



Connecticut Department of  
**ENERGY &  
ENVIRONMENTAL  
PROTECTION**

**STATE OF CONNECTICUT  
DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION**

Public Hearing – March 5, 2013  
Energy and Technology Committee

Testimony Submitted by Commissioner Dan Esty  
Presented By Deputy Commissioner Katie Dykes

**Proposed Senate Bill No. 203 - AN ACT CONCERNING PROPERTY TAX EXEMPTIONS FOR RENEWABLE ENERGY SOURCES**

**and**

**Raised Senate Bill No. 949 – AN ACT ESTABLISHING COMMERCIAL AND INDUSTRIAL PROPERTY TAX EXEMPTIONS FOR CLEAN ENERGY PROJECTS**

Thank you for the opportunity to present testimony regarding; Proposed Senate Bill No. 203 – An Act Concerning Property Tax Exemptions for Renewable Energy Sources, and Raised Senate Bill No. 949 – An Act Establishing Commercial and Industrial Property Tax Exemptions For Clean Energy Projects. The Department of Energy and Environmental Protection (DEEP) welcomes the opportunity to offer the following testimony.

These proposals, which we strongly support, would allow help encourage commercial and industrial property owners to install renewable energy systems by removing any increased property tax allowing municipalities to exempt the value of such improvements from the assessed value of the property for purposes of determining its tax liability. Such an exemption already exists for residential renewable energy systems and these bills would merely enable a municipality to extend that exemption to commercial and industrial properties.

At the heart of the State's Comprehensive Energy Strategy DEEP leveraging private investment to help secure a cheaper, cleaner and more resilient energy future. In many ways these bills propose a no cost way to encourage the private sector to invest in cleaner energy resources. As you know the cost of these systems already constitutes a significant financial barrier for many businesses that would really like to become "greener" or just more independent. The additional – and ongoing – property tax burden just adds to the cost barrier that inhibits wider adoption of larger renewable systems. Since the municipalities will never realize an increased tax if the systems are not deployed, they are really forgoing potential, rather than existing revenue, with the exception of those limited circumstances where a tax assessment has been collected from systems installed since 2011.

Since these are municipal options there is really no downside to these bills. Instead they grant our cities and towns a tool that many have requested to help advance their clean energy agendas. We encourage the committee to act favorable on these bills.

Thank you for the opportunity to present testimony on these proposals. If you should require any additional information, please contact DEEP's legislative liaison, Robert LaFrance at 424-3401 or [Robert.LaFrance@ct.gov](mailto:Robert.LaFrance@ct.gov)