



April 9, 2025

The Hon. Nicole Grohoski, Co-chair  
The Hon. Kristen Cloutier, Co-chair  
Joint Standing Committee on Taxation  
State House  
Augusta, Maine 04330

**Re: Testimony in Support of L.D. 1355 in Maine’s 132<sup>nd</sup> Legislature**  
*“Resolve, to Require the Office of Tax Policy to Study Taxation of Renewable Energy Infrastructure”*

Via email: [TAX@legislature.maine.gov](mailto:TAX@legislature.maine.gov)

Senator Grohoski, Representative Cloutier, and members of the Taxation Committee:

Glenvale LLC (d/b/a Glenvale Solar) develops utility-scale renewable energy projects, primarily in New England; our team is based in Portland, and Boston. We develop projects that compete with traditional wholesale power, benefit communities with thoughtful planning to minimize visual impacts and linear transmission, and will help New England access safe and secure clean energy for decades to come.

### Our Mission

We believe that renewable energy can be abundant, affordable and reliable. To provide economic benefits to those who build the projects, property owners, energy customers, investors, and the communities where the projects are sited, benefits must be shared evenly, fairly, and predictably.

Utility-scale projects often have low energy revenue, so efficiency and predictability are key to delivering these projects.

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### Just Value and Transparency

Glenvale supports improved property tax administration for utility-scale renewables that is as transparent and predictable as possible. While the principles of property tax regulation may be universal, there are unusual, even unique features of utility-scale renewable energy projects that are challenging to evaluate, and the subject projects are typically the only one of their kind in a municipality.

We would like to see thorough published records, agendas and minutes of meetings, and documentation that supports how any unusual treatment of renewable energy property for property tax purposes was determined. Property can end up with a higher tax burden through several mechanisms including:

- a) the initial valuation, including adjustment of costs in-basis and investment tax-credits
- b) first year depreciation
- c) depreciation schedule
- d) low value
- e) depreciation method

It is consistent with the just value principle for similar projects<sup>1</sup> in different communities to have similar valuations, depreciation schedules, and low values.

### High Capital Costs and Interest Rates

Utility-scale solar projects' lifecycle costs are largely fixed and concentrated in the development stage. In the current interest rate environment, projects are very sensitive to predictable costs. If ultimately deemed approved by the legislature, a uniform tax would be beneficial for projects, and for the following reasons may benefit Maine and its communities:

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<sup>1</sup> Different projects can easily be measured on a comparable basis by the megawatt, direct current for utility-scale photovoltaic, using the cost approach. Utility-scale batteries and wind would similarly have unitary measurements available that could be reviewed for comparison. While individual projects will have distinctions, general conformance and similarity across projects would be typical.



- i. utility-scale projects are impactful to municipal budgets, but the impact can be sudden and then declining – “levelized” revenue can help communities use new revenue effectively over long periods
- ii. levelized options (versus declining) could be a local option with an adjuster applied to account for escalation
- iii. uniform rates applied at the state level would eliminate the incentive to site projects in communities with lower tax rates
- iv. uniform rates would reduce the prospect of valuation disputes, protecting taxpayers and communities from some litigation risks
- v. investment tax credits for projects vary, which can make project valuation uncertain for communities
- vi. uniform rates are much easier for project sponsors to evaluate, and will support the deployment of projects in a key growth industry for Maine; in doing so, several aspects of public policy can be enabled

Glenvale supports the resolve and notes that it does not have a predetermined outcome, it is an evaluation; “Knowledge is power”, (Francis Bacon).

Glenvale firmly believes that the projects we develop should be meaningful taxpayers in the communities where we work. We support mechanisms that are more likely to arrive at just value, in accordance with Maine law, and also support mechanisms that help communities retain more tax revenue, and have more predictable long-term budget impacts.

Thank you for considering our views – Glenvale welcomes the opportunity to assist further in the committee’s deliberations, and any subsequent consultation.

Sincerely,

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Aidan Foley  
CEO  
Glenvale LLC