



**Legislative Testimony of Sunrun, Inc.**  
To the Committee on Energy & Technology  
March 9, 2021

**OPPOSED to Senate 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**

Chairs Arconti and Needleman, Ranking Members Formica and Ferraro, Vice Chairs Winfield and Allie-Brennan, and distinguished member of the Committee:

Sunrun opposes SB 993 in its current form. As drafted, the bill would solely eliminate the property tax exemption for residential solar systems unless those residential systems have a generating capacity greater than 7 MW – which is not possible. Additionally, the language regarding the treatment of multiple solar projects on the same parcel of land would also only apply to residential projects. Commercial, industrial, or grid-scale virtual net metering projects would still maintain the same property tax exemption they receive today.

We do not believe the outcomes above are what was intended by this bill. Our understanding is that intention of the bill was to address the eligibility for virtual net metering or utility-scale projects and establish a uniform approach for taxing such projects, including if multiple projects are located on the same parcel of land. If this is accurate, any clarifications on eligibility for such projects should be included in 57(D) or included as a new section rather than its current location in 57(A), which is solely applicable to residential and farm customers. As Sunrun does not develop large-scale projects, we defer to SolarConnecticut and other large-scale developers on whether the 7 MW threshold language and single parcel treatment is appropriate.

If unchanged, all new and existing residential solar systems in the state would become subject to property taxes, which would severely undermine the economic value of those systems to homeowners. It would instantly make all existing third-party owned residential systems uneconomic by adding a significant unplanned cost which would be borne by the developer, and it would lead to increased prices for new solar customers if that product would be viable at all. For homeowners who own their system, the added property tax cost could mean the system would provide no actual net savings and would significantly increase their payback period. Importantly, there is a bill, HB 6106, that has passed out of the Planning and Development Committee which makes minor clarifications to this same property tax exemption statute which would directly conflict with the current language in SB 993.

The property tax exemption for renewable energy systems is a key component of the state's solar policy framework. This popular policy has been adopted in more than 30 states and is meant to remove a financial barrier to the deployment of clean, renewable energy resources. In Connecticut, the property tax exemption for residential solar energy systems was enacted in 2007, and expanded in 2013 to cover non-residential solar energy systems. Maintaining the residential property tax exemption is critical to ensuring a healthy state-based solar industry, and to ensure that residents are not disincentivized from installing solar on their homes.

Sunrun urges the Committee amend the language in this bill to achieve its desired purpose, and we are willing to provide feedback on new language to ensure it does not inadvertently affect residential systems.

Sincerely,

Kyle Wallace  
Sr. Manager, Public Policy