

Energy Efficiency Funding Opportunities

A Research Project Completed in Partial Fulfillment of the Requirements for
MGMT 4385: Sustainable Business

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FUNDING SUMMARIES

(refer to page 6 for descriptions)

	<u>Name</u>	<u>Type</u>	<u>Businesses</u>	<u>Education</u>	<u>Nonprofit</u>	<u>Faith Based</u>	<u>Government</u>	<u>Website</u>
1	Energy Efficient Commercial Buildings Tax Deduction	Federal Tax Deduction	X				X	http://www.efficientbuildings.org/
2	Enviro Tech Financial	Incentive Loans	X					solutions@etfinancial.com
3	Investment Tax Credit (ITC) for Energy Solutions	Corporate Tax Credit	X					http://www.dsireusa.org/library/includes/incentive2.cfm?Incentive_Code=US02F
4	Kresge Foundation	Grants for Green Building Initiatives		X	X	X	x	http://www.kresge.org/content/displaycontent.aspx?CID=59
5	Petit Jean Electric Cooperative Energy Resource Conservation (ERC) Loan Program	Utility Loan Program	X					http://www.pjecc.com/erc_loans.ihtml
6	Renewable Electricity Production Tax Credit (PTC)	Tax Credit	X					http://www.irs.gov/pub/irs-pdf/f8835.pdf
7	SEEA Energy Efficiency Competition	Community Alliance Grants					X	cities@seealliance.org (404) 931-1518
8	The Energy Foundation	Grants			X			http://www.ef.org/home.cfm

9	The Tax Incentives Assistance Project (TIAP)	Various Tax Incentives	X		X			www.energytaxincentives.org
10	Tribal Energy Program Grant	Federal Loans and Grants Program					X	http://www.eere.energy.gov/tribalenergy
11	Energy Efficiency Appliance Rebate Program	Rebate Program	X	X	X	X	X	http://www.bingaman.senate.gov/policy/stimulus_guide_energy_earpesp.cfm
12	Energy Star Tax Credits for Energy Efficiency	Tax Deductions	X					http://www.energystar.gov/index.cfm?c=products.pr_tax_credits#s8
13	Renewable Energy Production Incentive(REPI)	Production incentive Funding	X		X		X	http://apps1.eere.energy.gov/rep
14	Small Business Revolving Loan	State loan program	X					http://www.adeq.state.ar.us/poa/envloans.htm
15	Qualified Energy Conservation Bonds (QECBS)	Federal Loan Program					X	IRS Office of Associate Chief Counsel at (202) 622-3980
16	Industrial Technologies Program	Free Energy Efficiency Consulting	X					www1.eere.energy.gov/industry/saveenergynow/
17	North Arkansas Electric Cooperative Energy Resource Conservation (ERC) Loan Program	Energy Efficiency Loans	X					naeci.com/content.cfm?id=2014

18	South Central Arkansas Electric Cooperative Energy Resource Conservation (ERC) Loan Program	Utility Loan Program	X						goodtobegreen.com/ar_energy_personaltax.aspx
19	Business Energy Investment Tax Credit (ITC)	Corporate Tax Credit (federal incentive)	X						http://www.dsireusa.org/library/includes/incentive2.cfm?Incentive_Code=US02F&State=federal&currentpageid=1&ee=1&e=1
20	Clean Renewable Energy Bonds (CREBS)	Federal Loan Program						X	http://www.irs.gov/irb/2007-14_IRB/ar17.html
21	Arkansas Weatherization Program	Energy Efficiency Program Credits	X						https://www.aogc.com/energyefficiency.aspx#
22	Residential Renewable Energy Tax Credit	Personal Individual Tax Credit							http://arkansasenergy.org/solar-wind-bioenergy/solar/incentives-and-programs/residential.aspx
23	First Electric Cooperative Home Improvement Loans	Residential Utility Loan Program							http://www.firstelectric.coop/content.cfm?id=2023
24	SWEPCO Energy Efficiency Program	CFL Lighting Discounts	X	X	X	X	X	X	http://www.aepefficiency.com/arkansas/CFL/index.htm

25	SWEPCO Commercial and Industrial Standard Offer Program	Energy Efficient Installer Incentives	X					http://www.aepefficiency.com/arkansas/CI/intro/index.htm
26	Residential Energy Conservation Subsidy for Corporations	Corporate Tax Exemption for dwelling units	X					http://www.dsireusa.org/library/includes/incentive2.cfm?Incentive_Code=US31F&State=federal&currentpageid=1&ee=1&re=1
27	Qualifying Advanced Energy Project Investment Tax Credit	Federal Tax Credit	X					http://www.ustreas.gov
28	Renewable Energy Systems Improvement Grant	Federal Grant	X					http://www.dsireusa.org/library/includes/incentive2.cfm?Incentive_Code=US05F&State=federal&currentpageid=1
29	2009 Federal Stimulus Bill Arkansas Energy Efficiency and Conservation Block Grant	Federal Grants					X	http://www.eecbg.energy.gov/

FUNDING DESCRIPTIONS

1	<p><u>Energy Efficient Commercial Buildings Tax Deduction</u> http://www.efficientbuildings.org/about_the_provision.html#1</p> <p>What types of buildings will qualify? What types of expenditures will qualify?</p> <p>Section 1331 of H.R. 6 provides that energy-efficient commercial building property is defined as property that is:</p> <p>Installed on or in any building located in the United States that is within the scope of Standard 90.1-2001, Energy Standard for Buildings Except Low-Rise Residential Buildings, of the American Society of Heating, Refrigerating, and Air Conditioning Engineers and the Illuminating Engineering Society of North America;</p> <p>Installed as part of (i) the interior lighting systems, (ii) the heating, cooling, ventilation, and hot water systems, or (iii) the building envelope; and</p> <p>Certified as being installed as part of a plan designed to reduce the total annual energy and power costs of interior lighting systems, heating, cooling, ventilation, and hot water systems of the building by 50 percent or more when compared to a reference building, which meets the minimum requirements of Standard 90.1-2001 (which came into effect on April 2, 2003).</p> <p>What is the tax deduction amount?</p> <p>The deduction is equal to energy-efficient commercial building property expenditures made by the taxpayer, subject to a cap. The deduction is limited to an amount equal to \$1.80 per square foot of the property for which such expenditures are made. The deduction is allowed in the year in which the property is placed in service. For tax purposes, "placed in service" generally means the time at which the property is ready for its intended use.</p>
2	<p><u>Enviro Tech Financial</u> http://www.etfinancial.com/</p> <p>EnviroTech Financial, Inc. provides both domestic and international financing on equipment and machinery. Although we will finance all types of equipment, our specialty is renewable energy systems and environmental equipment. We also provide foreign trade finance on open invoice lines of credit for foreign companies who wish to purchase American made products or acquire project or engineering services from U.S. companies.</p>

3 **Business Energy Investment Tax Credit (ITC)**
http://www.dsireusa.org/library/includes/incentive2.cfm?Incentive_Code=US02F

Corporate Tax Credit

Eligible: Solar Water Heat, Solar Space Heat, Solar Thermal Electric, Solar Thermal Process Heat, Photovoltaics, Wind, Biomass, Geothermal, Electric, Fuel Cells, Geothermal Heat Pumps, CHP/Cogeneration, Solar Hybrid Lightning, Direct Use Geothermal, Microturbines Businesses

Note: The American Recovery and Reinvestment Act of 2009 (H.R. 1) allows taxpayers eligible for the federal renewable electricity production tax credit (PTC) to take the federal business energy investment tax credit or to receive a grant from the U.S. Treasury Department instead of taking the PTC for new installations. The new law also allows taxpayers eligible for the business energy investment tax credit to receive a grant from the U.S. Treasury Department instead of taking the business energy tax credit for new installations.

The federal business energy investment tax credit available under 26 USC § 48 was expanded significantly by the *Energy Improvement and Extension Act of 2008* (H.R. 1424), enacted in October 2008. This law extended the duration -- by eight years -- of the existing credits for solar energy, fuel cells and microturbines; increased the credit amount for fuel cells; established new credits for small wind-energy systems, geothermal heat pumps, and combined heat and power (CHP) systems; extended eligibility for the credits to utilities; and allowed taxpayers to take the credit against the alternative minimum tax (AMT), subject to certain limitations. The credit was further expanded by *The American Recovery and Reinvestment Act of 2009*, enacted in February 2009.

In general, credits are available for eligible systems placed in service on or before December 31, 2016.

4

Kresge Foundation

<http://www.kresge.org/content/displaycontent.aspx?CID=59>

We advocate the highest form of sustainability – the renovation and historic preservation of existing structures – as well as new green construction. We award planning grants ranging from \$50,000 to \$100,000 to organizations located in the United States and Canada to support the integrated design process for the following projects:

- Renovation
- Historic Preservation
- New construction designed to be net zero energy efficient
- New construction designed to meet Cascadia’s Green Building Council’s Challenge

Eligibility

All organizations applying for grants must have annual financial statements that have been prepared and certified by a certified public accountant (the auditor) in accordance with U.S. Generally Accepted Accounting Principles (GAAP) or Government Accounting Standards (GAS). The foundation does not accept compilations or reviews.

Who may apply?

- 501(c)(3) organizations that are not classified as private foundations
- Government entities
 - Community colleges, colleges and universities that are fully accredited associate, baccalaureate institutions
 - Elementary and secondary schools that serve predominately students with physical and/or developmental disabilities
 - Hospitals that are accredited by the Joint Commission on Accreditation of Healthcare Organizations

Religious organizations that are operated by or within religious institutions and serve secular needs

5 Petit Jean Electric Cooperative Energy Resources Conservation (ERC) Loans for businesses

http://www.pjecc.com/erc_loans.ihtml

Petit Jean Electric has low interest loans available to help you make energy efficient improvements to your home or business. By making these improvements, you can significantly reduce energy usage and lower your electricity bill. You may use these low interest loans to finance heat pumps and other energy improvements. To qualify, the heat pump must have a high efficiency rating and be sized according to Petit Jean Electric design requirements.

Our low interest rate and monthly installment plan make your loan payments easier on your budget. With approved credit, you may borrow the money now to make improvements; then, take up to five years to repay the loan. Certain requirements apply, so be sure to contact us before buying your new equipment.

Dealers/Contractors- You may select the dealer of your choice, but they must be licensed with the State of Arkansas. Petit Jean Electric Cooperative will provide a list of these dealers upon request. If you decide to take bids, it is not necessary for you to accept the lowest bid in order to qualify for a loan.

Should you have any additional questions, please do not hesitate to contact your local Petit Jean Electric office at 501-745-2493 (Clinton) or 870-448-3477 (Marshall), or just stop by and visit with us.

6 **Department of Treasury/ IRS Renewable Electricity Production Tax Credit (PTC)**

http://www.dsireusa.org/library/includes/incentive2.cfm?Incentive_Code=US13

Corporate Tax Credit

-Who is eligible: Landfill Gas, Wind, Biomass, Hydroelectric, Geothermal Electric, Municipal Solid Waste, Hydrokinetic Power, Anaerobic Digestion, Small Hydroelectric, Tidal Energy, Wave Energy and Ocean Thermal Energy

-The federal renewable electricity production tax credit (PTC) is a per-kilowatt-hour tax credit for electricity generated by qualified energy resources and sold by the taxpayer to an unrelated person during the taxable year. Originally enacted in 1992, the PTC has been renewed and expanded numerous times, most recently by H.R. 1424 in October 2008 and again by H.R. 1 in February 2009.

The duration of the credit is generally 10 years after the date the facility is placed in service, but there are two exceptions:

Open-loop biomass, geothermal, small irrigation hydro, landfill gas and municipal solid waste combustion facilities placed into service after October 22, 2004, and before enactment of the *Energy Policy Act of 2005*, on August 8, 2005, are only eligible for the credit for a five-year period.

Open-loop biomass facilities placed in service before October 22, 2004, are eligible for a five-year period beginning January 1, 2005.

It is important to note that owners of geothermal projects who claim the ITC may *not* also claim the PTC. In addition, the tax credit is reduced for projects that receive other federal tax credits, grants, tax-exempt financing, or subsidized energy financing. The credit is claimed by completing [Form 8835](#), "Renewable Electricity Production Credit," and [Form 3800](#), "General Business Credit." For more information, contact IRS Telephone Assistance for Businesses at 1-800-829-4933.

7	<p><u>SEEA Energy Efficiency Competition</u> cities@seealliance.org (404) 931-1518</p>
	<p>The Southeast Energy Efficiency Alliance (SEEA) has released a Request for Proposals (RFP) from cities and counties in the Southeast to compete for up to \$500,000 to create and implement a community energy alliance. The program design is largely based on efforts underway in Cambridge, Mass., Cincinnati, Ohio, New York, N.Y. and the U.S. Virgin Islands.</p> <p>This competition is open to cities and counties in SEEA's 11-state region of Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee and Virginia.</p> <p>"We are creating a five- to seven-year campaign to achieve unprecedented gas, electricity and water savings by retrofitting homes and other buildings and installing efficient and renewable technologies in homes, businesses, schools and industry," said Ben Taube, SEEA executive director. "When implemented, the program will work toward the goal of saving participants in the winning city 20-40 percent on energy and water bills."</p> <p>Due on May 15, 2009, proposals will be reviewed by an advisory panel of national experts using criteria such as: the depth of community involvement and support; comprehensiveness of the plan, including program design, milestones, and demonstrated understanding of the community's market and energy characteristics; reasonableness of project objectives; and innovation in program design, marketing strategy, technology focus, and financing options. The winning city will be announced on June 20, 2009.</p>
8	<p><u>The Energy Foundation- Grants for Nonprofit Organizations</u> http://www.ef.org/home.cfm</p> <p>Our primary role is as a grantmaker, providing resources to the institutions that most effectively leverage change. When we see an unmet need we also take direct initiatives, commission papers, or convene meetings.</p> <p>Generally, the foundation makes grants to nonprofit charitable organizations classified as 501(c)(3) public charities by the Internal Revenue Service. The foundation is unable to make grants directly to individuals.</p> <p>The foundation is unable to support local projects, unless they have been consciously designed for further replication or have broad regional or national implications. The foundation's geographic focus is the United States and China, with special emphasis on regional initiatives.</p>

9

The Tax Incentives Assistance Project for Businesses<http://www.energytaxincentives.org/>

The Tax Incentives Assistance Project (TIAP), sponsored by a coalition of public interest nonprofit groups, government agencies, and other organizations in the energy efficiency field, is designed to give consumers and businesses information they need to make use of the federal income tax incentives for energy efficient products and technologies passed by Congress as part of the Energy Policy Act of 2005 and subsequently amended several times.

Business Incentives

Commercial Buildings: Businesses can get deductions for new or renovated buildings that save 50% or more of projected annual energy costs for heating, cooling, and lighting compared to model national standards, and partial deductions for efficiency improvements to individual lighting, HVAC and water heating, or envelope systems.

Commercial Vehicles: Credits are available to businesses as for consumers, including heavy-duty hybrid gasoline-electric vehicles. Information on passenger vehicles.

Combined Heat and Power: New! Investment tax credit for combined heat & power systems (CHP)

On-Site Renewables: Businesses are eligible for tax credits for qualified solar water heating and photovoltaic systems, and for certain solar lighting systems.

Fuel Cells & Microturbines: In addition to a fuel cell credit like that for consumers, credits are available to businesses who install qualifying microturbines. These systems, which typically run on natural gas, are small power-producing systems sized to run small to medium size commercial buildings.

10

Tribal Energy Program Grant for Federal Indian Reservations<http://www.eere.energy.gov/tribalenergy>**Federal Grant Program**

The U.S. Department of Energy's (DOE) Tribal Energy Program promotes tribal energy sufficiency, economic growth and employment on tribal lands through the development of renewable energy and energy efficiency technologies. The program provides financial assistance, technical assistance, education and training to tribes for the evaluation and development of renewable energy resources.

DOE's Tribal Energy Program consists of program management through DOE headquarters, program implementation and project management through DOE's field offices, and technical support through DOE laboratories. Program management for the Tribal Energy Program is carried out by DOE's Weatherization and Intergovernmental Program, which provides programmatic direction and funding to DOE field offices for program implementation. DOE's field offices, specifically the Golden Field Office, issue solicitations and manage resulting projects.

Lizana Pierce

U.S. Department of Energy

Golden Field Office

1617 Cole Boulevard, MS 1501

Golden, CO 80401

Phone: (303) 275-4727**Fax:** (303) 275-4753**E-Mail:** lizana.pierce@go.doe.gov

11	Energy Efficiency Appliance Rebate Program http://www.bingaman.senate.gov/policy/stimulus_guide_energy_eearpesp.cfm
	<p>Energy Efficient Appliance Rebate Program and Energy Star Program □ \$300 million was included for the Energy Efficient Appliance Rebate program and the Energy Star Program.</p> <p>Office: Energy Efficiency and Renewable Energy (EERE)</p> <p>Agency: U.S. Department of Energy</p> <p>Description: Approximately 15 states have appliance rebate programs currently operating to incentivize the purchase of energy efficient appliances. This program would add federal funds to increase the effectiveness of these programs and to encourage the remaining states to adopt similar programs. This will speed the rollout of appliances that will be able to take advantage of smart meters and spur consumer purchases of smart and energy-efficient appliances.</p>
12	<p>Energy Star Tax Credits for Energy Efficiency http://www.energystar.gov/index.cfm?c=products.pr_tax_credits#s8</p> <p>Tax Deductions for Commercial Buildings: A tax deduction of up to \$1.80 per square foot is available to owners or designers of new or existing commercial buildings that save at least 50% of the heating and cooling energy of a building that meets ASHRAE Standard 90.1-2001. Partial deductions of up to \$.60 per square foot can be taken for measures affecting any one of three building systems: the building envelope, lighting, or heating and cooling systems. These tax deductions are available for systems “placed in service” from January 1, 2006 through December 31, 2013.</p> <p>Take the ENERGY STAR Challenge to find the best opportunities for energy savings, set goals for improvement, and achieve superior energy efficiency.</p>

13 Renewable Energy Production Incentive (REPI)

<http://apps1.eere.energy.gov/repi>

The Renewable Energy Production Incentive (REPI) program was created by the Energy Policy Act of 1992, and amended in 2005, to provide financial incentives for renewable energy electricity produced and sold by qualified renewable energy generation facilities. REPI has outlined the eligible electric production facilities to include:

Not-for-profit electrical cooperatives

Public utilities

State governments

Commonwealths

Territories of the United States, the District of Columbia, Indian tribal governments, or a political subdivision within

Native Corporations that sell the facility's electricity.

REPI is part of an integrated strategy in the 2005 Energy Policy Act to promote increases in the generation and utilization of electricity from renewable energy sources and to promote market utilization of renewable energy technologies.

14

Small Business Revolving Loan<http://www.adeq.state.ar.us/poa/envloans.htm>

ADEQ provides low-interest loans to Arkansas small businesses to institute pollution control measures required by state or federal law, or to institute pollution prevention and waste reduction measures that reduce the amount of pollution produced by businesses.

ADEQ provides low-interest loans to Arkansas small businesses to institute pollution control measures required by state or federal law, or to institute pollution prevention and waste reduction measures that reduce the amount of pollution produced by businesses.

Eligible businesses include Arkansas businesses which:

Employ 100 or fewer individuals, and Demonstrate proof of profitability and an ability to repay the loan

Eligible activities include:

Pollution control projects which are designed to correct or avoid violations of state or federal environmental regulations

Pollution prevention projects designed to reduce or eliminate the generation of pollution or waste at the source

Waste reduction projects designed to handle or process waste materials in such a way that ultimately reduces the total quantity of waste disposed

Loans are available as:

Pollution control loans up to \$45,000 @ 80% of the current Prime Interest Rate, with loan terms up to ten years

Pollution prevention loans up to \$45,000 @ 80% of the current Prime Interest Rate, with loan terms up to ten years

Waste reduction loans up to \$45,000 @ 80% of the current Prime Interest Rate, with loan terms up to ten years

A lifetime maximum of \$65,000 available to any single business

15	<p>Qualified Energy Conservation Bonds (QECBS) http://www.dsireusa.org/library/includes/incentive2.cfm?Incentive_Code=US51F&State=federal&currentpageid=1&ee=1&re=1 http://www.irs.gov IRS Office of Associate Chief Counsel at (202) 622-3980</p>
	<p>The <i>Energy Improvement and Extension Act of 2008</i>, enacted in October 2008, authorized the issuance of Qualified Energy Conservation Bonds (QECBs) that may be used by state, local and tribal governments to finance certain types of energy projects. QECBs are qualified tax credit bonds, and in this respect are similar to new Clean Renewable Energy Bonds or CREBs.</p> <p>The definition of "qualified energy conservation projects" is fairly broad and contains elements relating to energy efficiency capital expenditures in public buildings; renewable energy production; various research and development applications; mass commuting facilities that reduce energy consumption; several types of energy related demonstration projects; and public energy efficiency education campaigns (see H.R. 1424 for additional details). Renewable energy facilities that are eligible for CREBs are also eligible for QECBs.</p> <p>For more information on QECBs, contact Timothy Jones or David White of the IRS Office of Associate Chief Counsel at (202) 622-3980.</p>
16	<p>Industrial Technologies Program www1.eere.energy.gov/industry/saveenergynow/</p>
	<p>Save Energy Now is a national initiative of the Industrial Technologies Program (ITP) to drive a 25% reduction in industrial energy intensity in 10 years. Companies nationwide can participate in no-cost energy assessments and utilize ITP resources to reduce energy use while increasing profits.</p> <p>Organizations can partner with Save Energy Now and use ITP's proven technical resources to enhance the value of customer and member communications.</p> <p>Energy Assessments Save Energy Now energy assessments have helped U.S. manufacturing facilities save an average of \$2 million, or 8% of their total energy costs. Plants across the country can begin the process of reducing energy intensity by applying for a no-cost energy assessment performed by a DOE Energy Expert. Assessments help companies identify key opportunities for savings by focusing on energy-intensive systems such as process heating, steam, pumps, fans, and compressed air. View current results, read case studies, and see a list of participating plants to see how companies are saving.</p>

17	North Arkansas Electric Cooperative Energy Resource Conservation (ERC) Loan Program www.naeci.com/content.cfm?id=2014
	<p>North Arkansas Electric has low interest loans available to help you make energy efficient improvements to your home or business. By making these improvements, you can significantly reduce energy usage and lower your electricity bill. You may use these low interest loans to finance heat pumps and other energy improvements. To qualify, the heat pump must have a high efficiency rating and be sized according to NAEC design requirements. Our low interest rate and monthly installment plan make your loan payments easier on your budget. With approved credit, you may borrow the money now to make improvements; then, take up to seven years to repay the loan. Certain requirements apply, so be sure to contact us before buying your new equipment.</p> <p>LOAN PROGRAM</p> <p>Up to \$5,000 for Air to Air Heat Pump Up to \$9,000 for Water Source Heat Pump</p> <p>With approved credit applications, above amounts will be loaned at 5% interest to install the heat pump and other items such as ductwork and storm doors and windows.</p> <p>Amounts in excess of above: Additional funds will be loaned as follows: Seven-year fixed rate of 2.5% derived from the following information: Either by adding 2.5% to the Federal Discount Rate, or 2% over the cooperative's average cost of capital, whichever is greater, not to exceed 5% above the Federal Discount Rate. This shall be the fixed interest rate for the term of the loan.</p> <p>To qualify, the heat pump must be a complete system and have a SEER rating of at least 14 and an HSPF of 7. Heat pumps must be sized according to North Arkansas Electric design requirements determined at the time of the energy audit.</p> <p>DEALERS / CONTRACTORS You may select the dealer of your choice, but they must be licensed with the State of Arkansas. Additionally we strongly recommend that the dealer you select have valid liability and workers compensation insurance.</p>
18	South Central Arkansas Electric Cooperative Energy Resource Conservation (ERC) Loan Program www.goodtobegreen.com/ar_energy_personaltax.aspx
	<p>Arkansas - South Central Arkansas Electric Cooperative - Energy Resource Conservation Loan</p> <p>Applicable Sectors: Commercial and Residential</p> <p>Summary: South Central Arkansas Electric Cooperative was founded in 1940 and serves about 10,000 customers in an eight county region of south-central Arkansas. To encourage energy efficiency, South Central Arkansas offers a Energy Resource Conservation (ERC) loan program to residents and businesses</p>

19	<p>Business Energy Investment Tax Credit (ITC) http://www.dsireusa.org/library/includes/incentive2.cfm?Incentive_Code=US02F&State=federal&currentpageid=1&ee=1&re=1</p> <p><i>Note: The American Recovery and Reinvestment Act of 2009 (H.R. 1) allows taxpayers eligible for the federal <u>renewable electricity production tax credit</u> (PTC) to take the federal business energy investment tax credit (ITC) <u>or</u> to receive a <u>grant</u> from the U.S. Treasury Department <u>instead of</u> taking the PTC for new installations. The new law also allows taxpayers eligible for the business ITC to receive a <u>grant</u> from the U.S. Treasury Department <u>instead of</u> taking the business ITC for new installations.</i></p> <p>The federal business energy investment tax credit available under 26 USC § 48 was expanded significantly by the <i>Energy Improvement and Extension Act of 2008</i> (H.R. 1424), enacted in October 2008. This law extended the duration -- by eight years -- of the existing credits for solar energy, fuel cells and microturbines; increased the credit amount for fuel cells; established new credits for small wind-energy systems, geothermal heat pumps, and combined heat and power (CHP) systems; extended eligibility for the credits to utilities; and allowed taxpayers to take the credit against the alternative minimum tax (AMT), subject to certain limitations. The credit was further expanded by <i>The American Recovery and Reinvestment Act of 2009</i>, enacted in February 2009.</p> <p>In general, credits are available for eligible systems placed in service on or before December 31, 2016:*</p> <p><i>History</i></p> <p>The federal <i>Energy Policy Act of 2005</i> (EPAct 2005) expanded the existing federal business energy tax credit for solar and geothermal energy property to include fuel cells, microturbines and hybrid solar lighting systems installed on or after January 1, 2006, and raised the credit for solar to 30%. Prior to the provisions of EPAct 2005, a 10% credit was available to businesses that invested in or purchased solar or geothermal energy property.</p>
20	<p>Clean Renewable Energy Bonds (CREBS) http://www.irs.gov/irb/2007-14_IRB/ar17.html</p> <p>This notice solicits applications for allocations of the national bond volume limitation authority (“volume cap”) to issue tax credit bonds called “clean renewable energy bonds” (“CREBs”) under section 54(f) of the Internal Revenue Code (the “Code”) to finance eligible clean renewable energy projects described in section 45 of the Code. This notice also provides related guidance on the following: (1) eligibility requirements that a project must meet to be considered for a volume cap allocation; (2) application requirements and the application form for requests for volume cap allocations; (3) the method (generally, a “smallest-to-largest” method) that the Internal Revenue Service (“IRS”) and the Treasury Department will use to allocate the volume cap; and (4) certain aspects of the applicable law regarding CREBs and expected regulatory guidance in this area. Applications for volume cap allocations pursuant to this notice must be filed in accordance with this notice by the following application deadline: July 13, 2007. This notice <i>modifies and supersedes</i> Notice 2005-98, 2005-2 C.B. 1211 (December 11, 2005), which provided guidance on CREBs in connection with the allocation process for the original volume cap authorization under section</p>

	54.
21	Arkansas Weatherization Program https://www.aogc.com/energyefficiency.aspx# https://www.aogc.com/documents/ar_weatherization.pdf
	<p>Arkansas Weatherization Program</p> <p>A statewide program offered jointly by all seven electric and gas investor-owned utilities in Arkansas is a severely energy-inefficient homes weatherization program administered by Central Arkansas Development Council with energy audit and weatherization services delivered by local community action agencies throughout the state. Utility contributions will pay for up to 50% of the first \$3,420 of cost for energy audit and installed measures for each qualified home. To find out more you can download the <u>Arkansas Weatherization Program</u> brochure or you can call (479) 783-3181 or toll free at (800) 842-5690.</p>
22	Residential Renewable Energy Tax Credit http://arkansasenergy.org/solar-wind-bioenergy/solar/incentives-and-programs/residential.aspx
	<p>Incentive Type: Personal Federal Tax Credit</p> <p>Eligible Renewable/Other Technologies: Solar Water Heat, Photovoltaics, Wind, Fuel Cells, Geothermal Heat Pumps, Other Solar Electric Technologies</p> <p>Applicable Sectors: Residential</p> <p>Amount: 30%</p> <p>Maximum Incentive: <input type="checkbox"/> Solar electric systems placed in service before 1/1/09: \$2,000 <input type="checkbox"/> Solar electric systems placed in service after 12/31/08: no maximum <input type="checkbox"/> Solar water heaters placed in service before 1/1/09: \$2,000 <input type="checkbox"/> Solar water heaters placed in service after 12/31/08: no maximum <input type="checkbox"/> Wind turbines placed in service in 2008: \$4,000 <input type="checkbox"/> Wind turbines placed in service after 12/31/08: no maximum <input type="checkbox"/> Geothermal heat pumps placed in service in 2008: \$2,000 <input type="checkbox"/> Geothermal heat pumps placed in service after 12/31/08: no maximum <input type="checkbox"/> Fuel cells: \$500 per 0.5 kW</p> <p>Carryover Provisions: Excess credit may be carried forward to succeeding tax year.</p> <p>Eligible System Size: Fuel cells: 0.5 kW minimum</p> <p>Equipment/Installation Requirements: Solar water heating property must be certified by SRCC or by comparable entity endorsed by the state in which the system is installed. At least half the energy used to heat the dwelling's water must be from solar. <input type="checkbox"/> Geothermal heat pumps must</p>

meet the requirements of the Energy Star program. □ Fuel cells must have an electricity-only generation efficiency greater than 30%.

23 First Electric Cooperative Home Improvement Loans

<http://www.firstelectric.coop/content.cfm?id=2023>

Energy Efficiency Loans For Your Home

With First Electric Cooperative's Home Improvement Loan Program, you don't have to put off upgrading the energy efficiency of your home any longer. The Home Improvement Loan program will allow you to finance the following energy saving items at a competitive, fixed interest rate:

Heat pumps - and related improvements associated with heat pump installation

Duct systems

Duct Sealing

Thermal improvements - insulation, caulking and ventilation

Windows and doors

Electric service upgrades

First Electric Products - purchases under \$500 may be applied to your electric bill and paid in 3 monthly installments

Marathon electric water heaters

Surge and lightning protection equipment

Portable home generators

First Electric's Home Improvement Loans have many attractive features

Borrow as little as \$500 or as much as \$15,000

Terms from 12 to 60 months

Fixed interest rate for the life of the loan

No pre-payment penalty

Payments included on monthly electric bill

Other Loan terms and features

Borrower must own and occupy the property and demonstrate adequate credit history

Eligible property includes only single-family dwellings that are primary or secondary residences and are served electric power by FECC

Loans between \$500 and \$2500 secured with an equipment lien

Loans over \$2500 secured with a property mortgage and equipment lien

\$35.00 filling fee for loans over \$2500

24	<p>SWEPCO Energy Efficiency Program http://www.aepefficiency.com/arkansas/CFL/index.htm</p>
	<p>SWEPCO Arkansas customers will receive a coupon in both their April and October 2009 bills for a <i>\$6 off a five or six pack of compact fluorescent light bulbs (CFLs)</i> at participating retailers. Designed to directly replace incandescent light bulbs, CFLs offer a longer operating life, lower operating costs, and less heat gain.</p> <p>Replace your incandescent light bulbs with ENERGY STAR CFLs, and you will save energy and money with every flip of the switch. In addition to helping the environment, CFLs offer a longer operating life, lower operating costs, and less heat gain. CFLs also reduce waste heat from lighting and will lower your summer cooling costs.</p>
25	<p>SWEPCO Commercial and Industrial Standard Offer Program http://www.aepefficiency.com/arkansas/CI/intro/index.htm</p> <p>Program overview: AEP's Commercial & Industrial Standard Offer Program pays incentives to service providers who install energy efficiency measures in commercial or industrial facilities that are located within AEP's Arkansas service territories. These facilities must have a maximum demand of more than 100 kW and must receive their electricity from AEP Southwestern Electric Power (Arkansas service territory only). Incentives are paid for both energy and demand savings, and the installed measures must have the potential to reduce peak summer demand by at least 10 kW, except for projects that are self-sponsored, for which there is no minimum kW.</p> <p>Participants in the program--referred to as Project Sponsors--are required to meet minimum eligibility criteria, comply with all program rules and procedures, and sign a standard agreement with AEP, which includes estimates of how many kW and kWh the project will save and the associated incentive payment amount. Once the measures are installed and the savings are verified, the Project Sponsor receives incentive payments based on the project's savings</p>

26 Residential Energy Conservation Subsidy for Corporations

http://www.dsireusa.org/library/includes/incentive2.cfm?Incentive_Code=US31F&State=federal¤tpageid=1&ee=1&re=1

According to Section 136 of the IRS Code, energy conservation subsidies provided by public utilities,* either directly or indirectly, are nontaxable: "Gross income shall not include the value of any subsidy provided (directly or indirectly) by a public utility to a customer for the purchase or installation of any energy conservation measure."

The term "energy conservation measure" includes installations or modifications primarily designed to reduce consumption of electricity or natural gas, or improve the management of energy demand. Eligible dwelling units include houses, apartments, condominiums, mobile homes, boats and similar properties. If a building or structure contains both dwelling and other units, any subsidy must be properly allocated.

Given the definition of "energy conservation measure," there is strong evidence that utility rebates for residential solar thermal and solar electric projects may be nontaxable. However, the IRS has not ruled definitively on this issue. For taxpayers considering using this provision for renewable energy systems, consultation with a tax attorney is advised.

Other types of utility subsidies that may come in the form of credits or reduced rates may also be nontaxable, according to IRS Publication 525:

"Utility rebates. If you are a customer of an electric utility company and you participate in the utility's energy conservation program, you may receive on your monthly electric bill either: a reduction in the purchase price of electricity furnished to you (rate reduction), or a nonrefundable credit against the purchase price of the electricity. The amount of the rate reduction or nonrefundable credit is not included in your income."

** The term "public utility" is defined as an entity "engaged in the sale of electricity or natural gas to residential, commercial, or industrial customers for use by such customers." The term includes federal, state and local government entities.*

27	<p>Qualifying Advanced Energy Project Investment Tax Credit http://www.ustreas.gov http://www.dsireusa.org/library/includes/incentive2.cfm?Incentive_Code=US52F&State=federal&currentpageid=1&ee=1&re=1</p>
	<p><i>The American Recovery and Reinvestment Act of 2009</i> (H.R. 1), enacted in February 2009, established a new investment tax credit to encourage the development of a U.S.-based renewable energy manufacturing sector. In any taxable year, the investment tax credit is equal to 30% of the qualified investment required for an advanced energy project that establishes, re-equips or expands a manufacturing facility that produces any of the following:</p> <ul style="list-style-type: none"> Equipment and/or technologies used to produced energy from the sun, wind, geothermal or "other" renewable resources Fuel cells, microturbines or energy-storage systems for use with electric or hybrid-electric motor vehicles Equipment used to refine or blend renewable fuels Equipment and/or technologies to produce energy-conservation technologies (including energy-conserving lighting technologies and smart grid technologies)* <p>Qualified investments generally include personal tangible property that is depreciable and required for the production process. Other tangible property may be considered a qualified investment only if it is an essential part of the facility, excluding buildings and structural components.</p>
28	<p>Renewable Energy Systems Improvement Grant http://www.dsireusa.org/library/includes/incentive2.cfm?Incentive_Code=US05F&State=Federal&currentpageid=1</p> <p><i>The Food, Conservation, and Energy Act of 2008</i> (H.R. 2419), enacted by Congress in May 2008, converted the federal Renewable Energy Systems and Energy Efficiency Improvements Program,* into the Rural Energy for America Program (REAP). Similar to its predecessor, the REAP promotes energy efficiency and renewable energy for agricultural producers and rural small businesses through the use of (1) grants and loan guarantees for energy efficiency improvements and renewable energy systems, and (2) grants for energy audits and renewable energy development assistance. Congress has allocated funding for the new program in the following amounts: \$55 million for FY 2009, \$60 million for FY 2010, \$70 million for FY 2011, and \$70 million for FY 2012. The REAP is administered by the U.S. Department of Agriculture (USDA), which will develop regulations to implement the program.</p> <p>The USDA will also make competitive grants to eligible entities to provide assistance to agricultural producers and rural small businesses “to become more energy efficient” and “to use renewable energy technologies and resources.” These grants are generally available to state government entities, local governments, tribal governments, land-grant colleges and universities, rural electric cooperatives and public power entities, and other entities, as determined by the USDA. These grants may be used for conducting and promoting energy audits; and for providing recommendations and information related to energy efficiency and renewable energy. Of the total REAP funding available, 4% is dedicated to competitive grants to provide assistance to agricultural producers and rural small businesses.</p>

29 2009 Federal Stimulus Bill (Energy Efficiency and Conservation Block Grant- Future Funding and Provisions for AR)

<http://www.eecbg.energy.gov/>

The Energy Efficiency and Conservation Block Grant Program (EECBG) provides grants to U.S. local governments, states, territories, and Indian tribes, to fund projects that reduce energy use and fossil fuel emissions, and that improve energy efficiency.

The EECBG Program represents a Presidential priority to deploy the cheapest, cleanest, and fastest energy sources. EECBG was authorized in Title V, Subtitle E of the Energy Independence and Security Act (EISA), signed into law on December 19, 2007. It is modeled after the [Community Development Block Grant Program](#) administered by the Department of Housing and Urban Development (HUD).

Congress appropriated \$3.2 billion for the EECBG Program, most of which (over \$2.7 billion) will be distributed through formula grants. The balance includes nearly \$455 million for competitive grants, which will be awarded through a separate Funding Opportunity Announcement (FOA) coming soon.

Allocations to entities eligible for direct formula grants from the DOE are based on the following funding amounts:

\$1,863,880,000 for eligible cities and counties

\$767,480,000 for states, U.S. territories, and the District of Columbia

\$54,820,000 for eligible Indian tribes

In addition, each state must pass not less than 60% of its allocation on to cities and counties within the state that are ineligible for direct formula grants from the DOE. Each state decides how to award these sub-grants.

Allocations by Arkansas Counties:

AR	Arkansas	State Energy Office	\$9,593,500
AR	Conway	City	\$564,600
AR	Fayetteville	City	\$724,900
AR	Fort Smith	City	\$878,200
AR	Hot Springs	City	\$180,000
AR	Jonesboro	City	\$634,500
AR	Little Rock	City	\$1,972,700
AR	North Little Rock	City	\$599,200
AR	Pine Bluff	City	\$502,000
AR	Rogers	City	\$549,700
AR	Springdale	City	\$657,100
AR	Benton	County	\$609,300
AR	Crawford	County	\$242,900

AR	Crittenden	County	\$217,000
AR	Garland	County	\$232,600
AR	Lonoke	County	\$252,100
AR	Pope	County	\$254,700
AR	Pulaski	County	\$521,000
AR	Saline	County	\$384,000
AR	Washington	County	\$237,900
AR	White	County	\$309,500

Also see: <http://www1.eere.energy.gov/financing/business.html>