Written Testimony of the Connecticut Siting Council
Submitted to the Environment Committee

In Reference to Raised Bill No. 350
An Act Requiring the Posting of a Decommissioning Bond for Certain Solar Projects
March 16, 2018

Good afternoon Senator Kennedy, Senator Miner, Representative Demicco, ranking and distinguished members of the Environment Committee. Thank you for the opportunity to provide testimony in connection with Raised Bill No. 350.

The Connecticut Siting Council (Council) has jurisdiction over the construction, operation and maintenance of electric generating facilities utilizing renewable energy sources with a generating capacity of more than 1 megawatt, including, but not limited to, solar projects.

This bill proposes to require the posting of a decommissioning bond for solar projects with a generating capacity of more than 2 megawatts that are installed on prime farmland in order to provide for the return of such land to a “productive agricultural condition,” a term that is undefined.

Solar project developers typically lease rather than purchase real property for solar projects. The provisions of the leases are not subject to modification by the Council. The terms for restoring the land at the end of the project’s useful life are negotiated between the developer and the property owner. The useful life of a solar project is typically 20-40 years depending on the provisions of a power purchase agreement and the provisions of the lease with the property owner.

The owner of the real property may not want to have their private property returned to a “productive agricultural condition.” This is well within their rights as the title owner of the real property. Therefore, without a mechanism for property owner consent or to opt out, this bill appears to interfere with private property rights.

With the submission of any application or petition for an electric generating facility, the Council requires developers to submit a Project Decommissioning Plan, which may include, but not be limited to:

1. The projected useful life of the facility;
2. Identification of any circumstances that would trigger decommissioning of the facility in advance of the projected useful life of the facility;
3. A description of the method by which foundations, associated equipment and components will be dismantled and removed;
4. A description of the method by which the site will be restored as near as possible to its original condition, including, stabilization, re-grading and re-vegetation;
5. An estimate of the total cost of implementing the decommissioning plan calculated by a professional engineer based on the projected useful life and the projected salvage value of the facility; and
6. Financial assurance to ensure that sufficient funds are available for decommissioning the facility.

Financial assurance may include a performance bond, surety bond, letter of credit, corporate guarantee, escrow, deposit, insurance, certificate of deposit, domestic security, trust, any combination of such financial...
devices, or any other form of financial device that is acceptable to the Council to ensure funds are available for decommissioning the facility.\footnote{See Regulations of Connecticut State Agencies §16-50j-94(i).}

These existing decommissioning plan requirements include financial assurance to ensure sufficient funds are available to decommission the facility and to restore the site as near as possible to its original condition at the end of the project’s useful life rather than to restore the site to a condition that is undefined and possibly undesirable and/or objectionable to the title owner of the real property.

As written, Raised Bill No. 350 does not define “productive agricultural condition” and without a mechanism for property owner consent or to opt out, Raised Bill No. 350 interferes with private property rights.

Thank you again for the opportunity to provide testimony on this proposal. Should you have any questions or seek additional information, please feel free to contact Melanie Bachman at the Council’s office at 860-827-2951 or Melanie.Bachman@ct.gov.

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