



# 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.)

#### Business Expansion Initiative (BEI)

[www.masstech.org/renewableenergy/BEI/index.html](http://www.masstech.org/renewableenergy/BEI/index.html)

Provides loans up to 50% of capital expenses and related spending over 24 months to support renewable energy companies entering or expanding within the manufacturing stage of commercial development.

#### Sustainable Energy Economic Development (SEED) Initiative

[www.masstech.org/SEED](http://www.masstech.org/SEED)

Provides up to \$500,000 as a convertible loan on a competitive basis to support renewable energy companies based in Massachusetts.

#### Renewable Energy Certificate Incentive

[www.massenergy.com/Solar.REC.Sale.html](http://www.massenergy.com/Solar.REC.Sale.html)

Purchases renewable energy certificates (also known as green tags) at a rate of \$60 per MWh (or \$0.06 per kWh) from PV systems for three years.

#### Clean Energy Pre-development Financing Initiative

[www.masstech.org/renewableenergy/predevelop.htm](http://www.masstech.org/renewableenergy/predevelop.htm)

Provides unsecured loans up to \$250,000 per wind and biomass project, and up to \$150,000 for other renewable energy projects for pre-development activities for grid-connected electric generating facilities.

#### Large Onsite Renewables Initiative (LORI) Grants

[www.masstech.org/renewableenergy/large\\_renewables.htm](http://www.masstech.org/renewableenergy/large_renewables.htm)

Provides feasibility grants, up to \$40,000 with a cost share of 15%; design grants up to the lesser of \$125,000 or 75% of actual costs; and construction grants up to the lesser of \$275,000 or 75% of actual costs.

#### Commonwealth Solar

[www.masstech.org/solar](http://www.masstech.org/solar)

Provides rebates for the installation of PV projects at residential, commercial, industrial, and public facilities. Non-residential projects are eligible for rebates for PV projects up to 500 kW.

#### Small Renewables Initiative (SRI)

[www.masstech.org/renewableenergy/small\\_renewables.htm](http://www.masstech.org/renewableenergy/small_renewables.htm)

Provides rebates up to \$50,000 for the installation of wind and small hydroelectric projects that are up to 10 kW and will consume 50% or more of the renewable energy generated by the project on-site.

#### Massachusetts Green Energy Fund

[www.masstech.org/renewableenergy/mgef.htm](http://www.masstech.org/renewableenergy/mgef.htm)

Invests equity venture capital in Massachusetts-based renewable energy companies, using the \$15 million Green Energy Fund.

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

#### Renewable Energy Property Tax Exemption

[www.state.ma.us/doer/programs/renew/renew.htm#taxcred](http://www.state.ma.us/doer/programs/renew/renew.htm#taxcred)

Provides tax exemption for 20 years from the date of installation for solar and wind powered devices supply the energy needs of taxable property.

#### Excise Tax Exemption for Solar or Wind Powered Systems

[www.state.ma.us/doer/programs/renew/renew.htm#taxcred](http://www.state.ma.us/doer/programs/renew/renew.htm#taxcred)

Provides 100% tax exemption from the tangible property measure of the state's corporate excise tax, to qualifying solar and wind energy systems, for the length of the system's depreciation period.

#### Net Metering

[www.state.ma.us/dpu](http://www.state.ma.us/dpu)

Offers net metering by the state's investor-owned utilities. Municipal utilities may offer net metering voluntarily.

#### Quick Facts

Public Benefit Fund (PBF)	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Renewable Portfolio Standard	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
4% in 2009 (plus 1% each year after 2009)		
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	5.2%	Nuclear	12.8%
Natural Gas-Fired	51.0%	Hydroelectric	3.3%
Coal-Fired	24.4%	Other Renewables	2.8%

#### Points of Contact

**Massachusetts Technology Collaborative**, [www.masstech.org](http://www.masstech.org)

**BEI**, Ian Springsteel, [BEI@masstech.org](mailto:BEI@masstech.org), (508) 870-0312 Ext. 255

**SEED**, Sissi Liu, [SEED@masstech.org](mailto:SEED@masstech.org), (508) 870-0312 Ext. 226

**Clean Energy Pre-development Financing Initiative**

Amy Barad, [pdfi@masstech.org](mailto:pdfi@masstech.org), (508) 870-0312 Ext. 285

**LORI Grants**, Jon Abe, [LORI@masstech.org](mailto:LORI@masstech.org), (508) 870-0312

**Commonwealth Solar**, [cs@masstech.org](mailto:cs@masstech.org), (508) 439-5700

**SRI**, [smallrenewables@masstech.org](mailto:smallrenewables@masstech.org), (508) 439-5640

**Mass Energy Consumers Alliance**

**Renewable Energy Certificate Incentive**

Kelly Muellman, [kelly@massenergy.com](mailto:kelly@massenergy.com), (617) 524-3950

**Massachusetts Green Energy Fund, LP**, (617) 739-1155

**Massachusetts Department of Revenue Tax Information**

[www.dor.state.ma.us](http://www.dor.state.ma.us), (800) 392-6089

**Massachusetts Division of Energy Resources (DOER)**

[www.mass.gov/doer/home.htm](http://www.mass.gov/doer/home.htm)

Legal Department, [doer.energy@mass.gov](mailto:doer.energy@mass.gov), (617) 727-4732

**Massachusetts Department of Public Utilities**

Barry Perlmutter, [barry.perlmutter@state.ma.us](mailto:barry.perlmutter@state.ma.us), (617) 305-3659



# Incentives for Development of Contaminated Land



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

### Brownfields Redevelopment Fund (BRF)

[www.massdevelopment.com/financing/lg\\_brownfields.aspx](http://www.massdevelopment.com/financing/lg_brownfields.aspx)

Provides interest-free financing of up to \$100,000 per project for environmental site assessments in economically distressed areas. Also offers low-interest financing of up to \$500,000 for cleanup. Terms are flexible and determined on a case-by-case basis. The borrower or project sponsor must be an "eligible person," as defined by statute, with site control or evidence of the right to enter the site for purposes of conducting environmental testing.

### MassBusiness Remediation Loan Program

[www.mass-business.com/site/site-massbiz/content/remediation-loan-program/](http://www.mass-business.com/site/site-massbiz/content/remediation-loan-program/)

Offers loans from \$500,000 to \$2 million to finance cleanup costs, regulatory compliance costs, site preparation and entitlement, demolition, construction, mortgage financing, and various soft costs. Flexible terms are custom-designed to meet the unique requirements of each individual project. As needed, "Interest Reserves" can often be built into the loan to eliminate out-of-pocket loan servicing costs during the term of a project.

### Massachusetts Opportunity Relocation and Expansion (MORE) Jobs Capital Program

[www.mass.gov/?pageID=eheadterminal&L=4&L0=Home&L1=Start%2c+Growth%26+Relocate+Your+Business&L2=Financing+%26+Funding&L3=Grants&sid=Ehead&b=terminalcontent&f=mobd\\_fin\\_fund\\_more\\_info&csid=Ehead](http://www.mass.gov/?pageID=eheadterminal&L=4&L0=Home&L1=Start%2c+Growth%26+Relocate+Your+Business&L2=Financing+%26+Funding&L3=Grants&sid=Ehead&b=terminalcontent&f=mobd_fin_fund_more_info&csid=Ehead)

Offers competitive grants to municipalities that partner with private developers to improve infrastructure for projects that create jobs. Although site assessment cannot be funded through MORE, site remediation and preparation work that is tied to infrastructure improvements is eligible for funding. Individual grant amounts will vary with each awarded project.

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

### Brownfields Tax Credit for Remediation

[www.mass.gov/dep/cleanup/brtxinc.htm](http://www.mass.gov/dep/cleanup/brtxinc.htm)

Provides tax credit of 25% (with reuse restrictions) or 50% (without reuse restrictions), for eligible persons who complete projects in Economically Distressed Areas (EDAs). Several conditions apply for property eligibility.

### Economic Development Incentive Program (EDIP)

[www.state.ma.us/mobd](http://www.state.ma.us/mobd)

Provides tax relief financing up to 5% investment tax credit, 10% abandoned building tax deduction, and local real estate tax incentives such as Tax Increment Financing (TIF) or Special Tax Assessment (STA). Property must be considered a revenue generating project located in an Economic Target Area (ETA).

## Technical Assistance and Other Incentives

### Brownfields Redevelopment Access to Capital (BRAC)

[www.mass.gov/dep/cleanup/bfins.htm](http://www.mass.gov/dep/cleanup/bfins.htm)

Provides state subsidized, volume discounted environmental insurance up to 50% of eligible premium, up to a maximum of \$50,000, to promote the environmental cleanup and redevelopment of brownfield sites. The subsidy is provided through a private insurer and administered by MassBusiness. Pollution legal liability and cleanup cost cap coverage is available.

## Limitations on Liability

### Massachusetts Brownfields Act

[www.mass.gov/dep/cleanup/bfhdout2.htm](http://www.mass.gov/dep/cleanup/bfhdout2.htm)

Provides liability protection for several types of parties involved in brownfields projects, including: owners/operators, down gradient property owners, tenants, Redevelopment Authorities and Community Development Corporations, and secured lenders. The Brownfields Covenant Not to Sue (CNTS) Program provides liability protection for more complicated projects.

### Quick Facts

Limitations on Liability	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Number of State-Tracked Contaminated Properties: Includes number of release notifications	35,927	
Number of EPA CERCLIS Sites: Sites identified for potential investigation under the federal Superfund Program	404	
Number of EPA Brownfields Properties: Properties being funded or addressed under the EPA Brownfields Program	339	

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

### Points of Contact

#### Brownfields Redevelopment Fund

Mass Development, (800) 445-8030

#### MassBusiness Remediation Loan Program

Tom Barry, [tbarry@mass-business.com](mailto:tbarry@mass-business.com), (781) 928-1100 Ext. 106

#### MORE Jobs Capital Program

#### Executive Office of Economic Development (EOED)

Nayenday Thurman, [Nayenday.thurman@state.ma.us](mailto:Nayenday.thurman@state.ma.us), (617) 788-3636

#### Brownfields Tax Credit for Remediation

#### Department of Environmental Protection (MassDEP)

Steve McCurdy, Director, (617) 292-5779

Katherine Finneran, Brownfields Coordinator, (617) 292-5779

#### EDIP

#### Massachusetts Office of Business Development

Lauren Jones, [lauren.jones@state.ma.us](mailto:lauren.jones@state.ma.us), (617) 788-3638

#### Massachusetts Business Development Corporation Brownfields Redevelopment Access to Capital (BRAC), (781) 928-1106