

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
-
-

35
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

65 designated by the Natural Resources Conservation Service.

66 (3) A proposed solar power plant located on grazing land is not eligible to receive state

67 incentives if the land produces greater than \hat{H} \rightarrow [1,000] 250 \leftarrow \hat{H} pounds of

67a vegetative production per

68 acre in a normal year, according to the Web Soil Survey produced by the Natural

69 Resources Conservation Service.

70 (4) A proposed solar power plant located on grazing land may receive half of an eligible

71 state incentive if the land produces between \hat{H} \rightarrow [500] 125 \leftarrow \hat{H} and \hat{H} \rightarrow [1,000]

71a 250 \leftarrow \hat{H} pounds of vegetative

72 production per acre in a normal year, according to the Web Soil Survey produced by the

73 Natural Resources Conservation Service.

74 (5) In accordance with Subsection 17D-3-103(2), a conservation district may make a

75 recommendation to the Office of Energy Development to exempt a solar power plant

76 from the eligibility limitations described in Subsections (1) through (4).

77 (6) If a solar power plant is partially located on land described in Subsection (1)(a), the total

78 amount of state incentives available to the solar power plant shall be reduced by the

79 same percentage as the percentage of the solar power plant's total area that overlaps with

80 the described land.

81 (7) This section does not apply to a solar power plant that:

82 (a) holds a position in an interconnection queue prior to January 1, 2026;

83 (b) is subject to a signed commercial agreement to provide power that was executed

84 prior to January 1, 2026; or

85 (c) meets the requirements for, or is receiving, a state incentive prior to May 6, 2026.

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

87 **54-17-1203 . Consultation requirements.**

88 The owner or operator of a solar power plant shall consult with the Division of Wildlife

89 Resources or United States Fish and Wildlife Service regarding how the solar power plant

90 could potentially impact wildlife on affected land.

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

92 **54-17-1204 . Decommissioning plan.**

93 (1) An owner of a solar power plant that is permitted after May 6, 2026, shall:

94 (a) place financial assurance with the appropriate local jurisdiction, state entity, or land

95 owner in accordance with Section 11-17-12 in the form of:

96 (i) a bond;

- 97 (ii) a parent company guarantee;
98 (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.**

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

135 (a) a conditional use permit;

136 (b) a grading permit;

137 (c) a building permit; and

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

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

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

144 (a) site and development plans that identify:

145 (i) all existing and proposed structures;

146 (ii) setbacks;

147 (iii) access routes;

148 (iv) utilities;

149 (v) drainage pathways; and

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

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

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

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

155 **54-17-1206 . Severability.**

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

159 Section 7. **Effective Date.**

160 This bill takes effect on May 6, 2026.