

OFFICE OF FISCAL ANALYSIS

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sSB-350

AN ACT REQUIRING THE POSTING OF A DECOMMISSIONING
BOND FOR CERTAIN SOLAR PROJECTS.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 19 \$	FY 20 \$
Various State Agencies	Various - Potential Cost	Potential Significant	Potential Significant

Note: Various=Various

Municipal Impact:

Municipalities	Effect	FY 19 \$	FY 20 \$
Various Municipalities	Potential Cost	Potential Significant	Potential Significant

Explanation

The bill requires anyone who receives Connecticut Siting Council approval for a solar photovoltaic facility of at least two megawatt capacity on prime farmland or core forest land, to post a decommissioning bond in an amount sufficient to restore farmland to a productive agricultural condition, or to restore the land as core forest.¹

To the extent state agencies or municipalities develop solar facilities on these sites, the bill could result in significant costs associated with posting decommissioning bonds for these projects.

For example, the costs for the Tobacco Valley Solar

¹ A decommissioning bond is a way to secure paying for removing an abandoned solar panel system and remediating the land.

Decommissioning Plan are \$2,250,000.²

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and the cost of solar decommissioning bonds.

² Source: Tobacco Valley Solar Decommissioning Plan, June 2017, DWW Solar II, LLC