

## HOA's and Solar PV in North Carolina

In 2007, North Carolina passed its first <u>solar access law</u>. Known as SB670, this law prohibits HOAs from banning "the reasonable use of a solar collector for a detached single-family residence." This represented a good first step toward protecting solar rights of homeowners, but it didn't prevent associations from controlling where owners could install their solar panels. Under the law, HOAs could not deny requests to install solar panels, but they could block homeowners from installing them on a roof that faces the street or public, even if such placement provided maximum sun exposure.

Despite the Solar Access Law, HOAs could deny solar installation through other loopholes as well. One example is citing solar projects as "improvements," which the organization would then have the authority to reject. This was the case in the case of Belmont Association v. Thomas Farwig. An appeals court ruled in favor of the Belmont Association's right to deny the solar installation, and the issue was then raised to the NC Supreme Court. The June 2022 NC Supreme Court ruling reversed the original decision and ruled that HOA provisions granting broad discretionary authority to architectural review committees *cannot* be used to prohibit the installation of solar panels. The court also affirmed that the HOA's architectural review committee could not limit the location of solar panels to the back of the home, in situations where doing so would prevent the reasonable use of the panels due to roof orientation. (The court clarified that an HOA could restrict solar panels so long as the limitations were spelled out in advance and didn't make the panels ineffective.)

The ruling marked a significant achievement for solar advancement in the state, affirming access to renewable energy for NC homeowners.