

# State Incentives for Achieving Clean and Renewable Energy Development on Contaminated Lands

The development of clean and renewable energy on formerly used land offers many economic and environmental benefits. Combining clean and renewable energy and contaminated land cleanup incentives can allow investors and communities to create economically viable clean and renewable energy redevelopment projects. This document provides information about incentives in your state that can be leveraged for clean and renewable energy and development of contaminated land.



## Incentives for Clean and Renewable Energy

### Funding (grants, loans, bonds, etc.)

#### Colorado Clean Energy Fund – New Energy Economic Development (NEED) Program

[www.colorado.gov/energy/resources/funding-opportunities.asp](http://www.colorado.gov/energy/resources/funding-opportunities.asp)

Provides grants, loans and other financial incentives to producers of renewable energy, including solar thermal electric, photovoltaic (PV), wind, biomass, hydroelectric, fuel cells, small hydroelectric, renewable fuels, and other distributed generation technologies. Approximately \$650,000 is available through the Clean Energy Fund.

### Tax Incentives (abatements, deductions, credits, etc.)

#### Renewable Energy Property Assessment Thresholds

[www.dola.state.co.us/dpt/state\\_assessed/index.htm](http://www.dola.state.co.us/dpt/state_assessed/index.htm)

Offers a unique valuation methodology for determining the value of a renewable energy facility that primarily generates electricity from wind, solar thermal electric, PV, landfill gas, wind, biomass, hydroelectric, geothermal electric, municipal solid waste, anaerobic. When determining the value of a renewable energy facility, the administrator shall consider the additional incremental cost per kW of the construction of the renewable energy facility over that of the construction of a comparable nonrenewable energy facility that primarily generates electricity to be an investment cost and shall not include such additional incremental cost in the valuation of the facility. The incremental value of the renewable facilities above the nonrenewable facilities is disregarded, thereby reducing the assessed value for taxation. This valuation methodology applies only to utility renewable generators that are connected to the transmission system. In addition, Renewable Energy Credits (RECs) are not assessed a property tax.

#### Local Option - Property Tax Exemption for Renewable Energy Systems

[www.dsireusa.org/library/includes/incentive2.cfm?Incentive\\_Code=CO49F&state=CO&CurrentPageID=1&RE=1&EE=1](http://www.dsireusa.org/library/includes/incentive2.cfm?Incentive_Code=CO49F&state=CO&CurrentPageID=1&RE=1&EE=1)

Authorizes counties and municipalities to offer property or sales tax rebates or credits to residential and commercial property owners who install renewable energy systems on their property.

#### Net Metering

[www.dora.state.co.us/PUC/](http://www.dora.state.co.us/PUC/)

Allows net metering for systems up to 2 MW in capacity that generate electricity using qualifying renewable-energy resources (solar thermal electric, PV, landfill gas, wind, biomass, anaerobic digestion, small hydroelectric, and fuel cells using renewable fuels). Customer net excess generation in a given month is applied as a kWh credit to the customer's next bill on a one-to-one basis. If in a calendar year a customer's generation exceeds consumption, the utility reimburses the customer for the excess generation at the utility's average hourly incremental cost for the prior 12-month period.

### Quick Facts

#### Public Benefit Fund (PBF)

Available only in Boulder, CO

Yes  No

#### Renewable Portfolio Standard

Yes  No

Investor-owned utilities: 20% by 2020

Electric cooperatives: 10% by 2020

Municipal utilities serving more than 40,000 customers: 10% by 2020

#### Net Metering

Yes  No

#### Interconnection Standards

Yes  No

#### Electric Power Industry Generation by Primary Energy Source (EIA, 2006)

Petroleum-Fired	--	Nuclear	--
Natural Gas-Fired	23.4%	Hydroelectric	3.5%
Coal-Fired	71.5%	Other Renewables	1.8%

### Points of Contact

#### Colorado Clean Energy Fund – (NEED) Program

Seth Portner, [seth.portner@state.co.us](mailto:seth.portner@state.co.us), (303) 866-2100

#### Renewable Energy Property Tax Assessment

Colorado Department of Local Affairs

Bill Hyde, [dola.helpdesk@state.co.us](mailto:dola.helpdesk@state.co.us), (303) 866-2371

#### Local Property Tax Exemption for Renewable Energy Systems

Contact the local municipality

#### Net Metering

Richard Mignogna, [richard.mignogna@dora.state.co.us](mailto:richard.mignogna@dora.state.co.us), (303) 894-2871



# Incentives for Development of Contaminated Land

Colorado

## Funding (grants, loans, bonds, etc.)

### Colorado Brownfields Revolving Loan Fund

[www.cdphe.state.co.us/hm/rpbrownfields.htm#](http://www.cdphe.state.co.us/hm/rpbrownfields.htm#)

Offers financing with reduced interest rates, flexible loan terms, and flexibility in acceptable forms of collateral. Some loans from the Brownfields Revolving Loan Fund require a 20 percent match, which can be in-kind. Total loan amounts are capped at \$2 million. All cleanups financed through the Fund must have previous approval under the Colorado Department of Public Health and Environment's (CDPHE) Voluntary Cleanup Program.

### Colorado's Petroleum Storage Tank Fund

<http://oil.cdle.state.co.us/OIL/Fund/fundindex.asp>

Reimburses eligible applicants up to \$2 million per release occurrence or up to \$3 million per fiscal year for allowable costs incurred in cleaning up petroleum contamination from underground and above-ground petroleum storage tanks, and for third-party liability expenses. Tank owners and operators are responsible for the first \$10,000 of remediation costs and the first \$25,000 of third-party liability expenses. After meeting the deductible, an eligible tank owner or operator is eligible for reimbursement of all allowable costs. Persons deemed to bear no responsibility for the release are eligible for reimbursement without paying any deductible and without penalty for prior non-compliance with storage tank regulations.

### State Brownfields Cleanup Fund

[www.cdphe.state.co.us/hm/rpbrownfields.htm#state](http://www.cdphe.state.co.us/hm/rpbrownfields.htm#state)

Provides limited state authority to clean up sites where there is no other federal or state program that can accomplish the cleanup. It provides \$250,000 for such cleanup, which is designed first to protect human health and the environment, and also to enhance the redevelopment potential of these properties. Private parties are eligible for funding, but they must demonstrate a clear public benefit.

## Tax Incentives (abatements, credits, deductions, etc.)

### Colorado Contaminated Land Redevelopment Tax Credit

[www.cdphe.state.co.us/hm/rpbrownfields.htm#state](http://www.cdphe.state.co.us/hm/rpbrownfields.htm#state)

Provides an income tax credit for companies that redevelop contaminated property (brownfields) up to \$100,000—broken down as 50 percent of the first \$100,000 spent on cleanup, 30 percent of the next \$100,000, and 20 percent of the third \$100,000 to offset cleanup costs and make the redevelopment of such properties financially viable. The property must be located in a municipality with a population of 10,000 or more and must be eligible for inclusion under the state's Voluntary Cleanup and Redevelopment Act.

## Technical Assistance and Other Incentives

### Colorado Targeted Brownfields Assessments

[www.cdphe.state.co.us/hm/rpbrownfields.htm#assessment](http://www.cdphe.state.co.us/hm/rpbrownfields.htm#assessment)

Performs targeted site assessments to characterize the nature and extent of site contamination. This characterization is at no cost to the property owner, and provides assistance in quantifying the need for and potential cost of cleanup. Sites are eligible if they are not on the NPL or under enforcement or other action by a government agency. For a private party to be eligible there must be a clear public benefit.

### Colorado Brownfields Foundation

[www.coloradobrownfieldsfoundation.org/index.html](http://www.coloradobrownfieldsfoundation.org/index.html)

CDPHE supports an environmental resource hotline through the Colorado Brownfields Foundation. The Colorado Brownfields Foundation, a non-profit organization, provides assistance in four service areas: environmental strategy, gap financing, information services, and property transfer assistance.

## Limitations on Liability

### Colorado Voluntary Cleanup Program (VCP)

[www.cdphe.state.co.us/hm/rpvoluntarycleanup.htm](http://www.cdphe.state.co.us/hm/rpvoluntarycleanup.htm)

Facilitates the timely redevelopment and transfer of contaminated properties. Allows owners of contaminated properties to voluntarily propose cleanup actions; provides timely (45 days) review of cleanup plans submitted by property owners; offers No Further Action determinations from the state upon completion and approval of cleanup; provides protection from Superfund liability under a Memorandum of Agreement with EPA; and offers an income tax credit.

### Quick Facts

Limitations on Liability	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Number of State-Tracked Contaminated Properties: Includes Voluntary Remediation Program and Brownfields sites	518	
Number of EPA CERCLIS Sites: Sites identified for potential investigation under the federal Superfund Program	347	
Number of EPA Brownfields Properties: Properties being funded or addressed under the EPA Brownfields Program	208	

*There may be some overlap among the categories listed and sites listed may not represent all potentially contaminated sites in Colorado.*

### Points of Contact

#### Colorado Department of Public Health and Environment

[www.cdphe.state.co.us](http://www.cdphe.state.co.us)

#### Revolving Loan Fund

Dan Scheppers, [daniel.scheppers@state.co.us](mailto:daniel.scheppers@state.co.us), (303) 692-3398

#### State Brownfields Cleanup Fund

Barbara Nabors, [Barbara.nabors@state.co.us](mailto:Barbara.nabors@state.co.us), (303) 692-3402

#### Colorado Contaminated Land Tax Credit

Fonda Apostolopoulos, [Fonda.Apostolopoulos@state.co.us](mailto:Fonda.Apostolopoulos@state.co.us), (303) 692-3411

#### Colorado Targeted Brownfields Assessments

Mark Rudolph, [mark.rudolph@state.co.us](mailto:mark.rudolph@state.co.us), (303) 692-3311

#### Colorado's Petroleum Storage Tank Fund

Jane Bral, [jane.bral@state.co.us](mailto:jane.bral@state.co.us), (303) 318-8510

#### Colorado Brownfields Foundation

[www.coloradobrownfieldsfoundation.org/index.html](http://www.coloradobrownfieldsfoundation.org/index.html)

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