



House Committee on Tax Policy
House Bill 4317 (Rep. VanderWall) & House Bill 4318 (Rep. Neeley)
Establishment of solar energy districts, payment in lieu of tax program for certain qualified facilities

May 17, 2023

Good afternoon, Chair Neeley, Vice Chairs Farhat and VanWoerkom, and to the esteemed members of the House Committee on Tax Policy. My name is Amanda Stallings, Senior Regulatory Manager for National Grid Renewables. Thank you for the opportunity to meet with you virtually to voice our support for the proposed payment in lieu of tax (PILT) legislation that is before the committee today.

National Grid Renewables is a leading North American renewable energy company based in Minneapolis, Minnesota, with over 2,000 MW of solar and wind projects either under construction or in operation. Some of you may be familiar with our Bingham Solar facility in St. Johns or perhaps Temperance Solar in Erie. As a farmer-friendly and community focused company, National Grid Renewables develops projects for corporations and utilities that seek to repower America's electricity grid by reigniting local economies and reinvesting in a sustainable future. We are part of the competitive, unregulated Ventures division of National Grid and are one of few development companies that also own and operate many of the projects we have developed.

Certainty is critical to the success of our projects and necessary for strong economic development in the state. Solar developers work diligently to de-risk a project through every stage of its lifecycle. Our customers and investors need to understand how we determined certain prices and costs that will affect the project, even up to and including the decommissioning of a facility. As an unregulated independent power producer, our ultimate success largely depends on our ability to predict the financial impacts of each project so we can fully account for and disclose them to potential buyers.

National Grid Renewables supports and appreciates the efforts taken by Chair Neeley and Representative VanderWall to provide for some assurances in the solar energy industry. If enacted, House Bills 4317 and 4318 will serve as an incentive to solar developers seeking to do business in the state. This voluntary PILT program will also provide local units of government the long-term confidence they need to adequately plan for, and allocate funds to, services that benefit the community.

The PILT legislation before you today was created through months of stakeholder meetings and countless hours of collaboration with industry professionals, key trade associations, local units of government, and public officials. We believe this long-term collaborative effort has led to a workable solution for a voluntary tax structure that is able to provide the increased financial certainty renewable energy companies are looking for when they seek to do business in a state.

National Grid Renewables continues our support of PILT for the state of Michigan, and we are available to answer any questions regarding the potential impact this legislation will have on our Michigan portfolio.

Thank you again for the opportunity to voice our support.