



**Testimony of RENEW Northeast before the  
Energy and Technology Committee concerning**

**Raised Bill 993**

***An Act Removing the Property Tax Exemption for Solar Projects and Reclassifying the Tax Calculation of Solar Projects on Single Parcels of Land***

**March 9, 2021**

Chairmen Needleman and Arconti, Ranking Members Formica and Ferraro, and members of the Energy and Technology Committee, my name is Francis Pullaro and I am here on behalf of RENEW Northeast (RENEW),<sup>1</sup> its Executive Director, to offer testimony on Raised Bill 993, *An Act Removing the Property Tax Exemption for Solar Projects and Reclassifying the Tax Calculation of Solar Projects on Single Parcels of Land*.

Solar projects can provide numerous economic benefits to host communities, including much needed new tax revenue streams, while requiring minimal public services. To ensure communities fully benefit from the value of solar, RENEW supports creating a uniform capacity tax at a rate of \$5.00 per kW of plant capacity for projects serving a municipal virtual net metering program and that this should include all small renewable energy projects not already tax exempt whose output otherwise exceeds their loads (i.e., utility-scale projects).<sup>2</sup>

For larger renewable energy projects having output exceeding their loads (e.g., 20-megawatt solar project with a PURA-approved power purchase agreement), RENEW recommends the bill require the Secretary of the Office of Policy and Management to develop and issue guidance to towns on the valuation and taxation of these systems. This guidance should include (i) assessment of solar, wind and energy storage systems; (ii) standardization of abatement terms including those pursuant to section 12-81(57)(F); and (iii) where feasible, standardization of tax policy when agreements for abatements are not in place. Municipalities would be encouraged but not required to follow a predictable method for how these energy systems will be valued for property tax purposes. Many states are taking this approach including neighboring Massachusetts and New York.

Thank you for the opportunity to offer these comments.

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<sup>1</sup> The comments expressed herein represent the views of RENEW and not necessarily those of any particular member of RENEW. RENEW is a non-profit association uniting environmental advocates and the renewable energy industry whose mission involves coordinating the ideas and resources of its members with the goal of increasing environmentally sustainable energy generation in the Northeast from the region's abundant, indigenous renewable resources. RENEW members own and/or are developing large-scale renewable energy projects, energy storage resources and high-voltage transmission facilities across the Northeast. They are supported by members providing engineering, procurement and construction services in the development of these projects and members that supply them with multi-megawatt class wind turbines. RENEW seeks to promote policies that will increase energy diversity, promote economic development, and achieve state policy goals including those found in the Renewable Portfolio Standard (RPS) and the Global Warming Solutions Act (GWSA).

<sup>2</sup> General Statutes §16-244u(7)(a) limits virtual net metering projects to capacity ratings of three megawatts or less.