

## Bill H7808 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 used to support our electrical grid. 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 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. Removing the state sales tax will help encourage more battery adoption.

Batteries allow renewable and other forms of 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.

The current language is too broad and might unintentionally make too many batteries state sales tax exempt. We recommend changing the bill language to "batteries to be installed in energy storage systems that interconnect with utility power lines and have a storage capacity of at least 3 kWh (three kilowatt-hours)" to match the intent of the sponsors to only exempt utility grid supporting batteries.

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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