

Solar Power Plant Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Colin W. Jack

Senate Sponsor: David P. Hinkins

LONG TITLE**Committee Note:**

The Public Utilities, Energy, and Technology Interim Committee recommended this bill.

Legislative Vote: 9 voting for 5 voting against 4 absent

General Description:

This bill enacts provisions related to utility scale solar power plants.

Highlighted Provisions:

This bill:

- defines terms;
- establishes eligibility criteria for state incentives for solar power plants based on land characteristics;
- provides for reduction of incentives for solar power plants located on certain protected farmland;
- creates exemptions for solar power plants with existing agreements or incentives;
- requires wildlife impact consultation with state or federal agencies for solar power plants;
- establishes requirements for decommissioning plans and financial assurance for solar power plants;
- creates a permitting process for solar power plants;
- requires submission and approval of development plans for solar power plants; and
- provides for severability.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

54-17-1201, Utah Code Annotated 1953**54-17-1202**, Utah Code Annotated 1953

31 **54-17-1203**, Utah Code Annotated 1953

32 **54-17-1204**, Utah Code Annotated 1953

33 **54-17-1205**, Utah Code Annotated 1953

34 **54-17-1206**, Utah Code Annotated 1953

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36 *Be it enacted by the Legislature of the state of Utah:*

37 Section 1. Section **54-17-1201** is enacted to read:

38 **54-17-1201 . Definitions.**

39 As used in this part:

40 (1) "Solar power plant" means a utility-scale commercial facility that:

41 (a) has a nameplate generating capacity in excess of one megawatt; and

42 (b) converts sunlight into electricity for the primary purpose of wholesale or retail sales
43 of generated electricity.

44 (2)(a) "State incentive" means a tax credit, grant, subsidy, loan, or other form of

45 financial support provided by the state or a state agency to promote or support the
46 development or operation of a solar power plant.

47 (b) "State incentive" includes:

48 (i) a clean energy systems tax credit under Sections 59-7-614, 59-10-1014, and
49 59-10-1106;

50 (ii) a tax credit for high cost infrastructure projects under Sections 79-6-602 and
51 79-6-603; and

52 (iii) an alternative energy development tax credit under Section 79-6-5.

53 Section 2. Section **54-17-1202** is enacted to read:

54 **54-17-1202 . Eligibility for state incentives.**

55 (1) A solar power plant that is permitted after May 6, 2026, is not eligible to receive state
56 incentives if the soil where the project is located is:

57 (a) prime farmland, farmland of statewide importance, farmland of local importance, or
58 farmland of unique importance, as designated by the Natural Resource Conservation
59 Service;

60 (b) irrigated cropland; or

61 (c) non-irrigated cropland of a capability class one through four, as designated by the
62 Natural Resources Conservation Service.

63 (2) A proposed solar power plant may receive half of an eligible state incentive if the soil
64 where the project is located is non-irrigated cropland of a capability class five or six, as

designated by the Natural Resources Conservation Service.

- (3) A proposed solar power plant located on grazing land is not eligible to receive state incentives if the land produces greater than 1,000 pounds of vegetative production per acre in a normal year, according to the Web Soil Survey produced by the Natural Resources Conservation Service.
- (4) A proposed solar power plant located on grazing land may receive half of an eligible state incentive if the land produces between 500 and 1,000 pounds of vegetative production per acre in a normal year, according to the Web Soil Survey produced by the Natural Resources Conservation Service.
- (5) In accordance with Subsection 17D-3-103(2), a conservation district may make a recommendation to the Office of Energy Development to exempt a solar power plant from the eligibility limitations described in Subsections (1) through (4).
- (6) If a solar power plant is partially located on land described in Subsection (1)(a), the total amount of state incentives available to the solar power plant shall be reduced by the same percentage as the percentage of the solar power plant's total area that overlaps with the described land.
- (7) This section does not apply to a solar power plant that:
- (a) holds a position in an interconnection queue prior to January 1, 2026;
 - (b) is subject to a signed commercial agreement to provide power that was executed prior to January 1, 2026; or
 - (c) meets the requirements for, or is receiving, a state incentive prior to May 6, 2026.

Section 3. Section **54-17-1203** is enacted to read:

54-17-1203 . Consultation requirements.

The owner or operator of a solar power plant shall consult with the Division of Wildlife Resources or United States Fish and Wildlife Service regarding how the solar power plant could potentially impact wildlife on affected land.

Section 4. Section **54-17-1204** is enacted to read:

54-17-1204 . Decommissioning plan.

- (1) An owner of a solar power plant that is permitted after May 6, 2026, shall:
- (a) place financial assurance with the appropriate local jurisdiction, state entity, or land owner in accordance with Section 11-17-12 in the form of:
 - (i) a bond;
 - (ii) a parent company guarantee;
 - (iii) an irrevocable letter of credit; or

- 99 (iv) an alternate form of financial security;
- 100 (b) ensure the amount of financial security is not less than the estimated cost of
- 101 decommissioning and reclaiming the solar power plant, after deducting reasonable
- 102 salvage value, as calculated by:
- 103 (i) a third party with expertise in decommissioning, hired by the owner and agreed to
- 104 by the appropriate local jurisdiction; and
- 105 (ii) if required by the appropriate local jurisdiction, an engineer registered with the
- 106 state;
- 107 (c) create and update a decommissioning and reclamation plan every five years from the
- 108 initial commercial operating date of the solar power plant that:
- 109 (i) incorporates changes resulting from inflation or changes in total cost estimates;
- 110 (ii) specifies the condition to which the site shall be returned, unless otherwise
- 111 specified and agreed upon by the property owner and appropriate local jurisdiction;
- 112 (iii) requires removal of materials, including steel piles, concrete foundations, and
- 113 buried cabling, to a depth of four feet below the surface, unless otherwise
- 114 specified in the plan due to local permitting requirements; and
- 115 (iv) addresses vegetation and soil restoration, based on environmental field surveys
- 116 and site characterizations conducted before construction, unless otherwise
- 117 specified in the plan due to local permitting requirements;
- 118 (d) in the case of cessation of operation, abandonment, or damage of the solar power
- 119 plant:
- 120 (i) rectify any deficiency within 90 days after receiving written notice from the
- 121 appropriate local jurisdiction by certified mail; or
- 122 (ii) provide a written plan to the appropriate local jurisdiction with an amended cure
- 123 date if 90 days is insufficient due to circumstances beyond the owner's control; and
- 124 (e) if seeking to repower the solar power plant at the end of the initial permitted use:
- 125 (i) complete necessary local permitting and approval requirements within 18 months
- 126 before decommissioning requirements or penalties are incurred; or
- 127 (ii) obtain an extension from the local permitting authority.
- 128 (2) As a condition of the permit, the decommissioning plan shall be approved by the
- 129 appropriate local jurisdiction's governing body before an owner commences construction
- 130 on the solar power plant project site.

131 Section 5. Section **54-17-1205** is enacted to read:

132 **54-17-1205 . Permit application and review.**

(1) A person may not construct a solar power plant without first applying for and receiving from the governing body of the appropriate local jurisdiction:

(a) a conditional use permit;

(b) a grading permit;

(c) a building permit; and

(d) any other permit required by the local jurisdiction.

(2) An application for constructing a solar power plant shall specify how the location and design standards will be met.

(3) After receiving the permits required under Subsection (1), but before commencing construction of a solar power plant, the owner shall submit to the appropriate local jurisdiction for review and approval:

(a) site and development plans that identify:

(i) all existing and proposed structures;

(ii) setbacks;

(iii) access routes;

(iv) utilities;

(v) drainage pathways; and

(vi) areas of existing vegetation and proposed vegetation removal; and

(b) a comprehensive decommissioning plan that complies with Section 54-17-1204.

(4) The local jurisdiction may not unreasonably withhold approval of the plans and documentation required under Subsection (3).

Section 6. Section **54-17-1206** is enacted to read:

54-17-1206 . Severability.

If any provision of this part or the application of any provision to any person or circumstance is held invalid, the remainder of this part shall be given effect without the invalid provision or application.

Section 7. Effective Date.

This bill takes effect on May 6, 2026.