



FILE #: 180285 SUBSTITUTE A

AN ORDINANCE RELATING TO PERMIT FEES FOR THE INSTALLATION OF SOLAR PANELS.

Summary: This ordinance change reduces and clarifies high plan examination and permit fees for solar installations in the City of Milwaukee in order to encourage more renewable energy installations in the City. This summary pertains to the proposed substitute resolution.

Background: When Milwaukee Shines formed in 2008, the City of Milwaukee was named one of 25 Solar America Cities by the U.S. Department of Energy. In 2016 Milwaukee was named a SolSmart City. SolSmart, a program funded by the U.S. Department of Energy SunShot Initiative, awarded a Gold designation to recognize Milwaukee as a national leader in advancing solar energy.

As a SolSmart Gold designee, Milwaukee received national recognition for adopting programs and practices that make it faster, easier, and cheaper to go solar. A SolSmart designation is a signal that Milwaukee “open for solar business,” helping to attract solar industry investment and generate economic development and local jobs.



To achieve designation, Milwaukee took steps to reduce solar “soft costs,” which are non-hardware costs that can increase the time and money it takes to install a solar energy system. Examples of soft costs include planning and zoning; permitting; financing; customer acquisition; and installation labor. Soft costs now represent roughly two-thirds of the total price of an installed residential system. Reducing these costs leads to savings that are passed on to consumers.

We are committed to further reducing solar energy costs at the local level. One of these ways is by altering our commercial solar permit fees to more closely align with national best practices.

Milwaukee’s SolSmart advisor is the National Renewable Energy Laboratory (NREL). NREL has shared national best practices with Milwaukee. The best practice for commercial solar installations is to base commercial permitting fees off of cost-recovery (i.e. the amount of time/cost it would take the city to process the permit), not the installed capacity of the system or percentage of system cost because the latter methods result in pricey fees that can deter commercial projects.

Current Permit Fees for Commercial Solar Projects:

1. The plan exam fee is based on square footage; The square footage of a solar project can be ambiguous.
2. The building permit fee is 1% of the construction cost
3. Electrical permit for solar is \$.60 per KW

NEW, PROPOSED FEES:

Building Permits.

Solar PV

There shall be no building permit fee for the installation of a solar PV system on one- or 2-family dwellings not required to undergo structural reinforcement or alterations.

Plan Examination.

Solar PV

The fee for the examination of commercial solar PV building plans shall be \$250 per system.

The building permit fees for installations of all other solar PVs shall be as follows:

0-20 kilowatts: \$70.

20.1-35 kilowatts: \$100.

35.1-50 kilowatts: \$150.

50.1-75 kilowatts: \$200.

75.1-100 kilowatts: \$250.

Over 100 kilowatts: \$300.

The electrical permit fees for installations shall be as follows

0-20 kilowatts: \$70.

20.1-35 kilowatts: \$100.

35.1-50 kilowatts: \$150.

50.1-75 kilowatts: \$200.

75.1-100 kilowatts: \$250

Over 100 kilowatts: \$300

EXAMPLE:

A recent 372 kW solar installation in Milwaukee

	Current Costs		Proposed Costs
Plan Exam Fee	\$1,338		\$250
Building Permit Fee	\$1,200		\$300
Electrical Permit Fee	\$223		\$300
Total	\$2,761		\$850