Fact sheet

Decommissioning Wind and Solar Energy Systems in Wisconsin

Introduction

A growing demand for electricity has created more opportunities for the development of wind and solar energy projects. These projects are often located in rural areas and can provide numerous benefits to nearby communities, including lease payments to landowners, tax revenue to fund infrastructure and services, and the creation of both permanent and temporary jobs.

Wisconsin's desire for renewable energy growth is evident. In 1999, Wisconsin enacted Act 9, becoming the first state with a renewable portfolio standard.[1] The law set a target to supply 10% of the state's consumption from renewable energy sources by 2015. Building on these efforts, in 2019, the state established a goal to achieve 100% carbon-free electricity consumption by 2050. This goal focuses on transitioning to renewable sources like wind and solar, along with enhancing energy efficiency and economic growth.[2]

To take advantage of the potential benefits of wind and solar energy, county officials can enact siting or zoning standards that help capture the benefits of new development while ensuring projects are built in a way that works best for local communities. One way this can be done is by planning for decommissioning, which is the process of removing energy infrastructure at the end of its operational life.

End of operational life: what's next for wind and solar projects?

As projects reach the end of their operational lifespans—estimates range from 25 to 40 years for wind energy and 25 to 35 years for solar energy—owners may seek to cease generation at a facility and decommission the system, but various alternatives to decommissioning are available.

- *Extending the performance period* means continuing the operation past the original planned performance period. Cost savings and revenue opportunities come along with this, as well as the benefits of leveraging existing land use, infrastructure, and interconnections. However, challenges arise when working with older equipment, including lack of expertise and difficulty finding parts.
- *Full decommissioning* indicates removal of a project at the end of its operational lifespan. This can involve recycling, disposal, or repurposing of project infrastructure. While repurposing and recycling offer financial and environmental benefits, infrastructure is often disposed of in landfills, which has environmental drawbacks.

Learn more about the decommissioning options for wind and solar energy projects at cfra.org/publications/fact-sheet-decommissioning-wind-and-solar-energy-systems

1 "RPS Compliance." Public Service Commission of Wisconsin, psc.wi.gov/Pages/ServiceType/Energy/Renewables/RpsCompliance.aspx. Accessed February 2026.

2 "State of Wisconsin Clean Energy Plan." Wisconsin Office of Sustainability and Clean Energy, Great Plains Institute, and Slipstream Inc., April 2022, osce.wi.gov/Documents/Clean%20Energy%20Plan%20-%20DML%20-%20Summary%20%281%29.pdf. Accessed February 2026.

Solar decommissioning

Wisconsin has no statewide solar energy system siting rules. Thus, it is up to local governments to regulate them. Taking the time to develop well-planned local policies can help ensure solar projects are appropriately sited, and that community development and environmental goals are balanced.

Local governments should plan ahead for solar decommissioning and create ordinances that spell out expectations and obligations. This ensures financial responsibility for decommissioning falls to the project owner and not the county and landowners.[3]

With a majority of solar installations being decades away from being retired, project decommissioning plans may need to be revised over time. Periodic plan reviews allow local governments to accommodate necessary changes in decommissioning cost estimates, technology changes, and the availability of recycling services.[4]

Counties should require a decommissioning plan as part of the application and approval process to ensure the land will be restored and the associated costs will be covered once a project is no longer operating. In addition, counties should require the project developer/owner to notify the county of their intent to stop using the facility, and that should be the trigger for decommissioning to begin.[5]

The Center for Rural Affairs maintains a library of model ordinances, which includes decommissioning recommendations. Find them at cfra.org/model-clean-energy-ordinances.

Utilizing Joint Development Agreements for decommissioning

In the context of energy projects, a Joint Development Agreement (JDA) is a legal arrangement between local municipalities, such as towns or counties, and a project developer that establishes rights, duties, and obligations of each party involved in the collaborative development effort.[6] A JDA in Wisconsin will typically clarify that the project remains under the jurisdiction of the Public Service Commission of Wisconsin (PSCW), ensuring regulatory and environmental oversight. Local governments also have an opportunity to help shape how the project interacts with roads, drainage systems, and wildlife. In addition, JDAs can be used to clarify requirements for decommissioning and ensure that its cost is covered by the project owners.

3 Kolbeck-Urlacher, Heidi. "Decommissioning Solar Energy Systems Resource Guide." Center for Rural Affairs, June 20, 2022, cfra.org/decommissioning-solar-energy-systems. Accessed February 2026.

4 Ibid.

5 "Model Clean Energy Ordinances." Center for Rural Affairs, cfra.org/model-clean-energy-ordinances. Accessed February 2026.

6 "Joint Development Agreement: A General Guide." Contracts Counsel, contractscounsel.com/t/us/joint-development-agreement. Accessed February 2026.

Example: JDA for Vista Sands Solar[7]

A JDA between Vista Sands Solar LLC and several towns, a village, and Portage County, Wisconsin, outlines agreements for road use and repair, establishes how utility-shared revenue payments will be allocated, and contains considerations for project setbacks, vegetation, and erosion control. The agreement also includes assurances for decommissioning, outlining a tiered financial model that ensures the cost of decommissioning is fully covered by the project owners.

- At least 90 days prior to the start of project construction, Vista Sands Solar will provide the county financial assurance to cover 10% of the estimated costs of the decommissioning plan filed with the PSCW. By the 10th year in operation the project shall provide 70% of the costs, and by the 15th year in operation it shall provide 100% of the estimated costs of decommissioning.

In addition, the JDA outlines that the financial assurance and the decommissioning plan filed with the PSCW shall survive the termination of the JDA until decommissioning is complete as determined by PSCW. This provides a further safeguard that local governments will not be responsible for any costs associated with decommissioning. The JDA also requires that on or before the 20th year in operation, the parties associated with the agreement will review and update the decommissioning plan, and after that will continue to update it every five years until decommissioning is complete. Additionally, the agreement stipulates that if the parties involved in the JDA mutually determine the cost of decommissioning is more than described in the decommissioning plan, financial assurance should be increased to cover the increased costs.

Wind decommissioning: PSC-128

In 2010, the PSCW adopted Wisconsin Administrative Code Chapter 128, also known as PSC 128, which set statewide wind energy system siting rules.[8] The rules set a regulatory baseline that local governments cannot exceed in restrictiveness, if they choose to regulate wind energy systems.[9]

The rules were created to provide consistent, statewide standards for local governments (city, town, village, county) regarding the regulation of wind energy systems up to 100 megawatts (MW) in size.[10] Wind energy systems 100 MW in size or greater are under the siting jurisdiction of the PSCW, and are not directly subject to these rules.[11] PSC 128 is comprehensive and includes notice requirements, siting and noise criteria, shadow flicker, construction, operation, and decommissioning.[12]

Subchapter two of the rule outlines the owner requirements for wind energy systems, which include decommissioning. The decommissioning section breaks down the requirements and process for decommissioning, provides guidance on who is financially responsible to cover the cost of activities related to decommissioning, and site restoration expectations.[13] Importantly, it highlights several opportunities for political subdivisions (local governments) to enact standards related to decommissioning.

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7 "Vista Sands Solar Joint Development Agreement." Town of Grant, Portage County, Wisconsin, June 20, 2024, cdn.townweb.com/townofgrant-portage.wi.gov/wp-content/uploads/2024/07/Vista-Sands-Solar-JDA-Execu-tion-Version-38001469.1.pdf. Accessed February 2026.

8 "Wind Siting Rules." Public Service Commission of Wisconsin, psc.wi.gov/Pages/ServiceType/Energy/Renewables/WindSitingRules.aspx. Accessed February 2026.

9 "Wind Siting-Frequently Asked Questions." Public Service Commission of Wisconsin, July 1, 2014, psc.wi.gov/SiteAssets/WindSitingFAQs.pdf. Accessed February 2026.

10 Johnson Phillips, Sarah. "Wisconsin Wind Siting Rules Effective Today." Stoel Rives, LLP, March 16, 2012, lawofrenewableenergy.com/2012/03/articles/renewable/wind/wisconsin-wind-siting-rules-effective-today. Accessed February 2026.

11 "Wind Farms in Wisconsin." RENEW Wisconsin, renewwisconsin.org/wind-farms. Accessed April 2026.

12 Ibid.

13 "PSC 128.19 Decommissioning." Wisconsin State Legislature, February 2011, docs.legis.wisconsin.gov/code/admin_code/psc/128/ii/19. Accessed February 2026.

PSC 128 outlines the following wind decommissioning regulations

1. Determining end of useful life, extensions, and timeline.[14]

   - **Determining the end of a project's useful life.** Decommissioning should be done at the end of a project's useful life, which is defined as a system generating no electricity for a continuous 360-day period. A wind energy system is presumed to be at the end of its useful life if it generates no electricity for 540 days, and if the owner does not request an extension to return the project to service, or the political subdivision denies an extension request.
   - **Extension requests.** A political subdivision may accept or deny project owner requests to extend the period up to 540 days if the project owner can demonstrate that the project will operate again in the future. Project owners must also do at least one of the following: show an ongoing good-faith effort to return the wind system to service; demonstrate that the system is being used for ongoing research or development purposes; or demonstrate it is being used for educational purposes.
   - **Completing decommissioning.** When decommissioning is required, the project owner must begin decommissioning within 360 days after the system has reached the end of its useful life, and it must be completed by 540 days after the end of its useful life. Once complete, the project owner must file a notice of completion with the political subdivision and the Public Service Commission, which has 360 days to determine whether the owner has met all decommissioning requirements.

2. Establishing financial responsibility for wind energy projects with a nameplate capacity of one megawatt or larger.[15]

   - **Financial assurance mechanisms.** Financial assurances are required and ensure that funds are available for decommissioning. An owner may choose to provide a bond, deposit, escrow account, irrevocable letter of credit, or some combination of these financial assurances.
   - **Project owner responsibilities.** Wind energy project owners are responsible for maintaining proof of their ability to fund the actual cost of decommissioning and ensuring necessary funds for decommissioning are available through the life of the project and completion of decommissioning.

14 Ibid.

15 Ibid.

PSC 128 outlines the following wind decommissioning regulations, continued

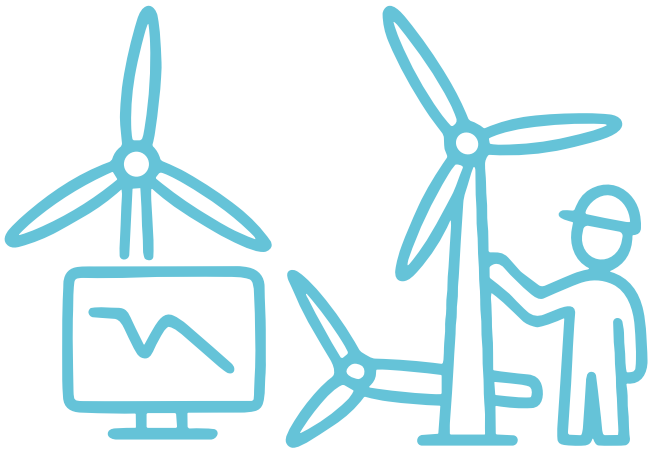
3. Local opportunities for establishing financial responsibility and assurance.[16]

- In addition to previously listed requirements, a political subdivision may require a project owner to:
  - Provide financial assurance of the owner's ability to pay for the actual and necessary cost to decommission the wind project before commencing major construction activities. If requiring financial assurance, they may:
    - ✓ Provide up to three cost estimates to decommission that are prepared by an agreed-upon third party;
    - ✓ Establish financial assurance that puts the political subdivision in a secured position, with funds restricted to wind project decommissioning until completion is confirmed or the funds are otherwise released, whichever occurs first;
    - ✓ And/or establish financial assurance that allows the political subdivision to access funds for decommissioning if the project owner does not decommission the project when required.
  - Provide substitute financial assurance of the project owner's choosing (from the approved mechanisms above) if concerns arise regarding the viability of the existing assurance.

A political subdivision may not require the amount of the financial assurance to exceed the average cost estimate provided. Instead, it may periodically request information from the project owner regarding the industry costs for decommissioning. If a political subdivision determines the expected cost to decommission has changed by 10% or more (higher or lower) compared to earlier estimates, it can adjust the required financial guarantee up or down to match the new cost. Financial assurance cannot be adjusted more often than once in a 5-year period.

4. Site restoration responsibilities.[17]

- If the wind energy system is constructed on *land owned by a person other than the owner of the system,* the owner of the project is responsible for ensuring the property is restored to the preconstruction condition, unless otherwise provided in a contract signed by an affected landowner, considering any modifications needed to comply with Department of Natural Resources requirements.
- If the wind energy system is constructed on *a brownfield—defined as abandoned, idle, or underused industrial or commercial facilities or sites, the expansion or development of which is adversely affected by actual or perceived environmental contamination*—the project owner is responsible for restoring the property to eliminate effects caused by the wind energy system, except for the effects of environmental remediation activities (as defined in Wisconsin state statute 238.13 (1) (d)).



16 Ibid.

17 Ibid.

Recommendations for decommissioning

As county officials look to enact siting or zoning standards for wind and solar energy ordinances, *while ensuring they are not more restrictive than the state,* we recommend they:

- Include a requirement for decommissioning plans in their ordinances, outlining the obligations and methods developers will use to decommission projects, remove materials, and restore sites.
- Ensure that decommissioning plans include expected timelines for completion of tasks.
- Require the project developer to notify the county of its intent to stop using the facility once it has been determined the system will be fully retired.
- Work with a knowledgeable, independent party to determine the real projected cost of decommissioning for a project and use that to set amounts for financial assurances.
- Include a provision that the project owner is responsible for the costs of decommissioning, ensuring the county and landowners do not bear these costs.
- Determine if standards exist for decommissioning at the state level prior to county officials drafting any requirements and address any additional decommissioning related issues through an ordinance.
- Consider how they want to regulate disposal into landfills and encourage recycling or repurposing of wind and solar components.