

2022 Regular Session

SENATE BILL NO. 456

BY SENATOR ALLAIN

ENERGY DEVELOPMENT. Provides for certain solar power generation facilities. (8/1/22)

1 AN ACT

2 To amend and reenact the introductory paragraph of R.S. 30:1154(A) and 1154(A)(6), to  
3 enact R.S. 30:1154(A)(9), relative to solar energy; to provide for solar power  
4 generation facilities; to provide for financial security; to provide for site closure  
5 estimates; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. The introductory paragraph of R.S. 30:1154(A) and 1154(A)(6) are hereby  
8 amended and reenacted and R.S. 30:1154(A)(9) is hereby enacted to read as follows:

9 §1154. Regulations governing solar devices; solar leases

10 A. The secretary shall develop and adopt, in cooperation with affected  
11 utility, agricultural, and solar industries, landowners, and consumer representatives  
12 and after one or more public hearings, regulations governing solar ~~devices~~ **power**  
13 **generation facilities** and property leases for the exploration, development, and  
14 production of solar energy. The regulations shall be designed to encourage the  
15 **responsible** development and use of solar energy and to provide maximum  
16 information to the public concerning solar devices **and solar power generation**  
17 **facilities**. The regulations ~~may~~ **shall** include all of the following:

\* \* \*

(6) Prohibitions on the sale installation of solar devices in a solar power generation facility that do not meet minimum requirements for safety, capacity, and durability as established by the secretary.

\* \* \*

(9)(a) Requirements for a bond or other acceptable financial security in an amount determined by the secretary to ensure proper site closure in order to construct or operate a solar power generation facility. Any bond shall be executed by the permittee and a corporate surety licensed to do business in the state. The bond or other instrument shall be payable to the Department of Natural Resources and shall ensure the following:

(i) Substantial compliance with this Section and any rule or regulation promulgated pursuant to this Section.

(ii) Compliance, as determined by a court of competent jurisdiction, with provisions of the property lease for the exploration, development, and production of solar energy on which the facility is located and that the violation would require closure of the facility. The department shall notify the lessor of any enforcement action against a facility operator or upon a claim against the bond or other instrument.

(b) In determining the adequacy of the amount or other specific requirements of the bond or other financial security, the secretary shall consider the following:

(i) The assets, debts, and compliance history of the facility operator.

(ii) The condition and capacity of the facilities to be covered by such security.

(iii) The estimated cost of site closure and remediation that includes the estimated cost of removing the solar power generation facilities and associated infrastructure from the property and restoring the property to as near as reasonably possible to the condition of the property prior to the commencement

1           **of construction of the facility. Any increase in the amount of financial security**  
2           **required based upon an updated estimate shall be secured by the facility within**  
3           **thirty days of notification of the increase.**

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The original instrument and the following digest, which constitutes no part  
of the legislative instrument, were prepared by Tyler S. McCloud.

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SB 456 Original   DIGEST   2022 Regular Session   Allain

Present law provides for the regulation of solar devices. Proposed law provides for the regulation of solar power generating facilities.

Present law prohibits the sale of solar devices that do not meet certain minimum requirements. Proposed law modifies present law by prohibiting the installation, instead of the sale, of solar devices in a solar power generation facility that do not meet certain minimum requirements.

Proposed law requires a solar power generation facility to be bonded or secured in an amount to be determined by the secretary of the Dept. of Natural Resources to ensure proper site closure.

Proposed law further requires the security instrument be payable to the Dept. of Natural Resources and ensure the following:

- (1)   Substantial compliance with laws providing for solar generation and any rule or regulation promulgated pursuant to those laws.
- (2)   Compliance, as determined by a court of competent jurisdiction, with provisions of the property lease for the exploration, development, and production of solar energy on which the facility is located and that the violation would require closure of the facility.

Proposed law requires the department notify the lessor of any enforcement action against a facility operator or upon a claim against the bond or other instrument.

Proposed law further specifies that in determining the adequacy of the amount or other specific requirements of the bond or other financial security, the secretary must consider the following:

- (1)   The assets, debts, and compliance history of the applicant or permittee.
- (2)   The condition and capacity of the facilities to be covered by such security.
- (3)   The estimated cost of site closure, including remediation of the property.

Effective August 1, 2022.

(Amends R.S. 30:1154(A)(intro para) and 1154(A)(6); adds R.S. 30:1154(A)(9))