

Cameron Reny Senator, District 13

THE MAINE SENATE 131st Legislature

3 State House Station Augusta, Maine 0433

Senator Grohoski, Representative Perry, and esteemed members of the Committee on Taxation, I am Senator Cameron Reny. I represent District 13, which is most of Lincoln County as well as the towns of Washington and Windsor. I am here today to introduce LD 2027, An Act to Clarify the Property Tax Exemption for Air Pollution Control Facilities.

It is my understanding that Air and Water Pollution Control Facilities tax exemptions were created with the purpose of encouraging industrial companies to install pollution control equipment to minimize pollution from their industrial processes, for example paper mills.

Maine Yankee Atomic Power Company, in Wiscasset, has stored nuclear fuel and waste since the decommissioning and dismantlement of the nuclear power facility in 1997. This storage consists of 64 large stainless steel canisters encased in 64 concrete casks. Maine Yankee is currently an ISFSI, an Independent Spent Fuel Storage Facility. I have had the opportunity to tour the property, and it is an impressive operation. However, there are no industrial processes occurring at this facility. The purpose of Maine Yankee is the safe storage of dangerous materials until the federal government fulfills its responsibility to remove them. We are not impacting the air quality or level of pollution in Wiscasset and the surrounding areas by clarifying Maine Yankee is not eligible for this tax exemption.

You may be wondering how Maine Yankee affords to operate as a storage facility that does not generate income. The answer is, they are reimbursed by the federal government for "reasonable" costs of owning and operating the ISFSI including property taxes. Maine Yankee must try their best to take advantage of any tax breaks they can get, because if they do not- the federal government may not reimburse them for those costs. Last year, Maine Yankee applied for, and has been granted, an Air Pollution Control Facility tax exemption through the Maine DEP. In my opinion, this is due to a lack of clarity in the statute- which is why I am here today.

Despite what you may hear in later testimony, clarifying that this spent nuclear fuel storage facility does not qualify for a pollution control tax exemption does not harm Maine Yankee or the environment, but it would substantially harm the town of Wiscasset. The taxpayers in Wiscasset would be footing the bill that should be paid by Maine Yankee and the federal government. The ISFSI takes up a large parcel of waterfront property and has some important, and costly, needs. It is vital to everyone's safety that the town keeps the roads to Maine Yankee in excellent shape with plowing and maintenance, plus there is the necessity of fire and police protection.

Additionally, there is no other state in the country that exempts ISFSI facilities from property taxes as pollution control facilities. Connecticut Yankee applied for a similar exemption, and was denied. I urge you to vote "ought to pass" on this bill. The town of Wiscasset depends on it. There are people

who will be testifying after me with more in-depth knowledge on the topic, but I am happy to answer whatever questions I can.

Thank you.