

15A NCAC 01V .0104 DECOMMISSIONING COST ESTIMATE REQUIREMENTS FOR NEW AND EXISTING USSPS

(a) The project owner of a new or existing USSP shall submit a cost estimate for decommissioning with the registration required by Rule .0102 of this Section, in accordance with G.S. 130A-309.240(e)(4). The project owner of a new USSP shall also include the cost estimate in the decommissioning plan, in accordance with G.S. 130A-309.240(c)(5).

(b) The calculation of the cost estimate for decommissioning shall meet the following requirements:

- (1) The cost estimate shall be based on costs for decommissioning of the USSP in accordance with G.S. 130A-309.240(b) and the rules of this Section for new and existing USSPs, the decommissioning plan required for a new USSP pursuant to G.S. 130A-309.240(c), and any decommissioning plan submitted with the registration for existing USSPs pursuant to G.S. 130A-309.240(e)(6).
- (2) The cost estimate shall be based on the costs at the time of submittal of the estimate.
- (3) The cost estimate for new USSPs shall be based on costs for a third party to conduct decommissioning, and shall be itemized to show how the total amount was determined, including itemizing costs for:
 - (A) personnel time and expenses;
 - (B) transportation of materials to the receiving facility or location, such as the nearest existing recycling or disposal facility; and
 - (C) the fees charged by the receiving facility or location to accept the materials, such as the nearest existing recycling or disposal facility.
- (4) During decommissioning, every effort shall be made to prevent breakage of photovoltaic modules. Photovoltaic modules shall not be disassembled, deconstructed, or removed from the frame at the USSP location or at a facility or location other than the facility or location that receives the modules for management, such as the recycling or disposal facility. Decommissioning activities and the management of all equipment, materials, and waste from the USSP shall comply with Article 9 of Chapter 130A of the General Statutes, and 15A NCAC 13A and 13B, which are incorporated by reference including subsequent amendments and editions. These rules may be accessed at <http://reports.oah.state.nc.us/ncac.asp> at no charge.
- (5) The cost estimate shall be adjusted in accordance with Paragraphs (d) and (e) of this Rule.

(c) The project owner of a new USSP shall also include with the decommissioning cost estimate, a separate estimate of the salvage value of the project equipment in accordance with G.S. 130A-309.240(c)(3). The salvage value estimate shall meet the following requirements:

- (1) The salvage value estimate shall be based on values for a third party to salvage the equipment. If salvage values were considered in the cost estimate provided by a third party as provided in Subparagraph (b)(1) of this Rule, the salvage value estimate shall refer to the estimate from the third party.
- (2) The salvage value estimate shall be based on the current values at the time of each submittal of the decommissioning cost estimate.
- (3) The salvage value estimate shall clarify which tasks required for decommissioning would be completed by the third-party salvage company, and whether that company would also be providing the transportation costs and paying the fees, if any, for the receiving facility or location in accordance with Paragraph (b) of this Rule.

An estimate of salvage value shall not be required for equipment, or a subset of equipment, if the value is not included in a request to reduce the amount of financial assurance for new USSPs based on salvage value in accordance with Paragraph (g) of this Rule.

(d) The project owner of a new or existing USSP shall update the decommissioning cost estimate every five years to reflect changes in costs over time, even if there are no other changes to the status, size, or operation of the USSP. The adjusted decommissioning cost estimate shall be submitted with the registration submitted in accordance with Rule .0102 of this Section.

(e) If changes to the decommissioning plan or USSP conditions or circumstances increase the decommissioning cost estimate at any time during the active life of the USSP, the project owner of a new USSP shall increase the amount of financial assurance proportionally, and shall submit the adjusted financial mechanism to the Department during their next scheduled registration update in accordance with Rule .0102 of this Section.

(f) The project owner of a new USSP may request to decrease the amount of financial assurance if changes to the decommissioning plan or project conditions over time decrease the decommissioning cost estimate during the active life of the project. The request shall comply with Paragraph (h) of this Rule.

(g) The project owner of a new USSP may request to reduce the amount of financial assurance based on the salvage value of the equipment submitted in accordance with Paragraph (c) of this Rule. The request shall comply with Paragraph (h) of this Rule. Beginning at 20 years after the project begins operation or five years prior to the end of the initial power purchase agreement, whichever is earlier, and through the end-of-life of the project, a reduction based on salvage value shall not cause the amount of financial assurance to be less than the total cost estimate to:

- (1) detach the photovoltaic modules from the base;
- (2) transport the photovoltaic modules and any hazardous waste from the USSP to the receiving facility or location; and
- (3) pay the fees charged by the receiving facility or location to accept the photovoltaic modules and any hazardous waste from the USSP.

(h) If the project owner of a new USSP requests to decrease the amount of financial assurance in accordance with Paragraphs (f) or (g) of this Rule, the request and a written justification shall be submitted with the registration submitted in accordance with Rule .0102 of this Section. The reduction to the financial assurance amount shall not be executed until the Department has issued a written approval that the adjusted cost estimates, financial assurance amount, and financial assurance mechanism comply with G.S. 130A-309.240 and the rules of this Section. No reduction of the amount of financial assurance shall be approved until the project owner of a new USSP has resolved any unresolved violations issued by the Department for non-compliance with Article 9 of Chapter 130A of the General Statutes, 15A NCAC 13B or 13C, or the rules of this Section. If the Department approves the request to reduce the amount of financial assurance, the Department shall provide written notice of the approval to the project owner of a new USSP. Upon receipt of approval, the project owner may adjust the amount of financial assurance and submit the adjusted financial assurance mechanism to the Department.

History Note: Authority G.S. 130A-309.240(j);
Eff. April 1, 2025.