

Oregon's Financial Opportunities and Resources

State Resources

Oregon Department of Energy (www.oregon.gov/Energy)

The Oregon Department of Energy offers a variety of tax credits and grants and loans to invest in energy conservation, recycling, renewable energy resources and less-polluting transportation fuels.

Business Energy Tax Credits (BETC)

For qualifying renewable resource projects, the tax credit is 50 percent of the eligible project costs. For other projects, the tax credit is 35 percent of the eligible project costs — the incremental cost of the system or equipment that's beyond standard practice. Applications must be submitted for the BETC prior to starting the project or purchasing equipment.

Energy Conservation projects include:

- Lighting improvements
- Irrigation efficiency improvements
- Agriculture crop frost protection
- Controls for heating and cooling systems
- Improved pumps and motors
- Heat recovery from refrigeration systems

Renewable Resource projects include projects that use solar, wind, hydro, geothermal or bio-mass to produce energy, or displace energy, may qualify for a tax credit that is 50 percent of eligible costs. Renewable resource projects must replace at least 10 percent of the energy used. The energy can be used on-site or sold.

Renewable Energy Resource Equipment and Manufacturing Facilities

Oregon facilities that manufacture renewable energy resource equipment may be eligible for a Business Energy Tax Credit. Eligible costs may include the building, equipment and machinery and other costs used to manufacture equipment, machinery or products designed exclusively to use a renewable energy resource. The facilities are eligible for a tax credit of 50 percent of eligible costs, up to a maximum of \$40 million in eligible costs.

Alternative Fuel and Hybrid Vehicle Projects

The alternative fuels include electricity, biofuels, hydrogen, hythane, methane, methanol, natural gas, liquefied natural gas, liquefied petroleum gas (propane), renewable diesel and other fuels the Oregon Department of Energy allows. Businesses that purchase hybrid gasoline-electric vehicles may also qualify for a tax credit.

Biomass Producer or Collector Tax Credits

The 2007 Oregon Legislature passed House Bill 2210 which provides Oregon businesses with tax credits to support the production, collection and use of biomass and biofuels to improve Oregon's environment, economy and energy resource diversity. Biomass collectors/producers must transfer ownership of the material to be eligible to claim the credit.

Energy Loan Program (SELP)

The Energy Loan Program (also known as SELP) promotes energy conservation and renewable energy resource development. The program offers low-interest loans for projects that:

- Save energy
- Produce energy from renewable resources such as water, wind, geothermal, solar, biomass, waste materials or waste heat
- Use recycled materials to create products
- Use alternative fuels

Community Renewable Energy Feasibility Fund (CREF)

The CREF fund has been established to support feasibility studies for community renewable energy projects and to encourage widespread development and utilization of Oregon's many renewable energy resources. The maximum award amount is \$50,000 per study.

Resources Inventors-Technology Vendors

The Oregon Department of Energy does provide tax credits and loans for new technologies in the context of site-specific applications.

Energy Trust of Oregon (ET0) (www.energytrust.org)

The Energy Trust is a public purpose organization dedicated to energy efficiency and renewable energy generation. It serves Oregon customers of Portland General Electric (PGE), Pacific Power, NW Natural, and Cascade Natural Gas.

Solar

The Energy Trust offers cash incentives that can be combined with state and federal tax credits. Incentives are available to commercial and industrial facilities and nonprofit and government entities. The financial incentive amount varies depending upon your utility and size of solar system. Solar hot water heating incentives are also available.

Wind

The Energy Trust provides resources and cash incentives to help homeowners, farms, ranches, businesses and government entities install wind power projects of up to 20 megawatts. The Wind Power Program is broken into the following sections:

- Small Wind Program
Energy Trust's Small Wind program is ideal for rural homeowners, small agricultural operations, or other rural businesses interested in offsetting all or a portion of their electrical power use. The program supports small wind systems of up to 50 kilowatts. Participants must own at least one acre of land and have a strong wind resource (a yearly average wind speed of 10 mph or more).
- Community Wind Program
The Community Wind program supports commercial, municipal and community wind installations. This program is intended for larger-scale wind development projects of up to 20 megawatts.
- USDA Grant Assistance
USDA Value-Added Producer Grants (VAPGs) and Rural Energy for America Program (REAP) grants and loans can help eligible participants fund wind projects. Energy Trust offers financial assistance to help pay for writing of applications for these USDA programs.

BioPower

The Energy Trust helps fund projects across Oregon that convert wastes into fuel to generate clean, renewable power. In some cases, the waste is burned directly to generate electricity. In others, it is processed to recover methane, which is then burned for electricity production.

- Anaerobic Digestion of Organic Wastes

Agricultural product wastes, residues, manures and other organic materials, and municipal wastewater can be processed in anaerobic digesters to produce high-quality, high-Btu methane that can be used to generate electricity.

- Manure Digesters – For processing animal wastes. Typical sites include dairies and other animal feeding operations.
- Digesters for Agricultural Processing Wastes – Used to digest other agricultural residues or food wastes.
- Municipal Wastewater Digesters – For processing raw municipal wastewater at treatment plants.

- Landfill Gas

Municipal solid waste contains organic materials. Anaerobic bacteria feed on the organic materials when they are covered in a landfill, producing carbon dioxide and methane as a waste product. Landfill gas energy facilities capture this methane and combust it for energy.

- Wood Combustion / Cogeneration (combined heat & power)

Wood waste, slash from forest thinning projects and other renewable sources of woody biomass can be combusted to generate electricity and useful heat.

- Other Waste Energy Capture Technologies

The Energy Trust supports other innovative, commercially available technologies that use renewable organic materials to generate electricity.

Geothermal Electricity

The Energy Trust provides resources and cash incentives to help install geothermal electric generation systems. Funding is also available for feasibility studies to assess geothermal electric potential.

Hydroelectricity

The Energy Trust provides resources and cash incentives to help homeowners, businesses and government entities install hydroelectric generation systems and perform feasibility studies to assess hydropower potential.

To be eligible for Energy Trust incentives:

- You must be an Oregon customer of Portland General Electric or Pacific Power, or be willing to deliver power to one of these utilities.
- All systems must generate electricity and must be connected to the local electric utility grid.
- Your resource cannot be located in an environmentally protected area.

Grants and Other Proposals

Unsolicited Proposals / Emerging Technologies / Demonstration Projects

The Energy Trust supports renewable energy projects that are not eligible for incentives through other Energy Trust renewable energy programs. Examples may include wave energy or other innovative applications of commercially available renewable technologies. Energy Trust does not fund research and development.

Regional Resources

Northwest Solar Cooperative - Green Tag Purchase (<http://www.solaroregon.org/get-involved/northwest-solar-coop>)

The Northwest Solar Cooperative* (NWSC) offers to purchase the rights to the environmental attributes or “Green Tags” derived from grid-connected photovoltaic (PV) or wind energy at a rate of \$0.02 per kilowatt-hour (kWh) through December 31, 2009. Residential and non-residential owners of PV and wind-energy systems installed after June 1, 2002, in Oregon, Washington, Idaho and Montana are eligible to participate in the Green Tag Purchase Program.

Utilities and Rural Cooperatives Resources

Avista (www.avistautilities.com)

Through their Energy Partners Incentive Program, Avista helps businesses by providing partial funding towards the installation of cost effective natural gas efficiency measures. Contact your account executive to see if this program works for you.

Pacific Power (a subsidiary of PacifiCorp) (www.pacificpower.net)

Learn how communities and individuals can install renewable energy projects under “For Your Home” section. The “Blue Sky Community-Based Renewable Energy Projects” offers financial assistance to locally-owned commercial-scale projects that produce less than 10 megawatts of electricity.