



Committee on Taxation
% Legislative Information Office
100 State House Station
Augusta, ME 04333

March 12, 2025

Re: Public Hearing, LD 819, *An Act Concerning the Status of Battery Storage Systems with Regard to the Business Equipment Tax Exemption*

Dear Senator Grohoski, Representative Cloutier, and Members of the Committee:

Thank you for the opportunity to share testimony in opposition to LD 819, *An Act Concerning the Status of Battery Storage Systems with Regard to the Business Equipment Tax Exemption*, on behalf of the Maine Renewable Energy Association (MREA). MREA is a not-for-profit association of renewable energy producers, suppliers of goods and services to those producers, and other supporters of the industry. Our member companies include wind, solar, hydropower, and biomass, energy generators and developers of such projects, as well as battery storage system developers and owners and companies that provide services to those developers, such as environmental engineers, electricians, and general contractors.

MREA opposes LD 819 because it runs counter to the Maine Legislature's recent efforts to encourage battery energy storage system development in the state as a critical component to achieve Maine's renewable energy and climate goals. Specifically, Public Law 2023, Chapter 374 (LD 1850 from the 131st Legislature) established Maine's goal to develop at least 300 MW of installed storage capacity in the State by the end of 2025 and at least 400 MW by the end of 2030, as well as a program to procure up to 200 MW of commercially available storage to achieve those goals. This work is currently being advanced by the Governor's Energy Office (GEO).

MREA supports energy storage because it will accelerate the integration of the clean energy resources needed to meet the state's climate and clean energy goals, as well as provide a myriad of public benefits. Energy storage can cost-effectively provide new capacity to the grid and complement renewable energy resources by absorbing their excess low-cost energy and storing it for later use when demand is high and generation is expensive. This has the effect of smoothing daily price spikes and reducing congestion from high renewable areas to high demand areas. Over the long term, storage can improve overall energy economics including renewable energy economics through price stabilization. This has the ancillary benefit of increasing the likelihood of financing for renewables. By improving the economics of renewable

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energy, storage can potentially allow Maine to meet its renewable energy targets sooner and at a lower overall cost.

For these reasons and more, MREA encourages the Committee to vote "Ought Not to Pass" on LD 819.

Sincerely,

A handwritten signature in cursive script that reads "Eliza Donoghue".

Eliza Donoghue, Esq.
Executive Director