



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.)

Iowa Energy Center Alternate Energy Revolving Loan Program (AERLP)
www.energy.iastate.edu/AERLP/index.htm

Provides single, low-interest loans to individuals and organizations building renewable energy production facilities in Iowa, including solar, biomass, small hydro, and small and large wind turbine facilities. AERLP provides 50% of the total loan at 0% interest, with a maximum loan value of \$250,000.

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

Renewable Energy Production Tax Credits

www.state.ia.us/government/com/util/energy/renewable_tax_credits.html

Provides a state production tax credit of 1.5 cents per kWh over ten years for eligible wind and certain other renewable energy facilities, including biomass and solar. Tax credit is not available for facilities that generate energy for the owner's self-use. Tax credit may be applied toward the state's personal income tax, business tax, financial institutions tax, or sales and use tax. The total amount of capacity eligible for the tax credit is 180 MW for wind energy facilities and 20 MW for other renewable facilities.

Wind Energy Tax Credits

www.state.ia.us/government/com/util/energy/renewable_tax_credits.html

Offers a state production tax credit of 1.0 cent per kWh for energy sold by eligible wind energy facilities. Maximum total amount of wind generating capacity eligible for the tax credits is 450 MW. Tax credit may be applied toward the state's personal income tax, business income tax, or financial institutions tax. Tax credit is not available to owners who have received the state's property tax exemption for renewable energy systems, the local option special assessment of wind energy devices, or the sales tax exemption for wind energy equipment.

Wind and Solar Energy Equipment Exemption

www.iowadnr.com/energy/renewable/incentives/wind.html

Exempts from the state sales tax the total cost of wind and solar energy equipment and all materials used to manufacture, install or construct wind and solar energy systems.

Wind Energy Replacement Generation Tax Exemption

www.iowadnr.com/energy/renewable/incentives/wind.html

Exempts electricity generated by methane gas conversion and wind energy conversion property from the replacement generation tax, which is 0.06 cents (\$0.0006) per kWh.

Property Tax Exemption for Renewable Energy Systems

www.iowadnr.com/energy/renewable/incentives/solar.html

Exempts any market value added by a solar or wind energy system to a building when assessing property for tax purposes for the first five full assessment years.

Property Tax Exemption for Methane Gas Recovery Systems

www.iowadnr.com/energy/renewable/incentives/methane.html

Exempts property and improvements to property used to collect and convert methane gas to energy in an operation connected with, or in conjunction with, a publicly owned sanitary landfill from the state property tax.

Local Option for the Special Assessment of Wind Energy Devices

www.iowadnr.com/energy/renewable/incentives/wind.html

Allows cities and counties to pass ordinances to assess wind energy conversion

equipment at a special valuation for property tax purposes, beginning at 0% of the net acquisition cost in first assessment year and increasing annually by five percentage points to a maximum of 30% of net acquisition cost in the 7th-19th succeeding years.

Technical Assistance and Other Incentives

Solar Access Easement Provisions

www.iowadnr.com/energy/solarmidwest/iowa.html

Allows property owners to create binding solar easements to protect and maintain proper access to sunlight to operate solar energy systems.

Net Metering

www.state.ia.us/government/com/util/docs/orders/2006/0808_PURPAStd1_1.pdf

Allows customers of rate-regulated investor-owned utilities with alternative energy generation systems to net their kWh energy production against their metered retail kWh use, up to 500 kW of capacity.

Quick Facts

Public Benefit Fund (PBF)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Renewable Portfolio Standard	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
<i>Set-aside of 105 MW required of two investor-owned facilities; voluntary goal of 1,000 MW of wind capacity by 2010</i>		
Net Metering	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Interconnection Standards	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Electric Power Industry Generation by Primary Energy Source (EIA, 2006)		
Petroleum-Fired	0.5%	Nuclear 11.2%
Natural Gas-Fired	5.3%	Hydroelectric 2.0%
Coal-Fired	75.6%	Other Renewables 5.4%

Points of Contact

Iowa Energy Center AERLP, www.energy.iastate.edu
Bill Haman, iec@energy.iastate.edu, (515) 294-4710

Iowa Utilities Board, www.state.ia.us/government/com/util/
Renewable Energy Production Tax Credits, Wind Energy Tax Credits, Net Metering, John Pearce, John.Pearce@iub.state.ia.us, (515) 281-5679

Iowa Department of Revenue, www.iowa.gov/tax/

Wind and Solar Energy Equipment Exemption
Jim McNulty, Jim.McNulty@iowa.gov, (515) 281-6183

Wind Energy Replacement Generation Tax Exemption
Alan Harding, Alan.Harding@iowa.gov, (515) 281-4782

Property Tax Exemptions for Renewable Energy, Methane Gas Recovery Systems, Local Option for Special Assessment of Wind Energy Devices
Jim Moyle, Jim.Moyle@iowa.gov, (515) 281-7232

Iowa Department of Natural Resources, www.iowadnr.com/

Solar Access Easement Provisions
Alan Goldberg, alan.goldberg@dnr.iowa.gov, (515) 281-8912



Incentives for Development of Contaminated Land



Funding (grants, loans, bonds, etc.)

Physical Infrastructure Assistance Program (PIAP)

www.iowalifechanging.com/business/financial_assistance.html

Offers loans, loan guarantees, and cost shares to financially assist capital-intensive infrastructure projects that create unique opportunities for quality, high-wage jobs and demonstrate a statewide impact. Adaptable to brownfields projects meeting development criteria.

Hazardous Waste Remedial Fund

www.iowadnr.com/land/consites/hwregistry/hwindex.html

Provides funding for administration, site investigation, emergency response, removals, remedial actions, operations and maintenance, Comprehensive Environmental Response Compensation and Liability Act (CERCLA) match, studies and design, and grants to local governments. Seventy-five percent of the Fund must be used for remediation at non-CERCLA sites and for CERCLA cost share.

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

Tax Increment Financing (TIF)

www.iowalifechanging.com/business/tif.html

Allows businesses to receive direct benefits from the property tax increases caused by the added value of new facilities. Cities or counties can reimburse response action costs (over a six-year period) by financing direct grants or loans to the business and by offsetting the costs of public improvements or provision of utilities to serve the new private development.

Limitations on Liability

No Further Action (NFA)

www.iowadnr.com/land/consites/lrp/conLRP.html

Provides a NFA Certificate following assessment and implementation of appropriate cleanup activities and/or other remedies to assure the protection of public health and the environment for sites cleaned under Iowa's voluntary cleanup program, the Land Recycling Program. This certificate provides limited liability protection from further regulatory action relative to the problem(s) addressed.

Quick Facts

Limitations on Liability Yes No

Number of State-Tracked Contaminated Properties: 505
Includes Administrative Order, Chapter 133, Consent Order and Land Recycling Program Sites

Number of EPA CERCLIS Sites: 125
Sites identified for potential investigation under the federal Superfund Program

Number of EPA Brownfields Properties: 236
Properties being funded or addressed under the EPA Brownfields Program

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

Points of Contact

Iowa Department of Natural Resources (DNR)

<http://www.iowadnr.com/>

Hazardous Waste Remedial Fund

Mel Pins, mel.pins@dnr.state.ia.us, (515) 281-8489

Iowa Department of Economic Development

<http://www.iowalifechanging.com>

PIAP, TIF

Mike Tramontina, director@iowalifechanging.com, (515) 242-4720