

News & Insights

Solar Panels & Your Church

Many churches are investigating the benefits of investing in a solar panel power system for their properties. Churches see this as an opportunity to “go green” as well as a way to lower utility costs. However, before the church undertakes such a large project there are various aspects of solar panel installation and usage to take into account.

Choosing the right vendor is important, the [New Jersey Clean Energy Program](#) suggests several points to consider and offers a [Find a Trade Ally](#) tool to help customers find a vendor located near them along the East Coast. Once you choose a vendor you also have to consider some items regarding installation, placement, construction, and insurance implications:

- The church would need to hire a qualified and insured contractor to complete the installation
- Insurance requirements and guidelines are available from Sovereign Insurance Group, please contact us and we will be happy to provide guidance
- If you are planning to install the solar panels on your roof, consult with an engineer to ensure your roof is structurally sound enough to support the additional weight of solar panels.
- If panels are to be located on the ground, take action to guard against theft of the panels. A builder’s risk policy may need to be written since theft of construction materials before they are installed is excluded under the church’s package policy. This is especially critical if the panels delivered to your location prior to being installed. Consider the following security precautions:
 - Lock the panels in a secure location prior to installation or link the panels together with a locking device after installation.
 - Install security lighting (possibly activated by motion) and reduce shrubbery and other hiding spaces in the area to deter criminals.
 - Consider installing an alarm device
 - Ask the installer to use lockable nuts / bolts when installing the solar panels
- Check with the manufacturer / provider to be sure the solar panels are properly designed for your climate (resistant to temperature extremes, snow, wind, hail, lightning, etc.).
- Increased risk of electrical fire:
 - Solar panels can lead to a greater risk of electrical fire, so the church (or possibly the energy supplier depending on the contract) must comply with all operating and maintenance guidelines provided by the manufacturer. You may want to consider working with the installer to ensure adequate electrical shutoffs are provided and fire suppression is present in "power rooms" and to the area where the panels are located.
 - The National Fire Protection Association has issued several pieces of information regarding fire risks associated with solar panels, especially pertaining to the safety and emergency response tactics when solar panels are involved. From a codes and standards perspective, the [Solar America Board for Codes and Standards](#) provides a good overview of these standards.
- If you will be selling electricity back to the grid, speak with a tax consultant to learn if / how your church may be taxed on the energy you produce.

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Once the panels are installed the church may need to amend your current limit of insurance to properly insure the panels in the event of a loss. In addition there are often usage and maintenance agreement that would need to be reviewed by the church's legal counsel and by Sovereign Insurance Group for insurance purposes PRIOR to the church entering into them. It is imperative that prior to any construction project the church review your plans with your District Building and Location Committee and Sovereign Insurance so we can ensure that the church is properly insured and protected.

As always if you have any questions regarding the Conference Property Insurance Program please contact:

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