



SCOTT FITZPATRICK MISSOURI STATE AUDITOR

Investigative Summary City of Lebanon

Summary of Significant Complaint(s) reported:

The State Auditor's Office received complaints alleging employees of the City of Lebanon interfered with commercial transactions by providing city residents inaccurate information and discouraging residents from purchasing and installing solar panels. The complainant alleges the city denied or did not process required permits for the installation as a means of preventing residents from using a power source that would compete with the city's own municipal electric company.

Background:

The city outlines the procedures for residents to obtain approval for the purchase and installation of solar panels in a handout available to city residents and businesses. City procedures include:

- The solar company and installer must register with the City of Lebanon
- The solar customer must complete an "Alteration/Modification Application" and a "1 & 2 Family Dwelling Application for Plan Examination & Building Permit Application." The procedures and requirements are given to the solar customer and the solar contractor with the Alteration/Modification Application
- Customers must submit the completed applications to the code administration department along with engineered drawings from the installer for commercial applications and manufactured drawings for residential applications. The city's electric planner reviews and approves the drawings.
- The solar customer must meet with the code administration and utility billing departments to go over the payback and billing process and sign service agreements. The procedures indicate no permit will be issued until the code administration department meets with the solar customer. The customer must also pay a \$150 Reprogramming fee for converting the meter for solar power.
- The installer must meet with the code administration department prior to installation and the solar provider must meet with the electric department after installation.
- The project must have a safety inspection by the code administration department and final approval by the electric department before activation.

Complaint Review:

An Investigative Letter was sent to the City of Lebanon requesting policies and procedures for obtaining the appropriate permits for solar power, any meeting minutes in which obtaining the necessary permits were discussed with the appropriate boards for the period of March 1, 2024 through September 30, 2024, and a listing of all city and interconnection permit applications and the application dispositions

for the period of March 1, 2024 through September 30, 2024. If the application was pending or denied, we requested an explanation for the pending or denied status.

A review of the documentation provided indicates 3 city residents applied to participate in the solar program in 2024. All necessary forms and approvals were obtained for the 3 applicants.

The following is a table of the dates specific procedures took place.

	Date of Account Review	Date of Metering Agreement	Date Meter Activated	Type of Applicant
Applicant 1	12/20/23	9/6/24	9/12/24	Business
Applicant 2	8/20/24	8/20/24	10/7/24	Residential
Applicant 3	9/17/24	9/17/24	Incomplete ¹	Business

¹At the time of our review, the customer had not completed installation of the solar panels.

Nothing in the documentation reviewed indicates residents were provided false information. If this did occur, it does not appear it prevented the customers from proceeding with their projects, as all of their permit applications were approved.

Conclusion

In our review of the complaint, we found no indication of fraud or corruption. It appears the city has procedures in place for residents to apply and be approved for solar panel installation. As all city residents who have applied for the solar program have received city approval for their projects, we will issue a closure letter indicating our investigation is complete.