



Solar Panel Building Permit Fee Study

July 6, 2015

California Government Code Section 66015 provides that for both residential and commercial rooftop solar energy systems, the City may not charge a building permit fee that exceeds the estimated administrative cost of the review, approval, and issuance of the permit, and the hourly inspection and follow-up costs for the site inspection. Absent the City Council making certain findings, Section 66015 provides that the building permit fee for a residential system shall not exceed five hundred dollars (\$500) plus fifteen dollars (\$15) per kilowatt for each kilowatt above 15kW, and the fee for a commercial system shall not exceed one thousand dollars (\$1,000) for systems up to 50kW plus seven dollars (\$7) per kilowatt for each kilowatt between 51kW and 250kW, plus five dollars (\$5) per kilowatt for each kilowatt above 250kW.

In order to estimate the administrative cost of review, approval, issuance and field inspection of residential and commercial rooftop solar energy systems, the Planning and Building Department reviewed 13 randomly selected residential systems permitted during 2014- 2015, and 3 commercial systems. (Only 3 commercial systems were selected because only 3 commercial applications were applied for during 2014 - 2015).

A study was prepared which calculates the updated cost to plan check and conduct a field inspection for photovoltaic (solar) panels for residential and commercial applications in the City of Huntington Beach. The calculations are based on hourly rates establish in the 2009 Fee Schedule and are attached.

Based upon the Fee Study, the Planning and Building Department recommends that the residential solar panel fee be set at the amount of the average estimated cost of the review, approval, and issuance of the permit, and the hourly inspection and follow-up costs for the site inspection, which is \$384, plus \$10 for each kW above 15 kW.

Further, in the case of commercial solar panels, the study indicates the average estimated cost of the review, approval, and issuance of the permit, and the hourly inspection and follow-up costs for the site inspection, which is \$1,601.25. However, the Planning and Building Department recommends that the permit fee be set at the maximum amount permitted under Section 66015(a), which is \$1,000 plus \$7 per kW above 50kW, and that for panels at 250 kW and above, the fee is \$2,000, plus \$5 per kW above 250kW.

A copy of the staff report will be available to interested parties at the City Clerk's Office or on line at <http://www.huntingtonbeachca.gov> on Thursday, July 16, 2015.

FEE STUDY ANALYSIS

Definition of Fee: Photovoltaic Fee (Residential) -includes expedited permit process, plan check & Inspection

Classification of Employee Performing Service	Hours of Time (on average) to Complete		
	Hours to Complete	Hourly Rate	
Senior Permit Tech	0.5	75	\$ 37.50
Prin. Electrical Inspector	1.75	125	\$ 218.75
Inspector III	1.5	85	\$ 127.50
			\$ 383.75

Fee: **Photovoltaic-Commercial**

Definition of Fee: Photovoltaic Fee (Commercial) -includes expedited permit process, plan check & Inspection

Classification of Employee Performing Service	Hours of Time (on average) to Complete		
	Hours to Complete	Hourly Rate	
Senior Permit Tech	1	75	\$ 75.00
Prin. Electrical Inspector	10	125	\$1,250.00
Inspector III	3.25	85	\$ 276.25
			\$1,601.25