

Utah Renewable Energy Incentive Programs

Utah Solar Energy Association Renewable Energy Conference

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April 19, 2011



State
Energy
Program

UTAH GEOLOGICAL SURVEY

The INCENTIVES Landscape

Innovation and expansion of the Utah energy economy:

- energy production
- energy efficiency
- energy diversification

Federal, State, Local governments (i.e. Utility Departments)
Utilities (i.e. Rocky Mountain Power)

Tax credits, grants, rebates, net metering

Residential & Commercial Incentives

State investment tax credit

State production tax credit

Federal investment tax credit

Federal renewable energy grants (1603 grants
in lieu of a tax credit)

Utility rebate programs

Tax credit vs. Rebate

Tax credit

- Reduces income tax obligation
- Using tax policy to achieve other ends
- Popular stimulus programs evolve this way
- Requires an up front investment

Rebates

- Cash payments
- Require pre-funding
- Require an up front investment

Program Design

Industry & licensing standards

- UL, SRCC, California Solar Initiative, DOPL

Federal and State Law

- SHPO, NEPA, Davis-Bacon, Buy American

USEP Objectives

- safety, performance, sustainable growth

Efficient, effective, equitable

Efficient, Effective, Equitable

Efficient

- Incent the appropriate level of investment
- Use precedents where possible
- Low administrative cost

Effective

- Performance, reliability, safety
- Follows the law

Equitable

- Equally accessible

State Investment Tax Credit - Individual

Renewable Energy Systems Tax Credit

- Residential: 25 % of eligible costs
- Maximum of \$2000 per property total
- Includes: Solar (various), Photovoltaics, Landfill Gas, Wind, Biomass, Hydroelectric, Geothermal (various technologies), Anaerobic Digestion
- Excess credit carried forward for up to 4 years
- See www.geology.utah.gov/sep and www.dsireusa.org for more info

State Investment Tax Credit - Corporate

Renewable Energy Systems Tax Credit

- Commercial wind, geothermal electric, and biomass systems 660 kW or greater: 0.35¢/kWh (\$0.0035/kWh) for 4 years (production tax credit)
Other commercial systems: 10%
- Maximum: Commercial wind, geothermal electric, and biomass systems 660 kW or greater: no limit
Other commercial systems: \$50,000

State Investment Tax Credit – Corporate (continued)

Renewable Energy Systems Tax Credit

- Includes: Solar (various), Photovoltaic, Landfill Gas, Wind, Biomass, Hydroelectric, Geothermal (various), Anaerobic Digestion
- Credit can not be carried forward or back
- See www.geology.utah.gov/sep/ and www.dsireusa.org for more info

System Requirements – State

Design requirements as established under the Utah Tax Credit, UAC Rule R638-2:

- Components
- Orientation / Axis
- Certification
- Eligible and reasonable costs

<http://www.rules.utah.gov/publicat/code/r638/r638-002.html>

Utah State Tax Credit Data

Year	Number Tax Credits Approved	Total Dollar Amount of Tax Credits	Total Cost Of Installed Systems
2009	138	\$483,966.85	\$5,734,427.44
2010*	176	\$418,034.77	\$4,822,807.16

* Thru 4/8/2011

Federal Tax Credits – Residential

Residential Renewable Energy Tax Credit

- Individual Tax Credit
- 30 % of eligible costs
- No maximum for systems installed after 12/31/2008
- Includes: Solar Water Heat, Photovoltaic, Wind, Geothermal Heat pumps, etc.
- Excess credit carried forward
- Expires 12/31/2016
- See www.dsireusa.org for more info

Federal Incentives - Corporate

US Department of Treasury – Renewable Energy Grants

- Commercial, Industrial, Agricultural
- 30 % of eligible costs
- Maximum varies by technology
- Includes: Solar, Photovoltaic, Wind, Geothermal, Biomass, etc.
- Expires 12/31/2011 (construction must begin by this date)
- See www.dsireusa.org for more info

Utility Rebate Programs

- Rocky Mountain Power – Solar Incentive
 - \$1.55/AC Watts Output
 - Maximum of \$4,650 Residential, \$23,250 non-Residential
 - Limit on total annual participation of 130 kW
- Washington City Power - PV Rebate
- Logan City – Solar Incentive
- See www.dsireusa.org for more info

Sources and Information

- Solar Research Certification Corporation: <http://www.solar-rating.org/RATINGS/RATINGS.HTM>
- Go Solar California (approved products list): <http://www.gosolarcalifornia.org/equipment/index.html>
- Utah Renewable Energy Tax Credit Rules: <http://www.rules.utah.gov/publicat/code/r638/r638-002.htm>
- Database of State Incentives for Renewable Energy (DSIRE): <http://www.dsireusa.org/solar/>
- Solar Pathfinder: <http://www.solarpathfinder.com/PF?id=K5uAVUNe>
- SunEye: <http://www.solmetric.com/>
- Utah State Energy Program: <http://www.geology.utah.gov/sep/>