

Bill H7506/S2244 Solar Batteries Sales Tax Exemption - Support

Sol Power is a RI solar installation company based in Charlestown. We've been in business since 2013 and have powered more than 1,000 RI homes with clean solar energy. These are our comments supporting bill H7506 regarding a sales tax exemption for solar batteries.

We strongly support a state sales tax exemption for batteries paired with a solar installation. Batteries allow the utility to use our clean solar energy when the utility grid needs it most. The result is reducing peak demand on the utility grid, which lowers the cost of electricity for all ratepayers. **As a direct cost savings measure for all RI electric ratepayers, it's essential that we create state policies to promote adoption of solar batteries.**

The utility can call solar battery energy any time they want using an existing program called Connected Solutions. That program reduces the peak demand on the grid, making electricity cheaper for all Rhode Islanders.

RI decreased solar battery incentives by more than 40% last year. Removing the sales tax will help offset that reduction in incentives and encourage more battery adoption.

Batteries allow solar energy to be harnessed and deployed in a way that stabilizes our utility grid and helps meet the peak demand.

Solar panels and inverters are currently exempt from state sales taxes. The wording of the existing law is unclear if solar batteries are also sales tax exempt. According to the current wording, some parts of a solar battery are sales tax exempt, but not all of the parts. Specifically calling out batteries as sales tax exempt is a much needed clarification for state sales tax on solar equipment.

We recommend fine tuning the bill language to "behind-the-meter batteries that interconnect with utility power lines and a solar photovoltaic system;"

Battery installation is a growing industry creating quality green collar jobs in the electrical industry.

In order to make the most of our clean solar energy, and to lower the cost of electricity for all ratepayers, we need to increase adoption of batteries paired with solar by making them tax exempt.

Sincerely,

Eric Beecher

President, Sol Power

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