



Georgia Environmental  
Conference  
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# Renewable Technologies

- **Temporary loan guarantee**
  - \$6 Billion provided to support up to \$60 Billion for biofuel projects and renewable technologies
- **\$2.5 Billion for applied research, development, demonstration, and deployment**
  - \$800 Million – biomass projects
  - \$400 million – geothermal projects
  - \$50 million – information and communications technologies
  - \$1.25 billion - other
- **Military R&D**
  - \$300 million – EE and RE



# Tax Credits and Bonds

- **Clean Renewable Energy Bonds (CREBs)**
  - \$1.6 Billion for tax credit bonds
  - Credit percent is set by IRS
  - Limitation: 1/3 (Public Power); 1/3 (Government); and 1/3 (Coops)
  - Can be issued by :
    - Public Power Companies
    - Cooperatives
    - Government bodies
    - Clean renewable energy bond lenders
    - Not for profit electric utilities with loans outstanding with RUS
- **Bond proceeds must be used to finance the following facilities:**
  - Wind
  - Open and Closed loop biomass
  - Geothermal
  - Solar
  - Small irrigation
  - Landfill gas
  - Waste to energy
  - Qualified hydropower




# Tax Credits and Bonds

- **In Lieu of Tax Credit**
  - Secretary of Treasury will make grants equal to 30% for project costs
  - Wind, Geothermal, Biomass, Hydro, MSW, Fuel Cells, Microturbines, Small Wind, and CHP
- **Investment Tax Credits**
  - 30% of project cost for Solar, Geothermal, Fuel Cells, Microturbines, Small Wind, and CHP
  - Removes \$4K cap for small wind
- **Production Tax Credits**
  - Extended until 2012 for Wind
  - Extended until 2013 for Geothermal, Biomass, Hydro, and Solar
- **Residential EE**
  - Extends until 2010
  - Aggregates to 30% or \$1500
  - Eliminates caps for solar thermal, wind, and geothermal and provides a 30% credit



# Qualified Energy Conservation Bonds Are Expanded


- Recovery Act authorizes the issuance of an additional \$2.4 billion of qualified energy conservation bonds, for a **total national limitation of \$3.2 billion.**
  - To reduce carbon footprint and other qualified conservation purposes,
  - Implement green community programs
  - Rural development of renewable electricity (PTC)
  - Technology to reduce energy use
  - Green building technology
  - Others...



# Qualified Energy Conservation Bonds

A qualified energy conservation bond is any bond issued as part of an issue that meets the qualified tax credit bond requirements (expenditures, reporting, arbitrage, maturity, and financial conflicts of interest) if:


- 100% of the issue's available project proceeds are to be used for one or more **qualified conservation purposes** (defined in the next few slides);
- the bond is **issued by a state or local government**; and
- the issuer **designates the bond** as a qualified energy conservation bond.



# Qualified Energy Conservation Bonds

## Qualified Conservation Purpose:


- (A) Capital expenditures for:
- (1) **reducing energy consumption in publicly owned buildings** by at least 20%;
  - (2) implementing **green community programs**;
  - (3) **rural development involving the production of electricity** from renewable energy resources;  
or
  - (4) any **qualified Sec. 45 PTC facility** (except coal) without regard to any placed in service date.



# Qualified Energy Conservation Bonds

## Qualified Conservation Purpose:


- (B) Expenditures with respect to **research facilities and research grants** that support research in:
- (1) the development of cellulosic ethanol or other nonfossil fuels;
  - (2) technologies for the capture and sequestration of carbon dioxide produced through the use of fossil fuels;
  - (3) increasing the efficiency of existing technologies for producing nonfossil fuels;
  - (4) automobile battery technologies and other technologies to reduce fossil fuel consumption in transportation; or
  - (5) technologies to reduce energy use in buildings.



# Qualified Energy Conservation Bonds

## Additional Qualified Conservation Purposes:

- (C) **Mass commuting facilities** that reduce the consumption of energy, including reducing pollution from vehicles used for mass commuting.




# Qualified Energy Conservation Bonds

## More Qualified Conservation Purposes:

(D) **Demonstration projects** designed to promote the commercialization of:

- (1) green building technology;
- (2) conversion of agricultural waste for use in the production of fuel or otherwise;
- (3) advanced battery manufacturing technologies;
- (4) technologies to reduce peak use of electricity; or
- (5) technologies for the capture and sequestration of carbon dioxide emitted from combusting fossil fuels in order to produce electricity.



# Qualified Energy Conservation Bonds

## Other Qualified Conservation Purpose:

(E) **Public education campaigns** to promote energy efficiency.



## Advanced Energy Investment Credit

- New 30% ITC for facilities engaged in the manufacture of advanced energy property
  - Includes, but is not limited to, investments in facilities that produce renewable power equipment, smart grid technology, carbon capture and storage equipment, energy storage, energy conservation, efficient transmission and distribution of electricity, and carbon capture and sequestration
- *-\$1.4 billion over 10 years*



# State Energy Efficiency Appliance Rebate Program

- Funding: \$300 Million
- Recipients: States & Territories – per formula
- Cost Sharing: 50% of administrative costs
- Allowed Activities:
  - Rebates for ENERGY STAR residential appliances
  - Supplement existing programs
  - Target replacement of existing appliances
- Timeline:
  - Funding announced: July 14, 2009
  - Initial Applications due: August 15, 2009
  - Final Program Plans due: October 15, 2009
  - Funds awarded to States: by November 30, 2009
  - Funds expended: by February 2012



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