



## Utility-Scale Solar Project Decommissioning and Financial Assurance Overview Applicability and Compliance Timeframe

North Carolina [Session Law \(SL\) 2023-58](#) requires the owner of a utility-scale solar project capable of generating two (2) or more megawatts (MW) alternating current (AC) that is directly connected to the electrical grid to:

- Properly decommission the project upon cessation of operations and restore the property.
- Register with the North Carolina Department of Environmental Quality (NCDEQ) and pay a fee.
- Submit a decommissioning plan and establish financial assurance for new and rebuilt/expanded utility-scale solar projects.

### Who must comply?

Only utility-scale solar projects capable of generating 2 or more MWAC that are directly connected to the local or regional electrical grid with the ability to deliver power to the electrical grid must comply with the requirements set forth in [SL 2023-58](#).

- The requirements to decommission/restore the site, to register with NCDEQ, and pay a fee apply to existing and new utility-scale solar projects.
- The requirements for submittal of a decommissioning plan and financial assurance apply to utility-scale solar projects:
  - For which applications for certificates of public convenience and necessity (CPCN) are pending or submitted on or after November 1, 2025 and
  - Generating solar energy or are interconnected to a transmission facility on November 1, 2025, that are rebuilt or expanded after November 1, 2025.

These requirements do not apply to utility-scale solar projects smaller than 2 MWAC, or to renewable energy facilities owned or leased by a retail electric customer intended primarily for the customer's own use or to offset the customer's own retail electrical energy consumption at the premises or for net metering.

### When is the compliance date?

The requirements become effective **November 1, 2025**.

- The requirements to properly decommission upon cessation of operation and restoration of the site apply as of November 1, 2025 to existing and new utility-scale solar projects.
- The owner of a utility-scale solar project must register with NCDEQ and pay a fee as follows:
  - By November 1, 2025, or at least 90 days prior to the commencement of construction of the project if the project is to be constructed after November 1, 2025; and
  - At least 90 days prior to commencement of a rebuild or expansion of a utility-scale solar project.
- The owner of a utility-scale solar project must submit a decommissioning plan and establish financial assurance as follows:
  - By November 1, 2025, or prior to commencement of construction of the project if the project is constructed after November 1, 2025, and
  - Prior to commencement of a rebuild or expansion of a utility-scale solar project.

## What do I need to do now?

If you are the owner of a utility-scale solar project who must comply with the requirements of [SL 2023-58](#), other than familiarizing yourself with the requirements of [SL 2023-58](#) and planning for its November 1, 2025 implementation, there is currently no action you need to take at this time.

NCDEQ must go through a state rulemaking process to codify and further clarify requirements mandated in [SL 2023-58](#). Additional information on the requirements and future rulemaking as well as guidance will be released soon and can be found at this link: <https://www.deq.nc.gov/utility-scale-solar-management-program>

In the meantime, you are welcome to contact us if you have any questions. See “[Who do I contact if I have questions?](#)” section of this document.

## Terms defined in [SL 2023-58](#):

- ***Cessation of operations*** means a utility-scale solar project has not produced power for a period of 12 months. This 12-month period shall not, however, include a period in which the (i) project fails to produce power due to an event of force majeure or (ii) owner has retained legal control of the project's footprint and has commenced rebuilding the facility.
- ***Expansion*** or ***expanded***, when used in reference to a utility-scale solar project, means adding 2 megawatts AC (MW AC) or more of directly connected solar energy generating capacity to the local or regional electrical grid with the ability to deliver power to the electrical grid, or increasing the ability of the project to deliver power to the electrical grid by thirty-five percent (35%), whichever is larger.
- ***Photovoltaic module*** or ***PV module*** means the smallest non-divisible, environmentally protected assembly of photovoltaic cells or other photovoltaic collector technology and ancillary parts intended to generate electrical power under sunlight, which is part of a utility-scale solar project. (*PV modules are commonly referred to as solar panels and the term can be used interchangeably.*)
- ***Rebuild*** or ***rebuilt*** when used in reference to a utility-scale solar project means a utility-scale solar project for which more than fifty percent (50%) of the original photovoltaic modules have been replaced with a different type of photovoltaic module or other fuel source and the project is deemed to be new for income tax purposes.
- ***Utility-scale solar project*** means a ground-mounted PV, concentrating PV (CPV), or concentrating solar power (CSP or solar thermal) project capable of generating 2 MWAC or more directly connected to the local or regional electrical grid with the ability to deliver power to the electrical grid. The term includes the solar arrays, accessory buildings, battery storage facilities, transmission facilities, and any other infrastructure necessary for the operation of the project. A utility-scale solar project does not include renewable energy facilities owned or leased by a retail electric customer intended primarily for the customer's own use or to offset the customer's own retail electrical energy consumption at the premises or for net metering.

## Where can I find more information about the management of waste PV modules/solar panels?

Specific requirements apply to waste PV modules in addition to/beyond the scope of [SL 2023-58](#). Below is a link to North Carolina hazardous waste guidance documents for PV modules.

<https://www.deq.nc.gov/about/divisions/waste-management/hazardous-waste-section/technical-assistance-and-guidance-documents#SolarPanels-3173>

## Who do I contact if I have questions?

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