



April 5, 2023

Senator Nicole Grohoski, Chair  
Representative Joe Perry, Chair  
Committee on Taxation  
100 State House Station  
Augusta, ME 04333

**Re: Testimony neither for nor against LD 1153, “An Act To Allow Municipalities to Tax Personal Solar Energy Equipment Under 5 Megawatts”**

Senator Grohoski, Representative Perry, members of the Taxation Committee:

My name is Jeremy Payne and I am a principal with Cornerstone Government Affairs Group here to testify neither for nor against LD 1153 on behalf of our client the Maine Renewable Energy Association (“MREA”).

Maine’s burgeoning solar industry has been delivering important economic and environmental benefits – from new jobs and tax revenues, to reducing harmful greenhouse gas emissions. As this committee often hears, one of the most essential things every industry needs to invest – and continue investing – is predictability. The solar industry in Maine has been investing in many communities across the state, with projects of various shapes and sizes after having met all the local and state permitting requirements.

We believe the original legislation creating the exemption was well intended given the potential complexities associated with solar project valuations; however, the industry has also made clear it is willing to collaborate with interested parties and identify a reasonable middle ground. We have had ongoing conversations with various agencies in the Mills Administration – including with the Governor’s Energy Office and Maine Revenue Services – about identifying a path for solar companies to potentially pay a flat fee through the creation of an excise tax or some other similar instrument.

It is important that any change be forward looking as many companies made investment decisions and offered savings to community solar subscribers based upon the exemption afforded to them under current law.

The industry remains willing to work with this committee, state agencies, municipalities or others on this matter.

Thank you.