on the Pullman, Vancouver, Everett and Global campuses. Graduate enrollment is down 1.1% system-wide to 4,153 students with Pullman being the only campus that experienced graduate student growth, up 1.5%. Professional enrollment is up 7.7% system-wide to 1,277 students which was boosted in part by the addition of the second class of 60 first year medical students. Total enrollment on the Pullman campus, 21,022 is up 3.6% from a year ago and WSU Everett's campus enrollment grew to 275 and increase of 23.9% from 1 year ago. President Schulz said WSU continues to enroll a large incoming undergraduate class. The new freshman class system-wide is 5,164 students, up 12% from last fall. The new transfer class system-wide is 2,701, up .07% from last fall. He said diversity and first generation enrollment remain strong and that 30% of system-wide enrollment is comprised of ethnically diverse students, up almost 1% over last fall, and that 33.8% of system-wide enrollment is comprised of first generation students.
- Outstanding fundraising achievements: \$145.1 million. Overall, private gift giving topped \$145.1 million during FY 2018 and was the third best fundraising year in WSU history. The endowment reached a high-water mark of \$502 million and endowment disbursements topped \$25 million which supports students, faculty, research and other programs. Athletic fundraising had a record \$15.49 million in gifts last year with a record \$7.7 million in gifts to the Cougar Athletic Fund (CAF) which supports scholarships. Giving to the CAF has increased 58% the past 4 years. President Schulz said a vibrant culture of philanthropy is essential for success in the Drive to 25 and WSU's next major fundraising campaign.
- Significant progress in restoring fiscal health: The University reduced its annual operating deficit by \$22 million last fiscal year, surpassing the FY2018 goal by \$12 million. The reduction was achieved by a combination of spending reductions and a greater than expected revenue growth including tuition and self-sustaining funds. President Schulz said the achievement is a credit to faculty and staff who have worked hard to reduce costs and increase revenues and WSU will continue to hold spending in check until the central budget reserves are replenished.
- Record R & D expenditures: \$356.9 million: This represents a \$21 million increase over the previous year and includes \$152.8 million in federal R&D expenditures, an increase of more than \$16 million from the previous year. WSU faculty rank #7 in total R&D expenditures per tenure-track faculty among the 21 peer institutions, and are out-

competing faculty from Purdue, Ohio State, Virginia Tech, University of Illinois, and Michigan State in this metric. The number of \$500 thousand plus multidisciplinary grants submitted almost tripled from the prior year from 17 to 48. President Schulz said these accomplishments are a testament to the efforts of faculty, staff and students system-wide and will need to be sustained and grown to continue building a pre-eminent research portfolio and advance the Drive to 25 goals.

- Successful accreditation, with numerous commendations: The Northwest Commission on Colleges and Universities (NWCCU) reaffirmed accreditation through 2025. WSU received 6 commendations, including for:
 - Transparency and inclusiveness in administrative decision-making;
 - The fostering of a strong esprit de corps;
 - Effective initiatives to improve student access and success;
 - WSU's approach to assessing student learning outcomes;
 - Plans to revitalize classrooms to serve today's learners;
 - Focusing research on the Grand Challenges.

Reaccreditation reaffirms quality and effectiveness of WSU's ability to fulfill its mission and is another external validation that supports the Drive to 25.

- State capital appropriations: \$113 million: President Schulz said funds provided by the Washington state legislature last year represent a vote of confidence in WSU and the university's state-wide mission. Allocations will fund construction of a new plant sciences building and phase II of the Global Animal Building on the Pullman campus, planning funds for new academic buildings in the Tri-Cities and Vancouver campuses, funds for the establishment of the Joint Research Center for Depolyment and Research in Earth Abundant Materials to be jointly managed by WSU, Pacific Northwest National Laboratory (PNNL), and the University of Washington, and funds for facility preservation and maintenance.
- Continued success of the Elson S. Floyd College of Medicine: This fall WSU admitted the second class of medical students to the Elson S. Floyd College of Medicine. He noted the class is comprised of 58% women, which beats the national average of 50.7%, 38% are over the age of 25, 38% are first generation college graduates, 43% are from low socio-economic status backgrounds, and 13 Washington counties are represented (Asotin, Clark, Cowiltz, Grant, Kitsap, King, Pierce, Snohomish, Spokane, Stevens, Thurston, Whitman, Yakima). President Schulz reported partnerships with health care organizations continue to grow state-wide and research opportunities continue to expand.
- Groundbreaking for the new Washington Animal Disease Diagnostic Lab (WADDL) facility: WSU held a groundbreaking ceremony for the new wing to the Paul G. Allen Center for Global Health on September 15. The new facility will allow WADDL to continue to serve as a critical resource for the state, region, and nation, ensuring that WSU remains an industry leader in disease surveillance, diagnostics, innovative research, and education on a global scale. Construction is scheduled to be complete in 2021.
- \$1 million gift to build world-renowned pollinator center: WSU alumni Ken and Sue Christianson donated \$1 million to help build the research facility on WSU's Pullman campus. The facility is still in the fundraising phase with a goal of \$15 million. President Schulz said the program is currently doing phenomenal work despite challenges involved in shuttling between 3 different locations to do complex research.
- Effort to build metro-area partnerships for WSU and WSU Vancouver: Washington State University Alumnus Max Ault will join the University's staff as the Assistant Vice Chancellor

for Strategic Partnerships effective February 1. Assistant Vice Chancellor Ault's focus will be strategic engagement in the broader Portland-Vancouver metropolitan area for both WSU Vancouver and WSU system-wide. He will be responsible for engaging the university with businesses and individuals in Portland and beyond in areas including research and business partnerships, internships, philanthropy and student recruitment.

President Schulz concluded his report announcing the reappointment of Regent Ron Sims to the Board of Regents. He thanked Chair Sims for his service to the Board which began in December of 2011 and announced Chair Sims' appointment now runs through September 30, 2023.

C. WSU Vancouver Chancellor's Report: Chancellor Mel Netzhammer welcomed the Board of Regents and the audience to the Vancouver Campus. Chancellor Netzhammer began his report showing the Regents and audience a recently released video that he said tries to capture the spirit of the Vancouver Campus. Chancellor Netzhammer pointed out to the audience that in the video there were several students wearing t-shirts with the VanCoug Journey logo and he said that this is a part of the campus Strategic Plan. Chancellor Netzhammer reported the Vancouver campus is in full implementation of its strategic plan this year and part of that plan is helping students to think about what their career at WSU is going to look like, what will their major be, how do they enculturate into the campus, what things do they need to do to be successful, and how do they access the services on campus.

Chancellor Netzhammer further reported that it has been one year since the Vancouver campus instituted a technology fee. He noted that one of the things that was hugely important to students was better access to wireless in outdoor spaces. Chancellor Netzhammer said because of the new technology fee, students and staff were able to more than double the access to wireless across campus. He said another issue students wanted to address with the new fee was a laptop loaner program. Chancellor Netzhammer said the laptop loaner program has been used much more extensively than was anticipated and as a result the number of laptops available through the program will be increased.

Chancellor Netzhammer reported one focus at the Vancouver campus has been campus safety and building a culture of a safe campus for students and staff. Chancellor Netzhammer introduced Vice Chancellor for Finance and Operations Lynn Valenter and Director of Public Safety and Police Services Lt. Dave Stephenson who provided the Regents a presentation on initiatives the Vancouver campus has implemented with regard to safety.

Vice Chancellor Valenter said one of the differences at WSU Vancouver in relation to other campuses not in Pullman is that the Vancouver campus has a commissioned police department. She said this allows for a more coordinated effort with other law enforcement agencies in the community.

Lt. Stephenson said the support of the WSU administration for training, drills, and presentations and President Schulz's culture of safety statewide has helped significantly to build a community of faculty, staff and students who are supportive of safety efforts campus wide. Lt. Stephenson said the Vancouver campus has built redundancy into its emergency notification system and reported the WSU Vancouver uses the same Everbridge mass notification system employed on the Pullman campus. He also reported, the mass notification is supported by the ability to use the campus telephone system and fire system speakers for emergency announcements. Lt. Stephenson reported the Vancouver campus has a crisis communication team comprised of six

administrative level personnel cross trained to use those systems so that announcements can be made in a timely manner. He further reported the campus has regular drills and system tests. Since 2006 the campus has conducted evacuation/fire drills each semester and since 2012, lockdown drills each semester, the campus Crisis Communication Team drill quarterly, and annually an earthquake awareness drill.

Lt. Stephenson reported the Vancouver campus also provides a number of safety programs including the AWARE Network program. He said the AWARE Network program, is a cooperative program between Public Safety and Student Services to identify and contact students who may be at risk and provide them with assistance in a variety of resources. Lt. Stephenson further reported the Vancouver campus offers public safety presentations, self-defense training, first aid/CPR training, a safety walk-out program, a vehicle unlock service, panic buttons throughout campus, evacuation rally point maps and interior classroom door locks.

Chancellor Netzhammer concluded his report with an update on the WSU Vancouver initiative to build a more robust presence in the Portland area. He said leadership has been looking at a range of opportunities including philanthropic opportunities, research partnerships, student internships, economic development and increasing enrollment by recruiting more heavily in the Portland area.

II. CONSENT AGENDA.

Chair Sims reported there were two items on the Consent Agenda.

- A) Approval of Minutes – May 4, 2018, Board of Regents Meeting and June 8, 2018, Board of Regents Retreat

Chair Sims asked if any Regent wished to remove an item on the Consent Agenda to be considered separately. Hearing no requests, it was moved and seconded that the Consent Agenda be approved. Carried.

III. REPORTS FROM SHARED GOVERNANCE GROUPS. Representatives from each of the following University groups—WSU Foundation, Faculty Senate, Associated Students of Washington State University Vancouver, and the Administrative and Professional Advisory Council—reviewed their reports as submitted. (*Exhibit A*)

VI. STUDENT AFFAIRS AND STUDENT LIFE COMMITTEE REPORT. Regent Frost, standing in for the Chair of the Student Affairs and Student Life Committee Lura Powell, reported the Committee heard two presentations. He reported Athletic Director Pat Chun provided the committee with an Athletics Update and Vice President Mary Jo Gonzales made a presentation titled "Holistic Cougar Experience" which focused on student mental health initiatives university-wide.

VII. RESEARCH AND ACADEMIC AFFAIRS COMMITTEE REPORT. Regent Redman reported the Research and Academic Affairs Committee heard presentations on three Future Actions Items and one Information Item. Regent Redman reported Executive Vice President and Provost Dan Bernardo made presentations on the establishment of a Health Equity Research Center, the discontinuance of the Masters of Business Administration at WSU Tri-Cities, and the

discontinuance the Bachelor of Science in Athletic Training, and Vice President for Research Chris Keane provided the committee with an Office of Research update.

VIII. INSTITUTIONAL INFRASTRUCTURE COMMITTEE REPORT. Regent Blankenship reported the Institutional Infrastructure Committee reviewed a presentation on Future Action Item – WSU Tri-Cities, Academic Building – Design and Pre-Construction Approval. Regent Blankenship reported this agenda item would be forwarded to the Board at the November 2018 meeting for further review and possible approval.

IX. FINANCE AND COMPLIANCE COMMITTEE REPORT. Regent Baseler reported the Finance and Compliance Committee reviewed presentations on seven Information Items and one Future Action Item. He said Chief Audit Executive Heather Lopez provided an Internal Audit Update and Vice President for Finance and Administration Stacy Pearson provided an update to the Committee regarding an Oracle Contract Addendum signed under delegated authority by the President. Regent Baseler further reported the committee was provided with an Office of Equal Opportunity Compliance Update by Executive Director for Compliance Kimberly Anderson and noted the presentation was extensive and thorough. Regent Baseler said the Committee then heard a presentation on the Finance and Human Resources Modernization Initiative: Overview of WSU's Workday Implantation Approach provided by Vice President for Finance and Administration Stacy Pearson and Associate Vice President for Finance Matt Skinner. Regent Baseler reported Associate Vice President and Chief Budget Officer Joan King provided three presentations: 1) 2019-2021 Biennial Budget Operating and Capital Requests, 2) University Budget Update, and 3) Athletic Budget Update. Lastly, Regent Baseler report the Committee heard a presentation on increasing market demand for the Cosmic Crisp® Apple and expects that to come back to the Board for approval at the November Board of Regents meeting.

X. STRATEGIC AND OPERATIONAL EXCELLENCE COMMITTEE REPORT. Regent Carson reported the Committee heard presentations on nine agenda items. He said that under Information Items, the Committee was provided with the opportunity to hear the annual review of the endowment fund presented by Vice President for Advancement and CEO of the WSU Foundation Lisa Calvert and review a presentation on fall 2018 enrollment presented by Provost and Executive Vice President Dan Bernardo. Regent Carson further reported the committee reviewed presentations on four Future Action Items, Proposed Revisions to WAC 504-26 Standards of Conduct for Students, Proposed Revisions to WAC 504-04 Practice and Procedures, Proposed Revisions to WAC 540-36-030 Spectator Events-Safety Rules-Public Records, and 2020 Board of Regents Meeting Schedule. Regent Carson reported the Committee heard presentations on three Action Items and forwarded the following for the Board's consideration:

WSU Vancouver, 2018 Update to the Campus Master Plan

It was moved and seconded that the Board of Regents adopt the WSU Vancouver, 2018 Update to the Campus Master Plan and that the Board delegate authority to the President to approve minor changes or adjustments that may be needed to secure final approval by Clark County officials as proposed. Carried. *(Exhibit B)*

Proposed Revision to WAC 504-49 Energy Program

It was moved and seconded that the Board of Regents approve revisions to the WAC Chapter 504-49 as proposed. Carried. *(Exhibit C)*

President's 2018/2019 Goals and Objectives

It was moved and seconded that the Board of Regents accept the President's 2018-2019 Goals and Objectives as proposed. Carried. *(Exhibit D)*

Establishment of a Medical Technology Incubator

Regent Carson reported there was one additional item carried forward from the May 4, 2018 Board of Regents meeting. At the May 2018 meeting, the Regents passed a motion to postpone until the September meeting consideration of an Action Item regarding establishment of a medical technology incubator. Regent Carson said, because discussions regarding a possible incubator are ongoing, this matter is not ready for consideration by the Regents at this time and moved to postpone the Regents' consideration of a motion to establish a medical technology incubator indefinitely. Regent Carson further said, when the matter is brought again before the Regents, he recommended that it be brought as a Future Action item first to ensure any remaining questions have been thoroughly addressed.

It was moved and seconded that the Board of Regents postpone the Regents' consideration of a motion to establish a medical technology incubator indefinitely. Carried. *(Exhibit D)*

XI. OTHER BUSINESS. No Other Business

XII. PUBLIC COMMENT PERIOD. Pamela Webster of Ridgefield, WA submitted written public comment. Ms. Webster, unable to attend the meeting in person, requested to submit her comments regarding the *WSU Vancouver, 2018 Update to the Campus Master Plan* agenda item via email.

XIII. ADJOURNMENT. The meeting adjourned at 10:30 AM.

Approved by the Board of Regents at its meeting held November 16, 2018, in Pullman, Washington.

SIGNED COPY AVAILABLE IN THE PRESIDENT'S OFFICE

WASHINGTON STATE UNIVERSITY  FOUNDATION

September 20, 2018

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: WSU Foundation Regents Report

SUBMITTED BY: Lewis Lee, President, WSU Foundation
Chair, Board of Directors, WSU Foundation

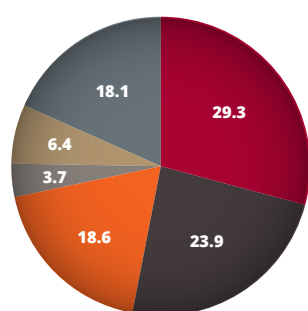
The Washington State University Foundation is pleased to report the following:

- During Fiscal Year 2018 (July 1, 2017—June 30, 2018) the WSU Foundation received \$145.1 million in total fundraising commitments as of June 30, 2018. This is 26 percent over the annual goal of \$115 million, is the third highest fundraising total in WSU history, and was the most successful year outside of a campaign. More information can be found on the Year-to-Date Progress Report that accompanies this report.
- WSU announced several notable highlights this past year, including:
 - The Edmund O. Schweitzer III Chair in Power Apparatus and Systems was created in the Voiland College of Engineering and Architecture, thanks to gifts totaling \$1.5 million from Edmund and Beatriz Schweitzer, and the employee owners of Pullman-based Schweitzer Engineering.
 - The Wine Spectator Scholarship Foundation donated \$1 million to the Viticulture & Enology Program at the Ste. Michelle Wine Estates WSU Wine Science Center at WSU Tri-Cities.
 - Alexandra Navrotsky, Distinguished Interdisciplinary Professor of Ceramic, Earth and Environmental Materials Chemistry at University of California-Davis, established the Alexandra Navrotsky Institute for Experimental Thermodynamics with a \$1 million gift to WSU's Gene and Linda Voiland School of Chemical Engineering and Bioengineering.
 - The W.M. Keck Foundation awarded two prestigious grants totaling \$1.7 million to support innovative chemistry research in WSU's College of Arts and Sciences. Keck Foundation leadership noted that it is extremely rare for two awards to be made to one institution in the same year.
- The WSU endowment saw more than \$24 million in new contributions and experienced a net gain in market value of more than \$37 million to finish the fiscal year at \$502.3 million. Distributions from the endowment topped \$18.6 million in direct support for students, faculty, research, and other programs University-wide.
- Under the leadership of Lisa Calvert, Vice President for Advancement and CEO of the WSU Foundation, WSU's advancement team continues to align organizational structure, systems, processes, staffing, and resources to position WSU's fundraising operation for optimal, sustainable philanthropic growth. Approximately 60 advancement staff are actively participating in a number of strategic task forces, each created to tackle specific objectives aimed at improving WSU's fundraising operation.
- The next meetings of the WSU Foundation Trustees will be October 18-19, 2018, at WSU Pullman. The next meeting of the Board of Directors is October 19, 2018, at WSU Pullman. The WSU Foundation will host its 39th Annual Recognition Gala on the evening of October 19, 2018, at WSU Pullman.

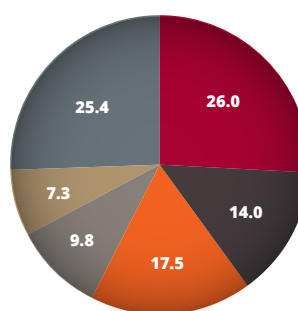
WASHINGTON STATE UNIVERSITY FOUNDATION
YEAR-TO-DATE PROGRESS REPORT
 July 1, 2017 - June 30, 2018

Fiscal Year-to-Date	6/30/2018	6/30/2017
Gift Totals	\$59,222,523	\$51,388,500
Private Grants	\$26,226,772	\$31,222,770
Sub Total, Gifts & Grants	\$85,449,295	\$82,611,271
Pledge Balance	\$10,683,329	\$11,354,063
Sub Total Gifts, Grants & Pledges	\$96,132,623	\$93,965,334
Revocable Gifts	\$33,865,382	\$16,867,590
Annual Fundraising Totals	\$129,998,005	\$110,832,924
Other Contributions	\$15,126,341	\$11,853,428
Annual Total	\$145,124,346	\$122,686,352

Note: These figures are unaudited

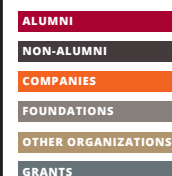


JUNE 2018



JUNE 2017

FISCAL YEAR CONTRIBUTIONS BY SOURCE
(AS A PERCENTAGE)



Month Ending	6/30/2018	6/30/2017
Gift Totals	\$5,716,351	\$7,908,390
Private Grants	\$5,299,677	\$5,101,344
Sub Total, Gifts & Grants	\$11,016,028	\$13,009,734
Pledge Balance	\$1,291,119	\$7,751,976
Sub Total Gifts, Grants & Pledges	\$12,307,146	\$20,761,710
Revocable Gifts	\$7,191,380	\$790,000
Other Contributions	\$96,121	\$100,060
Monthly Total	\$19,594,647	\$21,651,770

Endowment Summary	Fiscal Year Ended 6/30/2018	Fiscal Year Ended 6/30/2017
Endowment, Beginning 6/30	\$466,147,989	\$418,880,665
Gifts and Other Additions	\$24,101,183	\$19,320,863
Investment Gains (Losses)	\$37,262,540	\$53,056,317
Distributions to WSU Programs and Endowment Advc. Assessment	-\$25,248,953	-\$25,109,856
Endowment, Ending	\$502,262,759	\$466,147,989
Investment Return FY-To-Date (July 1, 2017 - June 30, 2018)	8.00%	12.80%
1-year Return	8.00%	12.80%
3-year Return	6.30%	4.40%
5-year Return	7.30%	7.70%
10-year Return	4.80%	4.20%

KEY STATISTICS	6/30/2018	6/30/2017
Alumni of Record Available for solicitation	186,557	181,887
Alumni Participation Rate	11.3%	11.9%
Total Number of FY Donors	53,859	55,743
Total FY Gifts, Grants, Pledges, Revocable Commitments	111,524	108,931

September 21, 2018

TO: ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: Faculty Senate Report

SUBMITTED BY: Jeannette Mageo, Chair of the Faculty Senate

1. The Washington State Council of Faculty selected Dr. Susan Finley as the WSU awardee of the 2018 Timm Ormsby Award for Faculty Citizenship. This statewide award was created to recognize exemplary civic engagement by faculty at each of the six public state of Washington baccalaureates. Dr. Finley has consistently engaged in addressing issues of poverty and homelessness. She implemented community-based education with people in tent communities, street youths, homeless and housed poor children and their families. She continues to direct the At Home At School program she developed at WSU Vancouver in 2002 in which over 2,500 local students have participated. Working with Slow Food Southwest Washington, Dr. Finley involves students in making mobile murals depicting food justice, local foods, and food traditions among local immigrant communities. Dr. Finley also assists Clark County Planned Parenthood with the Untold Stories project, which attempts to use stories to transform culture.
2. The Faculty Senate has a new website which will help provide a mechanism for broad participation and sharing of information in matters of interest to our constituents. Chair Elect, Greg Crouch was instrumental in the design and content of the website.
3. Judith McDonald, Past-Chair of Faculty Senate, continues her work on standardizing the WSU system of tracks and titles.
4. The FY 18 Faculty and Administrative Professional Salary Equity Pilot Study was completed and presented to President Schulz on August 22nd. The overall findings were inconclusive and it is recommended that further study models be reviewed.
5. The Executive Committee attended the Council of Faculty Retreat hosted at Central Washington University for the Third Annual Higher Education Legislative Planning Retreat. This retreat is directed mainly at legislative representatives from the six participating Washington State Institutions, acquainting them with current issues in the legislature and with how to effectively interact with legislators. It also serves to acquaint shared governance leaders with issues are being addressed at the other participating institutions
6. The WSU Faculty Senate Executive Secretary, Amy Nielsen, was elected Executive Director of the PAC-12 Academic Leadership Coalition, a consortium of shared governance leaders from PAC-12 universities.

September 21, 2018

TO: ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: ASWSUV Regents Report

SUBMITTED BY: Ian Muck, ASWSUV Interim President
Travis Toth, ASWSUV Interim Vice President

The work done by ASWSUV so far has largely revolved around hiring a new Elections Board, Executive staff and the training of all ASWSUV Officers and Senators. This year is much different from any previous year at our university due to an overturned election and the implementation of an interim president and vice-president. In these roles, we have worked to set the incoming president and vice-president up for a successful academic year. The following are ways in which we have promoted student involvement and key pillars of the university.

Director of Campus and Community Outreach

In the spring semester of 2018, ASWSUV made the decision to create the position Director of Campus and Community Outreach on the executive staff. This would address the much-needed inclusion of our graduate students into the mission of ASWSUV. Natalie Ewing was chosen to fill this role for the 2018-2019 academic year. Since starting in her role, Natalie has been working closely with our graduate students and other student organizations to help them feel heard and valued on our campus.

Peace Paper Project

During the week of October 8th Washington State University Vancouver will be bringing artist Drew Luan Matott to campus to give students and community members the opportunity to engage with the Peace Paper Project. This will be both a campus and community event, which will allow people of all ages to learn about the papermaking process. The theme of this week-long event is 'storytelling'. When one considers that clothing, paper etc. has a story and that story has or will have a profound impact on their lives.

Equity and Diversity

As the Interim President and Vice President, we have stood firmly in support the university's pillar of ensuring equity for all students and promoting diversity on our campus. This, of course, is easier said than done. We have faced adversity for doing so, but in the end, we stood strong and are proud of how ASWSUV has handled and continues to handle difficult situations. It is our responsibility to represent the student voice and cultivate a safe campus for all to engage and learn.

A great example of upholding these values is ASWSUV, with the help of our chancellor, was able to get the Mike Leach jersey, that hung in the Firstenburg Student Commons, taken down, due to the offensive behavior displayed by coach leach via social media. We do not believe his behavior warrants any of his memorabilia to be part of student spaces on campus. Students would like to see a Tyler Hilinski or Butch jersey hung in its place instead.

Special Election

The special election for a new president and vice-president began on September 7th and concluded yesterday September 19th, 2018. The newly elected executive ticket will now lead ASWSUV based on the platform they ran on (insert platform). We have brought the execs along tonight to introduce them to you all, please welcome (Insert names).

September 21, 2018

TO: ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: GPSA Board of Regents Report

SUBMITTED BY: Amir Gilmore

On behalf of GPSA, I would like to thank the Board of Regents for your continued support of graduate and professional students. It is with great pleasure that I report the following:

PDI Update: The Professional Development Initiative (PDI) continues to be a successful program as it enters its third official year. This tremendous partnership between GPSA, the Graduate School, and the President's Office, truly provides the opportunity for graduate and professional students; postdoctoral students, faculty, and staff to "hone in" on their "soft" skills to become a better person, student, researcher, instructor, and administrator. This year, PDI will facilitate 34 events and expects to serve over 1,000 WSU community members, similarly to last year. GPSA and the Graduate School have developed a PDI matrix that will guide students and recommend events to them that they should attend based on where they are at in their academic careers. Lastly, through WSU's Center of Interdisciplinary Statistical Education and Research (CISER), GPSA compiled survey satisfaction data from the last two academic years. Between those two years, 92% of all participants believe that their expectations are being met; 99% of all participants would attend more PDI events and 99% of all participants state that PDI is offering valuable resources.

TEDx: GPSA has the license to host a TEDx. TEDx brings the spirit of TED's mission of ideas worth spreading to local communities around the globe. The theme for the event is "Growing Sustainable Solutions." The theme was modeled after two of the four pillars of WSU's Grand Challenges. GPSA looks forward to making this event as inclusion as possible, as we want speaker presentations from undergraduates, graduate and professional students, faculty/staff, and members within the Pullman community. We are planning to have TEDx in March 2019, around the same time of the Academic Showcase and SURCA.

GPSA Seed Grants: To foster a deeper connection between GPSA and its constituents, GPSA is offering seed grants to senators throughout the various colleges at WSU. Senators within a college (i.e. College of Education) will collectively be allocated \$1,000 and will use that money to provide more robust services to the constituents in their department. The funds can be used for networking events, speaker series, community service projects, and funding for Registered Student Organizations.

Mental Health Initiatives: The mental health of graduate and professional students will always be a priority for GPSA and our Vice President of Legislative Affairs Joshua Munroe, has taken the lead on this charge. On August 7, 2017, Josh attended the Suicide Prevention and Mental Health Resource Working Group Meeting in Spokane, WA with US Senator Patty Murray. On the Pullman campus, Josh is serving on the Mental Health Task Force that is being supervised by the Associate Vice President of Student Engagement Dr. Ellen Taylor. Lastly, Josh and GPSA Executive Vice President David Silva are flying to Washington D.C. from 9/11 -9/15 to meet with federal legislators about graduate and professional student mental health and factors that can impact your mental health (i.e. student loans, food insecurity, immigration status).

September 21, 2018

TO: ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: Administrative Professional Advisory Council Report

SUBMITTED BY: Stephanie Rink, Chair

The Administrative Professional Advisory Council is pleased to report the following:

1. APAC started the year with a new executive team; Stephanie Rink, Chair; Maria de Jesus Dixon, Vice Chair; and Sue Gilchrist, Treasurer. The year began with an all-day retreat led by the newly elected Chair. The theme for this year's retreat was *Communication and Collaboration: The Building Blocks of APAC's Mission*. The retreat was heavily focused on communication and working collaboratively together as a council to support the mission. President Schulz spoke on communication and collaboration, then building on that presentation with a training exercise on communication by way of StrengthsFinder assessment and skills building and group work with subcommittees to create strategic goals.
2. APAC continues to work closely with the Northwest Coalition of Professional Staff, APAC councilmember Karen Garrett is this years NCPS Chair. NCPS held their annual conference July 18-20 with 109 total attendees across 7 universities from Idaho and Washington, 18 attendees from WSU.
3. APAC continues to have a voice on the Fiscal Health Advisory Committee, Vice Chair Maria de Jesus Dixon is a member of this committee and will be reporting to and for APAC.
4. The FY 18 Faculty and Administrative Professional Salary Equity Pilot Study was completed and presented to President Schulz on August 22nd. Overall findings were inconclusive with recommendations to move the task force forward have been sent to President Schulz.
5. APAC continues to work on the Professional Development Initiative. Our professional development committee is working diligently on our monthly professional development seminars bringing in WSU staff and/or faculty to offer these seminars and have been reviewing our constituent's survey responses to host speakers outside of WSU. The fall 2018 speaker, once approved, will be Jake French, a motivational speaker who is the living example of what is possible when the right attitude, mindset, and strategies are in place. He will present in partnership with the Carson College of Business on *Leadership without Limits* and *Anyone can be a Leader; How to Gently Lead your Leadership*.
6. APAC will host AP Forums on each campus this year accompanied by APAC's Executive Leadership and President Schulz. The first forum will be held on September 13th on the Pullman campus. These forums are intended as a way for APAC to openly communicate with our constituents on issues related to APs and for President Schulz to communicate on Presidential initiatives.
7. APAC continues to work closely with Dave Cillay, VP Academic Outreach & Innovation, and President Schulz on the Employee Online Tuition Scholarship.
8. APAC continues monthly council meetings where all APs are encouraged to attend and VPs and upper administration are asked to present on initiatives and updates throughout the year. APAC Executive Leadership will continue to meet with President Schulz monthly.

September 21, 2018

TO: ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: WSU Alumni Association Progress Report

SUBMITTED BY: Ashley MacMillan, WSUAA President 2018-19

A Jam-Packed Fall Lineup

The WSUAA has an exciting lineup of events this fall, all of which are already showing signs of great success.

The gold-award-winning *Feast of the Arts* dinner series kicked off on Friday, September 7. For the 11th consecutive year, all *Feast* dinners sold out. This year the dinners sold out before the end of July for the first time. One dinner sold out 36 hours after it was announced. Each year, we present a series of exquisite four-course dinners featuring fare sourced from WSU and prepared by talented HBM students, paired with exceptional wines by a Cougar-connected winery. For the 2018 *Feast* dinners, we are partnering with REININGER Winery, Mercer Wine Estates, Gordon Estate, Clearwater Canyon Cellars, Northstar Winery and Chateau Ste. Michelle, and Basalt Cellars.

Homecoming will take place September 28-29. The WSUAA will host our annual Bonfire & Pep Rally which includes special appearances by President Schulz, Pullman Mayor Glenn Johnson, WSU sports teams, and Butch. The WSU Cheer Squad and Marching Band will provide the evening's entertainment. Immediately following the Bonfire, the WSUAA's Platinum Life and Life Member Reception honors our lifetime members with a special reception featuring hors d'oeuvres, Wine-By-Cougars wines, and music. WSUAA volunteer leaders from across the country will also be in Pullman over the Homecoming Weekend to conduct their Fall Leadership Conference which is packed with training sessions, networking, and presentations from WSU leaders from across the system.

The WSUAA is hosting three PreGame events this year in cooperation with Cougar Athletics, including September 21 vs. USC, October 27 vs. Stanford, and November 10 vs. Colorado. We also hosted an Official Cougar Tailgate event in Wyoming for the September 1 game. (Both the event and the game were big victories for WSU.) WSUAA volunteers continue to plan TV Viewing Parties for each football game at Cougar-friendly establishments. Last fall, we hosted 504 events across the country...a number we are sure to beat this year.

August saw the release of Cougar V, the fifth wine in the Cougar Collectors' Series. Cougar V is produced by Mercer Wine Estates. We held two Release Parties on August 19, one at Mercer's Prosser winery and the other in their Georgetown neighborhood tasting room event space in Seattle. Nearly 500 alumni and friends attended the two events. While enjoying the wine, they learned about the impact WSU alumni have on the wine industry. Revenues from the Collectors' Series support WSUAA initiatives including scholarships for students in Viticulture & Enology and Wine Business Management.

ACTION ITEM #1

WSU Vancouver, 2018 Update to the Campus Master Plan (Stacy Pearson/Mel Netzhammer/Olivia Yang)

September 21, 2018

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: WSU Vancouver, 2018 Update to the Campus Master Plan

PROPOSED: That the Board of Regents adopt the WSU Vancouver, 2018 Update to the Campus Master Plan and that the Board delegate authority to the President to approve minor changes or adjustments that may be needed to secure final approval by Clark County officials.

SUBMITTED BY: Stacy Pearson, Vice President for Business and Finance

**SUPPORTING
INFORMATION:**

The WSU Vancouver Master Plan was last updated in 2007 and provided a framework for the campus' growth. Since that time, there have been new demands on the campus, necessitating an update to the campus master plan. The update to the existing master plan was developed based on feedback from the campus community and local stakeholders in a very transparent, interactive process over the last year. One of the benefits of a master plan is that it provides a structured framework for reaching an informed decision when determining future sites for capital projects. Board of Regent approval of this updated master plan is requested as a precursor to requesting a change to permit undergraduate housing to the University District zoning designation.

The 2018 Update of the Campus Master Plan for WSU Vancouver supplements but does not replace the Campus Master Plans approved in 1992 and updated in 2007. This update identifies three new academic buildings to be located along the Mount St. Helens view corridor – referred to as one of two organizational axes. Universities are dynamic places and the needs of the community change in time. Therefore, the master plan is written with flexibility and adaptability in mind.

The following are promoted in the 2018 Master Plan:

- Creates a plan that supports and enables the University's strategic goals and positions it to compete with AAU member institutions.
- Contemplates and plans for the future accommodation of student housing, dining, and student life.
- Accommodates anticipated increases in enrollment, while creating a framework for interdisciplinary collaboration.
- Continues open space network of linked formal and informal green spaces that establishes a sense of place and links the campus to the natural environment.
- Demonstrates transparency in both the development and distribution of the plan to the WSU Vancouver community and surrounding community.
- Creates a multimodal transportation, access and parking strategy.
- Outlines strategies for sustainability to help the University reduce its carbon footprint.

ATTACHMENTS: Design Presentation - *Copy on file with meeting materials*
WSUV Master Plan Report - *Copy on file with meeting materials*

BOARD OF REGENTS
WSU Vancouver, 2018 Update to the Campus Master Plan
Resolution #180921-588

WHEREAS, the Board of Regents of Washington State University by virtue of RCW 28B.10.528 has authority to delegate by resolution to the President of the University, or designee, powers and duties vested in or imposed upon the Board by law and to enable the President, or designee to act on behalf of the Board of Regents in matters relating to the administration and governance of the University.

RESOLVED: That the Washington State University Board of Regents approve the WSU Vancouver, 2018 Update to the Campus Master Plan and delegate authority to the President to approve minor changes or adjustments that may be needed to secure final approval by Clark County officials

Dated this 21st day of September, 2018.

Chair, Board of Regents

Secretary, Board of Regents

ACTION ITEM #2
Revisions to the WAC Chapter 504-49 Energy Program
(Daniel J. Bernardo)

September 21, 2018

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: Revisions to the WAC Chapter 504-49

PROPOSED: That the Board of Regents approve revisions to the WAC Chapter 504-49

SUBMITTED BY: Daniel J. Bernardo, Provost and Executive Vice President

SUPPORTING INFORMATION: Effective October 1, 2017 and per legislation passed over the summer in ESSB 5939, a large share of the responsibility for administering the Renewable Energy System Incentive Program was transferred from the Washington State Department of Revenue to the Washington State University Energy Program. The WSU Energy Program resides within the College of Agricultural, Human, and Natural Resource Sciences and is administered by WSU Extension.

In order to meet the requirements of ESSB 5939 and be able to provide immediate guidance to the public, Washington State University, under the delegated authority to President Schulz, filed the attached, revised chapter with the state Code Reviser's Office as emergency rules on October 30, 2017. Prior to the submission, the Renewable Energy System Incentive Program, the College of Agricultural, Human, and Natural Resource Sciences (WSU Extension), the Office of the Provost, and the Office of the President carefully reviewed and approved the filing. The Renewable Energy System Incentive Program has been operating under the emergency rules since October 30, 2017.

The WSU Energy Program has developed the permanent rules for operating the Renewable Energy System Incentive Program and introduced those rules as a future action item at the March 2018 meeting of the Board of Regents. The proposed permanent rules have been published and open to a public commenting phase that extended through April 12, 2018. As a result of comments received, the WSU Energy Program made changes to the permanent rules prior to adoption by the Board of Regents. Making changes to the rules then required another draft, review and approval

process, as well as another public hearing prior to sending the rules forward for approval by the Board of Regents.

In the interim timeframe, Washington State University refiled the emergency rules on July 18, 2018. The refiling process was critical as the Energy Program cannot operate without rules needed to administer the incentive program as mandated by the state legislature.

Prior to the submission, the Renewable Energy System Incentive Program, the College of Agricultural, Human, and Natural Resource Sciences, the Office of the Provost, and the Office of the President carefully reviewed and approved of the filing.

The permanent rules pertaining to the Renewable Energy System Incentive Program and the WAC Chapter 504-49 are attached for the Board of Regent's consideration and approval.

ATTACHMENT: Attachment A

RENEWABLE ENERGY SYSTEM INCENTIVE PROGRAM

NEW SECTION

WAC 504-49-010 Introduction. (1) The rules in this chapter explain the renewable energy system incentive program, which is administered by the Washington State University energy program (hereinafter referred to as "energy program"). It is the legislature's intent to provide the incentives as described in RCW 82.16.130 in order to ensure the sustainable job growth and vitality of the state's renewable energy sector. The purpose of the incentive is to reduce the costs associated with installing and operating renewable energy systems by persons or entities receiving the incentive. This incentive program authorizes an incentive payment based on electricity generated by renewable energy systems located in Washington state. Qualified renewable energy systems include:

(a) Solar energy systems;

(b) Wind generators; and

(c) Certain types of anaerobic digesters that process manure from livestock into biogas and dried manure using microorganisms in a closed oxygen-free container, in which the biogas (such as methane) fuels a generator that generates electricity.

(2) The rules in this chapter are divided into seven parts based on subject matter, as follows:

(a) Part I: Definitions;

(b) Part II: Participation and application requirements, and incentive levels by project type;

(c) Part III: Calculation of incentives;

(d) Part IV: General topics;

(e) Part V: Manufactured in Washington state;

(f) Part VI: Application process for currently certified renewable energy systems in the cost recovery incentive program; and

(g) Part VII: Appeals rights.

[]

PART I
DEFINITIONS

NEW SECTION

WAC 504-49-100 Overview. The definitions in Part I of this chapter (this section and WAC 504-49-103 through 504-49-195) apply throughout this chapter unless the context clearly requires otherwise.

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NEW SECTION

WAC 504-49-103 Administrator. The term "administrator" has the following two meanings in this chapter:

(1) For purposes of a shared commercial solar project, the administrator is a utility or a business under contract with a utility which administers a shared commercial solar project that meets the eligibility requirements specified in this chapter. The administrator applies for certification on behalf of each of the project participants. In addition, the administrator performs administrative tasks on behalf of the owners as may be necessary, such as:

- (a) Receiving the renewable energy incentive payments;
- (b) Allocating and paying appropriate amounts of such payments to owners; and
- (c) Communicating with the energy program about any changes in participants.

(2) For purposes of a community solar project as defined in WAC 504-49-120, the administrator is the utility, nonprofit, or local housing authority (as defined in RCW 35.82.020) that organizes and administers the community solar project. The administrator is responsible for applying for the renewable energy system incentive on behalf of the system's owners. In addition, the administrator performs administrative tasks on behalf of the owners as may be necessary, such as:

- (a) Receiving the renewable energy incentive payments;
- (b) Allocating and paying appropriate amounts of such payments to owners; and
- (c) Communicating with the energy program about any changes in participants.

[]

NEW SECTION

WAC 504-49-105 Caps and limits. "Caps and limits" are defined as follows:

(1) "Annual incentive limits" means the annual limits on total incentives paid per person, business, or household for a given fiscal year of electricity generation from the four project types described in chapter 36, Laws of 2017, 3rd sp. sess. (ESSB 5939). Each incentive recipient may qualify for payments up to the incentive cap within each project type. However, incentive recipients who have multiple projects within one project type are subject to the cap for the applicable project type. These caps are as follows:

- (a) Residential-scale systems: Five thousand dollars;
- (b) Commercial-scale systems: Twenty-five thousand dollars;

(c) Shared commercial solar projects: Up to thirty-five thousand dollars per year per project participant, as determined by the terms specified in chapter 36, Laws of 2017, 3rd sp. sess. (ESSB 5939); and

(d) Community solar projects: Five thousand dollars per project participant.

(2) "Utility credit cap" means that the maximum annual incentives paid by an electrical utility may not exceed one and one-half percent of the businesses' taxable power sales generated in calendar year 2014 and due under RCW 82.16.020 (1)(b) or two hundred fifty thousand dollars, whichever is greater, up to the utility's public utility tax liability.

(3) "Project type cap" has the following two meanings in this chapter:

(a) For commercial-scale systems, the project type cap is twenty-five percent of the remaining funds for credit available to a utility as of July 1, 2017; and

(b) For community solar and shared commercial solar projects combined, the project type cap is fifty percent of the remaining funds for credit available to a utility as of July 1, 2017.

(4) "Incentive rate limit" for shared commercial solar project participants means that the incentive rate must not exceed the difference between the levelized cost of energy output and the participant's retail rate.

(5) "Total program limit" means that the total incentive payments made under this program (in this chapter) may not exceed one hundred ten million dollars.

[]

NEW SECTION

WAC 504-49-108 Certification. "Certification" means the authorization issued by the energy program establishing a system's eligibility and the eligibility of a person, business, or household to receive annual incentive payments from the serving utility for the incentive program term.

[]

NEW SECTION

WAC 504-49-110 Commercial-scale system. "Commercial-scale system" means a renewable energy system or system other than a community solar project or a shared commercial solar project with a direct current combined nameplate capacity greater than twelve kilowatts that meets the applicable system eligibility requirements established in section 6, chapter 36, Laws of 2017, 3rd sp. sess. (ESSB 5939).

[]

NEW SECTION

WAC 504-49-115 Community solar project. "Community solar project" means a solar energy system that:

(1) Has a nameplate generating capacity that is no larger than one thousand kilowatts direct current;

(2) Must have at least ten participants or one participant for every ten kilowatts direct current nameplate capacity, whichever is greater; and

(3) Meets the applicable eligibility requirements established in sections 6 and 7, chapter 36, Laws of 2017, 3rd sp. sess. (ESSB 5939).

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NEW SECTION

WAC 504-49-120 Consumer-owned utility. "Consumer-owned utility" has the same meaning as in RCW 19.280.020.

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NEW SECTION

WAC 504-49-125 Customer-owner. "Customer-owner" means the owner of a residential-scale or commercial-scale renewable energy system, where such owner:

(1) Is not a utility;

(2) Is the primary account holder of the utility account; and

(3) Either owns or occupies the premises where the renewable energy system is installed.

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NEW SECTION

WAC 504-49-130 Direct current. "Direct current" means the unidirectional flow of electric charge.

[]

NEW SECTION

WAC 504-49-135 Electric utility or utility. "Electric utility" or "utility" means a consumer-owned utility or investor-owned utility as those terms are defined in RCW 19.280.020.
[]

NEW SECTION

WAC 504-49-140 Fiscal year. "Fiscal year" means July 1st through June 30th of the following year for the purposes of this rule. For example, fiscal year 2018 goes from July 1, 2017, through June 30, 2018.
[]

NEW SECTION

WAC 504-49-145 Nonprofit organization. "Nonprofit organization" means an organization exempt from taxation under 26 U.S.C. Sec. 501(c)(3) of the federal Internal Revenue Code of 1986, as amended, as of January 1, 2009.
[]

NEW SECTION

WAC 504-49-150 Person, business, and household. "Person, business, and household" means any individual, firm, partnership, corporation, company, association, agency, or any other legal entity that resides on a property or has a business located on a property within the service area of the utility where the renewable energy system is located.

(1) No person, business, or household is eligible to receive incentive payments provided under section 1, chapter 36, Laws of 2017, 3rd sp. sess. (ESSB 5939) of more than:

(a) Five thousand dollars per year for residential-scale systems or community solar projects;

(b) Twenty-five thousand dollars per year for commercial-scale systems; or

(c) Thirty-five thousand dollars per year for shared commercial solar projects.

(2) Example: Two or more individuals living together in one household, with one customer account with the participating utility, constitutes a household. Although they may each individually participate in this incentive program, these same individuals living together in one household receive incentives in accordance with this chapter.

[]

NEW SECTION

WAC 504-49-155 Program term. "Program term" means eight years, or until cumulative incentive payments for electricity produced by the project reach fifty percent of the total system price, including applicable sales tax, whichever occurs first. Eight years is equivalent to ninety-six months of electricity generation from the time of certification.

[]

NEW SECTION

WAC 504-49-160 Project participant. "Project participant" has the two following meanings:

(1) For purposes of community solar projects, a utility customer who participates in a community solar project in order to obtain a beneficial interest. Eligible participants of a community solar project that are business entities, such as a limited liability company or a corporation, are analyzed for participant eligibility and applicable incentive caps and limits by looking through the business entity to the members or stockholders that own the business entity.

(2) For purposes of shared commercial solar projects, a customer of a utility and located in the state of Washington.

[]

NEW SECTION

WAC 504-49-165 Renewable energy system. "Renewable energy system" means a grid-connected:

(1) ~~((An-s))~~ Solar energy system;

(2) ~~((An-a))~~ Anaerobic digester as defined in RCW 82.08.900; or

(3) ~~((A-w))~~ Wind generator.

~~((All systems must be grid connected and used for the generation of electricity.))~~

[]

NEW SECTION

WAC 504-49-170 Residential-scale system. "Residential-scale system" means a renewable energy system or systems located at a single

situs with combined nameplate capacity of twelve kilowatts direct current or less that meets the applicable system eligibility requirements established in section 6, chapter 36, Laws of 2017, 3rd sp. sess. (ESSB 5939).
[]

NEW SECTION

WAC 504-49-175 Shared commercial solar project. "Shared commercial solar project" means a solar energy system, owned or administered by an electric utility, which:

(1) Has a combined nameplate capacity of greater than one megawatt direct current and not more than five megawatts direct current;

(2) Has at least five participants; and

(3) Meets the applicable eligibility requirements established in sections 6 and 8, chapter 36, Laws of 2017, 3rd sp. sess. (ESSB 5939).
[]

NEW SECTION

WAC 504-49-180 Solar energy system. "Solar energy system" means any device or combination of devices or elements that rely on direct sunlight as an energy source for use in the generation of electricity.
[]

NEW SECTION

WAC 504-49-185 Solar inverter. "Solar inverter" means the device used to convert direct current to alternating current in a solar energy system.
[]

NEW SECTION

WAC 504-49-190 Solar module. "Solar module" means the smallest nondivisible, self-contained physical structure housing interconnected photovoltaic cells and providing a single direct current electrical output.
[]

NEW SECTION

WAC 504-49-195 Total system price. (1) "Total system price" includes only the renewable energy system components and fees that are integral and necessary for the generation of electricity. Components and fees include:

- (a) Renewable energy system equipment (depends on system type):
 - (i) Solar energy system: Solar modules, inverter(s);
 - (ii) Wind generator: Turbine(s), tower(s), inverter(s);
 - (iii) Anaerobic digester: Digester/reactor, electrical generator.

(b) Balance of system (such as racking, wiring, switch gear, meter base);

(c) Nonhardware costs incurred up to the date of the final electrical inspection (such as fees associated with engineering, permitting, interconnection, application);

(d) Labor;

(e) Sales tax (as applicable).

(2) Total system price does not include structures and fixtures that are not integral and necessary to the generation of electricity, such as carports, roofing, and ((battery)) energy storage.

[]

PART II

PARTICIPATION AND APPLICATION REQUIREMENTS, AND INCENTIVE LEVELS
BY PROJECT TYPE

NEW SECTION

WAC 504-49-200 Participation by a utility in the renewable energy system incentive program is voluntary. (1) A utility electing to participate in the incentive program must notify the energy program of such election in writing.

(2) The utility may terminate its voluntary participation in the incentive program by providing notice in writing to the energy program to cease issuing new certifications for renewable energy systems that would be served by that utility.

(3) Such notice of termination of participation is effective after fifteen days, at which point the energy program may not accept new applications for certification of renewable energy systems that would be served by that utility.

(4) Upon receiving a utility's notice of termination of participation in the incentive program, the energy program must report on its web site that customers of that utility are no longer eligible to receive new certifications under the incentive program.

(5) A utility's termination of participation does not affect the utility's obligation to continue to make annual incentive payments for electricity generated by systems that were certified prior to the

effective date of the notice. The energy program must continue to process and issue certifications for renewable energy systems that were received by the energy program before the effective date of the notice of termination.

(6) A utility that has terminated participation in the program may resume participation upon filing notice with the energy program.
[]

NEW SECTION

WAC 504-49-205 Certification restrictions. No new certification may be issued under this chapter for a system which an applicant received notice of eligibility from the department of revenue under the cost recovery program (RCW 82.16.120), or for a renewable energy system served by a utility that has elected not to participate in the incentive program, as provided in WAC 504-49-200.
[]

NEW SECTION

WAC 504-49-210 Renewable energy project requirements. Any person, business, or household, as defined in WAC 504-49-150, that participates in any of the four types of renewable energy projects defined in sections 5 through 8, chapter 36, Laws of 2017, 3rd sp. sess. (ESSB 5939), must meet the specified participation requirements and is subject to the system capacity limits, application requirements, and incentive limits, as follows:

(1) Residential-scale:

(a) Participation: The participant must be an owner of a residential-scale renewable energy system that is not a utility and:

(i) Is a customer of the utility that serves that location and has established an interconnection agreement with the utility for the renewable energy system; and

(ii) (~~Is located on contiguous property; and~~
~~(iii)~~)) Either owns or occupies the premises where the renewable energy system is installed.

(b) Capacity: Twelve kilowatts direct current or less, combined:

(i) Example 1: A property with a six kilowatts direct current solar system on one structure and a five kilowatts direct current system on the same or separate structure qualifies for the residential-scale incentive rate because the total capacity is less than twelve kilowatts direct current, combined.

(ii) Example 2: A property with a six kilowatts direct current solar system on one structure and a seven kilowatts direct current system on the same or separate structure does not qualify for the residential-scale incentive rate because the total capacity is greater

than twelve kilowatts direct current, combined. This combined system instead qualifies for the commercial-scale incentive rate.

(iii) Example 3: A property with a twelve kilowatt direct current solar system, production metered and applying for the incentive, and any additional direct current system, production metered or not, and not applying for the incentive, on the same or separate structure, does not qualify for the residential-scale incentive rate because the combined capacity is greater than twelve kilowatts direct current. This combined system instead qualifies for the commercial-scale incentive rate.

(iv) In the case of multiple renewable energy systems on a structure such as a condominium or commercial building, each having a separate customer-owner and separate utility and production meters, each system, if under twelve kilowatts direct current, would qualify for the residential-scale rate.

(c) Application: The owner submits a completed application to the energy program for certification per requirements specified in WAC 504-49-220.

(d) Annual incentive limit: Five thousand dollars per person, business, or household.

(2) Commercial-scale:

(a) Participation: The participant must be an owner of a commercial-scale renewable energy system that is not a utility and:

(i) Is a customer of the utility that serves that location and has established an interconnection agreement with the utility for the renewable energy system; and

(ii) (~~Is located on contiguous property; and~~ ~~(iii)~~) Either owns or occupies the premises where the renewable energy system is installed.

(b) Capacity: Greater than twelve kilowatts direct current, combined.

(i) Example 1: A property with a six kilowatts direct current solar system on one structure and a seven kilowatts direct current system on the same or separate structure qualifies for the commercial-scale incentive rate because the total capacity is greater than twelve kilowatts direct current, combined.

(ii) Example 2: A property with a six kilowatts direct current solar system on one structure and a five kilowatts direct current system on the same or separate structure qualifies for the residential-scale incentive rate because the total capacity is less than twelve kilowatts direct current, combined.

(c) Application: The owner submits a completed application to the energy program for certification per requirements specified in WAC 504-49-220.

(d) Annual incentive limit: Twenty-five thousand dollars per person, business, or household.

(3) Shared commercial solar:

(a) Administration: Administrators of this project type must be a utility or a business under contract with a utility;

(b) Participation: Projects must have at least five project participants, each of which is a customer of the utility and located in the state of Washington;

(c) Capacity: Combined nameplate capacity greater than one megawatt direct current and not more than five megawatts direct current;

(d) Application:

(i) Precertification. Prior to applying for certification, a shared commercial solar administrator must apply for precertification against the remaining funds available for incentive payments as of July 1, 2017. Precertification application requirements include, but are not limited to:

(A) The name of the utility serving the project location;

(B) Contact information for the project administrator and technical management personnel; and

(C) System information, including system component details and operation data such as global positioning system coordinates, tilt, estimated shading, and azimuth, as applicable;

(D) Additional information regarding deployment of projects in low- and moderate-income communities, as those terms are defined in RCW 43.63A.510, as requested.

(ii) Certification. The application for certification may not exceed the precertified system capacity. An application for certification must be completed by the shared commercial solar project administrator and approved by the energy program within one year of precertification issuance. Extensions past the three hundred sixty-five-day period are not granted. Projects that do not meet this deadline lose precertification status.

(e) Incentive rate: The incentive rate is set at the date of precertification approval;

(f) Annual incentive limit: Thirty-five thousand dollars per participant (person, business, household), consistent with their share of participation.

(4) Community solar project:

(a) Administration: A utility, nonprofit, or local housing authority that organizes or administers a solar project;

(b) Participation: The project must have at least ten participants, or one participant for every ten kilowatts direct current nameplate capacity, whichever is greater; and all participants must be customers of the participating utility;

(c) Capacity: Nameplate capacity that is no more than one thousand kilowatts direct current;

(d) There are no limitations on location unless stated in this section: Community solar project systems must be located in the state of Washington;

(e) Application:

(i) Precertification. Prior to applying for certification, a community solar project administrator must apply for precertification against the remaining funds available for incentive payments as of

July 1, 2017. Precertification application requirements include, but are not limited to:

- (A) The name of the utility serving the project location;
- (B) Contact information for the project administrator and technical management personnel; and
- (C) System information, including system component details and operation data such as global positioning system coordinates, tilt, estimated shading, and azimuth, as applicable.

(ii) Certification. The application for certification may not exceed the precertified system capacity. An application for certification must be completed by the community solar project administrator and approved by the energy program within one year of precertification issuance. Extensions past the three hundred sixty-five-day period are not granted. Projects that do not meet this deadline lose precertification status.

~~((e))~~(f) Incentive rate: The incentive rate is set at the date of precertification approval;

~~((f))~~(g) Annual incentive limit: Five thousand dollars per participant (person, business, household), consistent with their share of participation.

[]

NEW SECTION

WAC 504-49-215 Department of revenue-certified renewable energy systems. To continue to be eligible to receive incentive payments under the renewable energy system cost recovery program (as described in WAC 458-20-273), the applicants (as defined in WAC 458-20-273) with the department of revenue certification must reapply with the energy program. This reapplication process is described in Part VI of this chapter and must be completed by April 30, 2018.

(1) Participation: Only applicants with renewable energy systems previously certified by the department of revenue may reapply for continued incentives.

(2) Application: Submit a completed reapplication to the energy program for certification in accordance with the requirements specified in Part VI of this chapter. For community solar projects, also submit a list of participants in the project.

(3) Annual incentive limit: Five thousand dollars per individual, household, business, or local governmental entity.

(4) Deadline: Reapplications must be submitted by April 30, 2018.

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NEW SECTION

WAC 504-49-220 Requirements to apply for certification—Residential-scale and commercial-scale projects. The application must contain, but is not limited to, the following information; additional requirements are specified in WAC 504-49-210.

(1) The name and address of the customer-owner and location of the renewable energy system.

(2) System information, including system component details and operation data such as global positioning system coordinates, tilt, estimated shading, and azimuth, as applicable.

(3) An executed interconnection agreement with the serving utility.

(4) The date and supporting documentation verifying that the local jurisdiction issued its final electrical inspection of the renewable energy system.

(5) Documentation, including final sales invoice, and details of the total system price as defined in WAC 504-49-195.

(6) A signed statement that the applicant understands that this information is true, complete, and correct to the best of applicant's knowledge and belief under penalty of perjury.

(7) A signed statement that the applicant has not previously received a notice of eligibility from the department of revenue under RCW 82.16.120 entitling the applicant to receive annual incentive payments for electricity generated by the renewable energy system.

(8) A signed statement authorizing the energy program and the serving utility to share information related to issuing annual incentive payments, including application details and energy generation.

(9) Payment of the one hundred twenty-five dollar application fee.

(10) Provisional certification. The energy program may grant provisional certification prior to proof of final electrical inspection. Provisional certification expires one hundred eighty days after issuance, unless the applicant submits proof of the final electrical inspection from the applicable local jurisdiction, or the energy program extends the certification for a term or terms of thirty days due to extenuating circumstances.

[]

NEW SECTION

WAC 504-49-225 Requirements to apply for certification—Shared commercial and community solar projects. The application must contain, but is not limited to, the information detailed below. Additional requirements are specified in WAC 504-49-210.

(1) The name and address of the project administrator and location of the renewable energy system.

(2) System information, including system component details and operation data such as global positioning system coordinates, tilt, estimated shading, and azimuth, as applicable.

(3) An executed interconnection agreement with the serving utility.

(4) The date and supporting documentation verifying that the local jurisdiction issued its final electrical inspection of the renewable energy system.

(5) Documentation, including final sales invoice, and details of total system price as defined in WAC 504-49-195.

(6) A signed statement that the administrator understands that this information is true, complete, and correct to the best of administrator's knowledge and belief under penalty of perjury.

(7) A signed statement that the administrator has not previously received a notice of eligibility from the department of revenue under RCW 82.16.120 entitling the community solar project participants to receive annual incentive payments for electricity generated by the solar energy system.

(8) A signed statement authorizing the energy program and the serving utility to share information related to issuing annual incentive payments, including application details and energy generation.

(9) Payment of the one hundred twenty-five dollar application fee.

(10) Additional information required for certification of shared commercial solar and community solar projects (~~may~~) includes, but is not limited to:

(a) Shared commercial solar projects:

(i) Project design details;

(ii) Levelized cost of energy output of the system over its production life, and the calculations used to determine such cost;

(iii) A list of participants, including:

(A) Name;

(B) Address;

(C) Retail rate; and

(D) Utility account number;

(iv) Interconnection information; and

(v) Details regarding the majority of the installation work. If the majority of the installation of a shared commercial solar project is awarded to out-of-state contractors, the administrator must submit to the energy program:

(A) The reasons for using out-of-state contractors;

(B) The percentage of installation work performed by out-of-state contractors; and

(C) A cost comparison of the installation services performed by out-of-state contractors compared to the same services performed by Washington-based contractors.

(b) Community solar projects:

(i) System ownership information and business address;

(ii) Project design details;

(iii) Proof of (~~administrator~~) registration with the utilities and transportation commission, as (~~applicable~~) defined in commission rules;

(iv) A list of participants, including:

(A) Name;

(B) Address; and

(C) Utility account number.

(v) Subscription information, including:

(A) Rates;

(B) Fees;

(C) Terms and conditions.

(vi) Executed interconnection agreement if the project size is greater than five hundred kilowatts direct current; and

(vii) Updated information regarding deployment of projects in low- and moderate-income communities, as those terms are defined in RCW 43.63A.510, as requested.

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NEW SECTION

WAC 504-49-230 Response from the energy program. Within thirty days of receipt of the application for precertification or certification, the energy program must notify the customer-owner or administrator, electronically or by mail, whether the renewable energy system qualifies for incentive payments. This notice must state the rate to be paid per kilowatt-hour of electricity generated by the renewable energy system, as provided in section 6(12), chapter 36, Laws of 2017, 3rd sp. sess. (ESSB 5939), subject to any applicable caps and limits on total annual payment as defined in this chapter.

[]

NEW SECTION

WAC 504-49-235 Public disclosure. System certifications and the information contained therein are subject to public disclosure. In addition, all energy generation and incentive payment information associated with the certified system (as collected by the energy program) is subject to public disclosure.

[]

NEW SECTION

WAC 504-49-240 Denial or revocation of system certification. The energy program may deny or revoke the approval of a system's

certification and an appeal of this final determination may be initiated. The appeal provisions under Part VII of this chapter apply here.
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NEW SECTION

WAC 504-49-245 Utility liability. A utility is not liable for incentive payments to a customer-owner if the utility has disconnected the customer due to a violation of a customer service agreement, such as nonpayment of the customer's bill or a violation of an interconnection agreement.
[]

NEW SECTION

WAC 504-49-250 Modification to system. Modification details must be provided to the energy program. Examples are provided in WAC 504-49-305.
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PART III
CALCULATION OF INCENTIVES

NEW SECTION

WAC 504-49-300 Incentive payment rate. The incentive payment rate is the sum of the base rate and the made-in-Washington bonus, if applicable. To determine the incentive payment, the incentive payment rate is then multiplied by the system's gross kilowatt-hours generated during the fiscal year to determine the incentive payment.

(1) Determining the base rate. The first step in computing the incentive payment is to determine the correct base rate to apply. This rate depends on the fiscal year in which the system was certified and the type of renewable energy project under consideration, as defined in the table in subsection (2) of this section.

(2) Made-in-Washington bonus. The bonus rate is determined by whether all applicable system components (solar modules, wind turbines or towers) are manufactured in Washington state. See additional manufacturing details in Part V of this chapter. Bonus rates vary depending on the fiscal year in which the system is certified, as provided in the table below.

Fiscal year of system certification	Base rate: Residential-scale	Base rate: Commercial-scale	Base rate: Community solar	Base rate: Shared commercial solar	Made-in-Washington bonus
2018	\$0.16	\$0.06	\$0.16	\$0.06	\$0.05
2019	\$0.14	\$0.04	\$0.14	\$0.04	\$0.04
2020	\$0.12	\$0.02	\$0.12	\$0.02	\$0.03
2021	\$0.10	\$0.02	\$0.10	\$0.02	\$0.02

(3) Examples: A renewable energy system certified in fiscal year 2019 and generate:

(a) Residential-scale system: Two thousand five hundred kilowatt-hours; commercial-scale system: Fourteen thousand kilowatt-hours.

(i) If a residential-scale or commercial-scale renewable energy system has only solar modules manufactured out-of-state, the computation is as follows:

(A) Residential-scale: $0.14 \times 2,500 = \$350.00$;

(B) Commercial-scale: $0.04 \times 14,000 = \$560.00$.

(ii) If a residential-scale or commercial-scale renewable energy system has all solar modules manufactured in Washington state, the computation is as follows:

(A) Residential-scale: $(0.14 + 0.04) \times 2,500 = \450.00 ;

(B) Commercial-scale: $(0.04 + 0.04) \times 14,000 = \$1,120.00$.

(iii) If a residential-scale or commercial-scale renewable energy system has a solar module manufactured in Washington state combined with additional solar modules manufactured out-of-state, the computation would be as follows:

(A) Residential-scale: $0.14 \times 2,500 = \$350.00$;

(B) Commercial-scale: $0.04 \times 14,000 = \$560.00$.

(iv) If residential-scale or commercial-scale wind generator equipment has an out-of-state turbine combined with a tower manufactured in Washington state, the computation is as follows:

(A) Residential-scale: $(0.14 + 0.04) \times 2,500 = \450.00 ;

(B) Commercial-scale: $(0.04 + 0.04) \times 14,000 = \$1,120.00$.

(v) If residential-scale wind generator equipment has both an out-of-state turbine and tower, the computation is as follows:

(A) Residential-scale: $0.14 \times 2,500 = \$350.00$;

(B) Commercial-scale: $0.04 \times 14,000 = \$560.00$.

(b) Shared commercial solar project system: Four million kilowatt-hours.

(i) If a shared commercial system has out-of-state solar modules, the computation is as follows: $0.04 \times 4,000,000 = \$160,000.00$. The solar project administrator distributes the incentive payments consistent with share of participation. If a participant is involved at five percent of the project, their incentive payment is $\$160,000.00 \times 0.05 = \$8,000.00$ (contingent on the rates, fees, terms or conditions of the project).

(ii) If a shared commercial system has all solar modules manufactured in Washington state, the computation is as follows: $(0.04 + 0.04) \times 4,000,000 = \$320,000.00$. The solar project administrator distributes the incentive payments consistent with share of

participation. If a participant is involved at five percent of the project, their incentive payment is $\$320,000.00 \times 0.05 = \$16,000.00$ (contingent on the rates, fees, terms or conditions of the project).

(c) Community solar project system: Fifty thousand kilowatt-hours.

(i) If a community solar energy system has all solar modules manufactured in Washington state combined with an out-of-state inverter, the computation is as follows: $(0.14 + 0.04) \times 50,000 = \$9,000.00$. The solar project administrator distributes the incentive payments consistent with share of participation. If a participant is involved at five percent of the project, their incentive payment is $\$9,000.00 \times 0.05 = \450.00 (contingent on the rates, fees, terms or conditions of the project).

(ii) If a community solar energy system has some solar modules manufactured in Washington state combined with additional solar modules manufactured out-of-state, the computation is as follows: $0.14 \times 50,000 = \$7,000.00$. The solar project administrator distributes the incentive payments consistent with share of participation. If a participant is involved at five percent of the project, their incentive payment is $\$7,000.00 \times 0.05 = \350.00 (contingent on the rates, fees, terms or conditions of the project).

[]

NEW SECTION

WAC 504-49-305 Additions or changes to existing certified systems. (1) All additions or changes to existing certified systems (~~are~~) may be subject to existing utility standards and policies.

(2) If a residential-scale or commercial-scale customer-owner makes investments that result in an expansion of capacity, the applicant must provide this information to the energy program. The energy program may:

(a) Issue a new certification for an additional system installed with a previously certified system, as long as the new system meets the program requirements and its production can be measured separately from the previously certified system. (~~is not~~) These systems may be subject to additional annual reporting requirements including, but not limited to, production meter readings from each system.

(b) Issue a recertification if the additional capacity is not measured separately. Such recertification expires on the same day as the original certification for the residential-scale or commercial-scale system, and applies the incentive rates and program rules that are in effect as of the date of the recertification.

(3) The following examples illustrate how increases in system capacity may affect incentive payments:

(a) A five kilowatts direct current residential-scale system is certified in February 2019 and is eligible for the fourteen cents incentive rate. Two kilowatts direct current of capacity is added in

February 2021 without a separate production meter and the system is recertified in the same fiscal year. The incentive rate of ten cents per kilowatt-hour applies to all future incentive payments of the entire seven kilowatts direct current system. Incentive payments end in 2027 or when cumulative incentive payments reach fifty percent of the total system price plus the expansion price, including applicable sales tax, whichever comes first;

(b) A five kilowatts direct current residential-scale system is certified in February 2019 and is eligible for the fourteen cents incentive rate. If two kilowatts direct current of capacity is added in February 2021 with its own production meter, the addition may be certified separately and the ten cent rate applies only to the production from this separate system and ends in 2029. The originally certified five kilowatts direct current system continues to be certified at the fourteen cents rate, with those payments ending in 2027. Cumulative incentive payments of fifty percent of the total system price, including applicable sales tax, apply separately to the five kilowatts direct current and two kilowatts direct current installations;

(c) An increase in nameplate capacity, production metered or not, results in the total (~~(system size)~~) capacity being greater than twelve kilowatts direct current. (~~The system requires~~ ~~recertification~~ is required and the applicable commercial-scale incentive rate (~~applies~~) will apply.

[]

NEW SECTION

WAC 504-49-310 Cumulative limit on incentive payments.

Incentive payments continue for eight years or until cumulative incentive payments for electricity produced by the project reach fifty percent of the total system price, including applicable sales tax, whichever occurs first.

[]

PART IV MANUFACTURED IN WASHINGTON STATE

NEW SECTION

WAC 504-49-400 What constitutes manufactured in Washington? The energy program must, in consultation with the department of commerce, establish a list of equipment that is eligible for the bonus rates described in this chapter.

(1) In order for a solar module, or a wind turbine or tower, to qualify as manufactured in Washington state, the manufactured component must meet the following definitions:

(a) "Solar module" means the smallest nondivisible, self-contained physical structure housing interconnected photovoltaic cells and providing a single direct current electrical output. The lamination of the modules must occur in Washington state;

(b) "Wind turbine" refers to a device that converts the wind's kinetic energy into electrical energy and "tower" refers to the supporting structure.

(2) Is combining products considered to be manufacturing? When determining whether a solar module, or a wind turbine or tower, are manufactured in Washington, the energy program considers various factors to determine if a manufacturer combining various items into a single package is engaged in a manufacturing activity. Any one of the following factors is not considered conclusive evidence of a manufacturing activity:

(a) The ingredients are purchased from various suppliers;

(b) The manufacturer combining the ingredients attaches his or her own label to the resulting product;

(c) The ingredients are purchased in bulk and broken down to smaller sizes;

(d) The combined product is marketed at a substantially different value from the selling price of the individual components; and

(e) The manufacturer combining the items does not sell the individual items except within the package.

[]

NEW SECTION

WAC 504-49-405 What is the process for a manufacturer to get its product qualified as made in Washington? The manufacturer must request certification from the energy program that its product, such as a module, or wind turbine or tower, qualifies as made in Washington.

(1) Manufacturer's statement. The manufacturer must supply the energy program with a statement specifying what processes were carried out in Washington state to qualify the product.

(2) Penalty of perjury. The manufacturer's statement must be made under penalty of perjury.

(3) Field visit to view manufacturing process. The energy program performs a field visit to view the manufacturing process for the product, which may also include, but is not limited to:

(a) An inspection of the process by an engineer or other technical expert;

(b) Testing and evaluation of a product pulled off the production line;

(c) Review of purchase invoices to verify the vendor sources for the parts used in the manufacturing of the product;

(d) Inspection of the production line; and

(e) Requests for clarification concerning questions, if any, discovered during the inspection.

(4) Approval or disapproval of manufacturer's certification. Within thirty days of the field visit, the energy program issues a written decision to the manufacturer on its product's qualification as made in Washington state. The energy program makes the decision available to the public.

(5) Change in manufacturing process. The manufacturer must notify the energy program of any change in the manufacturing process for previously certified products within ten days of such a change.

(6) Inspection of previously certified product's manufacturing process. The energy program reserves the right to perform an inspection of the manufacturing processes for each product, such as a solar module, or a wind tower or turbine, that has been previously certified as manufactured in Washington state. The inspection is conducted to verify that the product continues to qualify as manufactured in Washington state.

(7) Denial or revocation of approval of certification. The energy program may revoke the approval of certification that a product, such as a module, or a wind turbine or tower, is made in Washington state when it finds that the product does not qualify for certification as manufactured in Washington state.

(8) The appeal provisions under Part VII of this chapter apply here.

(9) Document retention. The manufacturer must retain the documentation of the made in Washington certification process for five years after the application period for the related incentive program closes.

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PART V GENERAL TOPICS

NEW SECTION

WAC 504-49-500 Is there a time limit on when incentive payment may be made for a system's generated electricity? Yes. Incentive payments may only be made for kilowatt-hours generated on or after July 1, 2017, and for the following eight years, or until cumulative incentive payments for electricity generated by the project reach fifty percent of the total system price, including applicable sales tax, whichever occurs first.

(1) Authorization of incentive payments. No incentive payments may be authorized or accrued until the final electrical inspection and

executed interconnection agreement are submitted to the energy program.

(2) Certification is valid for the incentive program term. This certification entitles the person, business, or household to receive incentive payments for electricity generated from the date the renewable energy system commences operation, or the date the system is certified, whichever date is later.

(3) Changes to incentive rates. Incentive rates determined by certification date may not be retroactively changed except to correct errors that were made during the original application or certification process and that are discovered later.

(4) Incentive schedule. Incentives are issued based on the gross kilowatt-hours generated during the fiscal year beginning on July 1st and ending on June 30th. For the last year of incentive payments, the payment is the balance of the last year of generation less the first year of generation. A negative balance for the last year results in nonpayment.

(5) Certification date. Certification date is determined by the date when the energy program completes its review of a submitted application. However, due to the timing of this program, the following administrative processes apply:

(a) For applications submitted from July 1, 2017, to December 31, 2017:

(i) For purposes of systems that commenced operation on or after July 1, 2017: The certification date is assigned based on the date that the local jurisdiction issued its final approval of the electrical inspection of the renewable energy system.

(ii) For purposes of systems that commenced operation before July 1, 2017: The certification date is assigned as July 1, 2017.

(b) For applications submitted on or after January 1, 2018: The certification date is assigned on the date when the energy program completes its review of a submitted application. The energy program encourages customer-owners to submit all applications on the date the local jurisdiction issues its final approval of the electrical inspection of the renewable energy system. In instances where the certification date might follow the final electrical inspection by more than thirty days, the customer-owner or the serving utility must provide additional information to ascertain the correct initial electrical generation amount to use in calculating the first year of incentive payments.

[]

NEW SECTION

WAC 504-49-505 Must the customer-owner or administrator keep records regarding incentive payments? (1) Customer-owners or administrators receiving incentive payments must keep and preserve, for a period of five years after the receipt of the last incentive

payment from the utility, suitable records as may be necessary to determine the amount of incentive received.

(2) Examination of records. Such records must be open for examination at any time upon notice by the energy program.

[]

NEW SECTION

WAC 504-49-510 How to determine if community solar or shared commercial solar projects located on the same property are one combined system or separate systems for determining the applicable limit? In determining if a community solar or shared commercial solar project is within the applicable limit when more than one community solar or shared commercial solar project is located on one property, the energy program treats each project's system as separate from the other projects if there are separate production meters and separate certification applications have been submitted to the energy program.

[]

NEW SECTION

WAC 504-49-515 Are the renewable energy system's environmental attributes transferred when ownership of the renewable energy system changes? The nonpower attributes of the renewable energy system belong to the utility customer who owns or hosts the system or, in the case of a community solar project or a shared commercial solar project, the participant. The attributes may be kept, sold, or transferred at the utility customer's discretion unless, in the case of a utility-owned community solar or shared commercial solar project, a contract between the customer and the utility clearly specifies that the utility retains the attributes.

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NEW SECTION

WAC 504-49-520 What do I have to do if I purchase property that has an existing renewable energy system? If a person, business, or household purchases a property that has a (~~certified~~) renewable energy system certified in the renewable energy system incentive program, the new customer-owner must (at a minimum) notify the energy program of the transfer of ownership and provide an executed interconnection agreement with the utility serving the premises.

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NEW SECTION

WAC 504-49-525 What if I sell my share in a community solar or shared commercial solar project? The administrator of a community solar project or shared commercial solar project must provide notice to the energy program of any changes or transfers in project participation.

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PART VI

APPLICATION PROCESS FOR CURRENTLY CERTIFIED RENEWABLE ENERGY SYSTEMS IN THE COST RECOVERY INCENTIVE PROGRAM

NEW SECTION

WAC 504-49-600 Requirements to reapply for certification. The reapplication for continued incentive payments through June 30, 2020, must be submitted to the energy program by April 30, 2018. This reapplication must contain, but is not limited to, the following information as specified in the applicant and eligibility requirements in WAC 458-20-273:

(1) The name and address of the applicant and location of the renewable energy system;

(2) The applicant's tax registration number;

(3) The utility name and utility account number;

(4) System information, including system component details and operation data such as global positioning system coordinates, tilt, estimated shading, and azimuth, as applicable;

(5) A signed statement that the applicant understands that this information is true, complete, and correct to the best of their knowledge and belief under penalty of perjury; and

(6) A signed statement authorizing the energy program and the serving utility to share information related to issuing annual incentive payments, including application details and energy generation.

[]

NEW SECTION

WAC 504-49-605 May a renewable energy system that has already been certified by the department of revenue be certified in the new program for incentive payments beyond June 30, 2020? No. If the applicant's renewable energy system has already been certified by the department of revenue for cost recovery incentives, that system is ineligible for the new incentive program.

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NEW SECTION

WAC 504-49-610 May I increase the capacity of a department of revenue-certified system? The person, business, or household may not increase the capacity of a department of revenue-certified system to receive additional cost recovery program incentive payments.
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NEW SECTION

WAC 504-49-615 Is there a fee to reapply? No. There is no fee for reapplication for a department of revenue-certified renewable energy system.
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PART VII
APPEALS RIGHTS

NEW SECTION

WAC 504-49-700 What are the appeal rights under the renewable energy system incentive payment program? (1) The energy program may take four different types of actions that may result in a right to an appeal:

- (a) Denying a system's precertification or certification;
- (b) Revoking a system's precertification or certification;
- (c) Denying a manufacturer's statement of a product as qualifying as made in Washington state; and
- (d) Revoking a previously approved certification of a product qualifying as made in Washington.

(2) The same appeal procedures apply to all four types of action. All appeals involving the renewable energy system incentive program in this chapter are conducted as formal adjudicative proceedings under RCW 34.05.413 through 34.05.476 and chapter 10-08 WAC.

(3) The notice issued by the energy program provides an explanation of the reasons for the denial or revocation, and advises the recipient about how to appeal the decision if the recipient disagrees.

(4) The energy program's action is final unless the recipient files an appeal petition with the energy program within thirty days of service (receipt) of the notice of the energy program's action. RCW

34.05.010(19) defines "service" and includes service by postal mail, electronic mail, and personal service.

[]

NEW SECTION

WAC 504-49-705 Presiding officer—Final order—Review. For both a denial of an application for certification and a notice of intent to revoke a previously approved certification, the presiding officer of a formal adjudicative proceeding is the Washington state office of administrative hearings. The presiding officer makes the final decision and enters a final order as provided in RCW 34.05.461 (1)(b).

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NEW SECTION

WAC 504-49-710 Petitions for reconsideration. RCW 34.05.470 governs petitions for reconsideration. Petitions for reconsideration must be addressed to or delivered to the presiding officer at the address provided in the final order. The petition for reconsideration must be filed and served as required by WAC 10-08-110.

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NEW SECTION

WAC 504-49-715 Judicial review. Judicial review of the final order of the presiding officer is governed by RCW 34.05.510 through 34.05.598.

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ACTION ITEM #3
President's 2018-2019 Goals and Objectives
(Kirk Schulz)

September 21, 2018

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: Proposed 2018-2019 Goals and Objective

PROPOSED: That the Board of Regents accept the President's 2018-2019 Goals and Objectives

SUBMITTED BY: Kirk H. Schulz, President

SUPPORTING INFORMATION: Attached please find a "Proposed 2018-2019 Goals and Objectives" document. The goals outlined in this document reflect issues of strategic importance for the institution and represent the major priorities that will require the President's direct involvement and focus over the coming months.

Feedback provided by members of the Board of Regents has been incorporated, and these goals were previously reviewed and discussed by the Regents at their June 8, 2018, retreat.

ATTACHMENT: *Proposed 2018-2019 Goal Document*

Proposed Goals and Objectives, 2018-19

Kirk H. Schulz, President

Fiscal health and compliance

- Begin system-wide implementation of Workday, the new comprehensive software package for managing human resource, payroll, and finance services recordkeeping
- In conjunction with the modernization initiative, streamline and improve five current administrative processes, including efficiency and cost saving improvements as recommended by the University Fiscal Health Advisory Committee
- Meet or exceed the 2018-19 overall University budget deficit reduction target of \$10M
- Implement mandatory training regarding the state's ethics law for all faculty and staff

Information technology

- Launch a platform for students to formulate and deploy mobile applications to improve the WSU experience
- Deploy and migrate videoconferencing users at all WSU locations to Skype for Business

Student affairs

- Continue efforts and initiatives related to student safety and the student experience (e.g., substance abuse, violence prevention, residential safety, transportation)
- Put into place the new Standards of Conduct for Students in accordance with the recommendations of the Student Conduct Process Task Force and the Office of Student Affairs

Athletics

- Implement a financial strategy to balance expenses and revenues within the next five fiscal years, as proposed at the June 2018 retreat with the Regents
- Secure long-term naming sponsors for Martin Stadium, the Football Operations Building, and the Soccer Complex

Leadership team development

- Ensure that 100 percent of the President's Cabinet members participate in a professional development opportunity
- Employ an external expert in higher education leadership development to assist in enhancing the cohesiveness and performance of the senior leadership team

- Identify and train current WSU personnel to serve as the designated primary backup for all cabinet-level positions

Communications

- Send a monthly e-letter update to the campus communities
- Send a monthly update, and more frequent updates as needed, to WSU Regents
- Use social media, including Snapchat, to increase engagement with Washington State faculty, staff, students, alumni, and friends
- Conduct town hall meetings with each academic unit (college level) and campus during fall 2018 to share updates about the University
- Visit each campus (Everett, Spokane, Tri-Cities, Vancouver) on a quarterly basis

Marketing and communications

- Develop internal communication plans for each college and major unit to better inform and engage its faculty, staff, and students
- Create and introduce an updated WSU brand and brand platform that strengthens the University's multi-campus presence in the marketplace

Strategic planning

- Publish baselines for each metric of the Drive to 25 and share them with the greater campus community
- Execute action plans to advance the year one goals of the Drive to 25
- Further develop a long-term plan to increase WSU's presence in Seattle, including the launch of a joint UW-WSU public relations campaign to encourage college attendance and support affordable access to the state's public research universities
- Implement the recommendations provided in the biannual WSU Campus Climate survey
- Initiate planning for the University's next five-year strategic plan

Research

- Officially launch the three joint WSU-Pacific Northwest National Laboratory institutes (Advanced Grid, Nuclear Science and Technology, and Bioproducts), including appointment of permanent co-directors

Community relationships

- Develop a clear plan for the continued evolution of downtown Pullman that aligns with University aspirations
- Develop a formalized collaboration with human resources professionals and hiring organizations in the Lewiston and Clarkston areas to enhance opportunities for dual-career hiring and professional development

Fundraising & alumni relations

- Finalize planning for the University's third comprehensive fundraising campaign
- Raise in excess of \$125M during 2018-19
- Develop enhanced relationships with five additional strategic corporate partners
- Complete six out-of-state development trips

Legislative advocacy

- Obtain \$14.4M in the 2019-21 operating budget request to support enrollment and enrollment growth at the Elson S. Floyd College of Medicine
- Secure legislative support for a four percent salary pool in the 2019-21 operating budget request to increase faculty and staff salaries
- Obtain funding in the 2019-21 capital budget for WSU's top capital priorities, including construction funding for Global Animal Health (Phase 2), an academic building in the Tri-Cities, design funding for a new life sciences building in Vancouver, and pre-design funding for a new biomedical and health sciences building in Spokane

Academic affairs

- Grow the open-source materials efforts throughout the University to help address student affordability issues
- Launch four new Global Campus degree programs during the upcoming academic year and initiate internal approvals for an additional six programs
- Increase the number of WSU students studying abroad from 800 to 1,000
- Develop and communicate a plan for increasing the number of tenure-track faculty members and rebalancing the ratio of tenure-track to non-tenure-track faculty

Campus climate and culture

- Rewrite Executive Policy 15 (Policy Prohibiting Discrimination, Sexual Harassment, and Sexual Misconduct) in accordance with EP 15 Work Group recommendations to ensure it reflects best practices with respect to free speech and discrimination

- Implement a hiring plan that reflects the recommendations of the Diverse Faculty and Staff Work Group recommendations for increasing the number of faculty and staff of color
- Implement cultural competency training for students, faculty, and staff that reflects the recommendations of the Cultural Competency Work Group recommendations