



# 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.)

#### Solar-Electric (Photovoltaic, or PV) Rebate Program

[www.state.mn.us/mn/externalDocs/Commerce/Solar\\_Electric\\_Rebate\\_Program\\_110802025911\\_RebateInstructions.pdf](http://www.state.mn.us/mn/externalDocs/Commerce/Solar_Electric_Rebate_Program_110802025911_RebateInstructions.pdf)

Provides a rebate of \$2 – \$2.5 per W, per grid-connected PV system up to 10 kW capacity. Larger systems may also be eligible.

#### Great River Energy (GRE) - Solar-Electric Rebate Program

[www.greatriverenergy.com/partners/\\_images/gre\\_solar\\_fact\\_sheet.pdf](http://www.greatriverenergy.com/partners/_images/gre_solar_fact_sheet.pdf)

Offers a rebate of \$2,000 per kW for new grid-connected PV systems (up to \$4,000 per customer); must be combined with the state rebate program.

#### Minnesota Power - Power Grant Program

[www.mnpower.com/powergrant/grants.htm](http://www.mnpower.com/powergrant/grants.htm)

Offers rebates of up to \$50,000 to non-residential customers who use innovative technologies or undertake renewable electric energy projects.

#### Xcel Energy - Renewable Development Fund Grants

[www.xcelenergy.com/XLWEB/CDA/0,3080,1-1-1\\_27620\\_37621-801-2\\_171\\_256-0,00.html](http://www.xcelenergy.com/XLWEB/CDA/0,3080,1-1-1_27620_37621-801-2_171_256-0,00.html)

Provides grants up to \$2 million for renewable energy production and up to \$1 million for research and development related to renewable energy technology.

#### Agricultural Improvement Loan Program

[www.mda.state.mn.us/about/divisions/agfinance.htm](http://www.mda.state.mn.us/about/divisions/agfinance.htm)

Provides low-interest loans up to \$200,000 for the installation of farm-based wind-energy systems with a maximum capacity of 1 MW.

#### Methane Digester Loan Program

[www.mda.state.mn.us/grants/loans/digester.htm](http://www.mda.state.mn.us/grants/loans/digester.htm)

Provides up to \$250,000 in zero interest loans to install digesters to convert manure to electricity on farms.

#### Rural Wind Energy Revolving Loan

[www.state.mn.us/portal/mn/jsp/content.do?subchannel=-536881511&programid=536902421&id=-536881350&agency=Commerce&sp2=y](http://www.state.mn.us/portal/mn/jsp/content.do?subchannel=-536881511&programid=536902421&id=-536881350&agency=Commerce&sp2=y)

Provides loans of up to \$100,000 per project with a maximum annual interest rate of 1.5%, for wind energy feasibility and transmission interconnection studies for community-based energy developments.

#### Renewable Energy Production Incentive

[www.dsireusa.org/library/includes/tabsrch.cfm?state=MN&type=Production&back=fintab&Sector=S&CurrentPageID=7&EE=1&RE=1](http://www.dsireusa.org/library/includes/tabsrch.cfm?state=MN&type=Production&back=fintab&Sector=S&CurrentPageID=7&EE=1&RE=1)

Offers payment of 1.0¢ to 1.5¢ per kWh for up to ten years for electricity generated by hydro facilities and on-farm anaerobic manure methane digesters.

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

#### Wind and Solar Sales and Property Tax Exemption

[www.state.mn.us/portal/mn/jsp/common/content/include/contentitem.jsp?contentid=536885915](http://www.state.mn.us/portal/mn/jsp/common/content/include/contentitem.jsp?contentid=536885915)

Exempts solar and wind energy systems from state sales tax. Property tax exemption excludes the value added by PV systems from real estate property taxation, and all wind-energy system real and personal property.

#### Net Metering

[www.puc.state.mn.us/](http://www.puc.state.mn.us/)

Allows net metering for solar, wind, and biomass systems less than 40 kW.

#### 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"/>
<i>Xcel Energy: 30% by 2020; Other utilities: 25% by 2025</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	0.9%	Nuclear	24.8%
Natural Gas	4.8%	Hydroelectric	1.1%
Coal	62.1%	Other Renewables	5.7%
Other	0.6%		

#### Points of Contact

**Minnesota Department of Commerce Energy Information Center**  
Solar-Electric (PV) Rebate Program, Wind and Solar Property and Sales Tax Exemptions, Net Metering  
Stacy Miller, [stacy.miller@state.mn.us](mailto:stacy.miller@state.mn.us), (651) 296-5175

**Great River Energy – Solar-Electric (PV) Rebate Program**  
Mark Rathbun, [mrathbun@greenergy.com](mailto:mrathbun@greenergy.com), (763) 445-6104

**Minnesota Power – Grant Power Program**  
Tim Gallagher, [tgallagher@mn.power.com](mailto:tgallagher@mn.power.com), (218) 720-2759

**Xcel Energy – Renewable Development Fund Grants**  
Debra J. Paulson, [debra.j.paulson@xcelenergy.com](mailto:debra.j.paulson@xcelenergy.com), (612) 330-7571

**Agricultural Improvement Loan Program, Methane Digester Loan Program**  
Minnesota Department of Agriculture, Rural Finance Authority  
Gary Blahosky, [Gary.Blahosky@state.mn.us](mailto:Gary.Blahosky@state.mn.us), (651) 201-6666

**Rural Wind Energy Revolving Loan, Renewable Energy Production Incentive**  
Minnesota Department of Commerce, Energy Division  
Jeremy deFiebre, [jeremy.defiebre@state.mn.us](mailto:jeremy.defiebre@state.mn.us), (651) 297-1221



# Incentives for Development of Contaminated Land



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

### Minnesota Contamination Cleanup Grant Program

[www.deed.state.mn.us/Community/contam/index.htm](http://www.deed.state.mn.us/Community/contam/index.htm)

Provides grants for up to 75% of the cost of the investigation and cleanup of contaminated sites for redevelopment. Investigation grants cannot exceed \$50,000.

### Minnesota Cleanup Revolving Loan Program

[www.deed.state.mn.us/community/cleanup/](http://www.deed.state.mn.us/community/cleanup/)

Provides low-interest loans through a U.S. EPA grant for cleanup, demolition of buildings, implementation of a RAP, and cleanup-related site sampling and monitoring at contaminated sites.

### Minnesota Redevelopment Grant Program

[www.deed.state.mn.us/community/redevgrt/](http://www.deed.state.mn.us/community/redevgrt/)

Offers grants of up to 50% of redevelopment costs for a qualifying site for land acquisition, demolition, infrastructure improvements, soil stabilization, environmental infrastructure, and remedial activities.

### Small Business Environmental Loan Program

[www.pca.state.mn.us/programs/sbomb\\_loan.html](http://www.pca.state.mn.us/programs/sbomb_loan.html)

Provides low-interest loans of up to \$50,000 to small businesses for financing environmental projects associated with the investigation and cleanup of contaminated sites.

### Metropolitan Council's Livable Communities Tax Base Revitalization Account

[www.metrocouncil.org/services/livcomm/LCAresources.htm](http://www.metrocouncil.org/services/livcomm/LCAresources.htm)

Provides grants to clean up contaminated property for residential, commercial and industrial redevelopment in seven counties. Funding is also available for adaptive reuse for lead-based paint and lead based-paint abatements.

### Hennepin County Environmental Response Fund

[www.co.hennepin.mn.us/vgn/portal/internet/hcdetailmaster/0,2300,1273\\_100015579\\_101935937,00.html](http://www.co.hennepin.mn.us/vgn/portal/internet/hcdetailmaster/0,2300,1273_100015579_101935937,00.html)

Provides grants of up to \$800,000 for the assessment and cleanup of contaminated sites located within Hennepin County, which includes the Minneapolis metropolitan area.

### Agricultural Chemical Response and Reimbursement Account (ACRRA)

[www.mda.state.mn.us/incidentresponse/default.htm#agvic](http://www.mda.state.mn.us/incidentresponse/default.htm#agvic)

Reimburses up to \$279,200 for the cleanup of sites contaminated by agricultural chemical spills.

### Dry Cleaner Reimbursement Fund

<http://proteus.pca.state.mn.us/publications/reports/brownfields-guide.pdf>

Reimburses qualifying current or former owners and operators for cleanup costs over \$10,000 at dry cleaning facilities.

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

### Minnesota Department of Commerce Contamination Tax

[www.commerce.state.mn.us](http://www.commerce.state.mn.us)

Provides for a reduction in property tax on contaminated property, to as low as 12.5% of contamination value (i.e., the amount of market value reduction that is granted for property tax purposes for the assessment year due to the presence of contaminants).

## Tax Increment Financing (TIF)

In Minnesota, all of the property tax on a formerly contaminated site, not just its increased value, can be used for TIF. Contact your local government for availability.

## Technical Assistance and Other Incentives

### Minnesota Brownfields: A Resource Guide

<http://proteus.pca.state.mn.us/publications/reports/brownfields-guide.pdf>

Summarizes financial and technical assistance to support the cleanup and redevelopment of brownfields in Minnesota.

## Limitations on Liability

[www.pca.state.mn.us/cleanup/vic.html](http://www.pca.state.mn.us/cleanup/vic.html)

Provides Superfund liability assurance including No Further Action letters to certificates of completion through the Voluntary Investigation and Cleanup Program; similar liability assurance for sites contaminated with agricultural chemicals through the Department of Agriculture; and liability release letters for petroleum-related contamination through the Voluntary Petroleum Investigation and Cleanup Program.

### Quick Facts

Limitations on Liability Yes  No

Number of State-Tracked Contaminated Properties: 2,216  
Includes sites listed as Voluntary Investigation and Cleanup (VIC) Sites

Number of EPA CERCLIS Sites: 82  
Sites identified for potential investigation under the federal Superfund Program

Number of EPA Brownfields Properties: 90  
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 Minnesota.*

### Points of Contact

**Minnesota Contamination Cleanup Grant Program, Cleanup Revolving Loan Program, and Redevelopment Grant Program**  
Kristin Lukes, [kristin.lukes@state.mn.us](mailto:kristin.lukes@state.mn.us), (651) 259-7449

**Small Business Environmental Loan Program**  
Minnesota Pollution Control Agency, Mike Nelson, (651) 297-8615

**Metropolitan Council's Tax Base Revitalization Account**  
Metropolitan Council, Marcus Martin, [marcus.martin@metc.state.mn.us](mailto:marcus.martin@metc.state.mn.us), (651) 602-1054

**Hennepin County Environmental Response Fund**  
Hennepin County Environmental Services, Dave Jaeger, (612) 348-5714

**ACRRA**  
Minnesota Department of Agriculture  
Carol Logan, [Logan@state.mn.us](mailto:Logan@state.mn.us), (651) 201-6490

**Dry Cleaner Reimbursement Fund**  
Minnesota Pollution Control Agency, Karen Kromar, (651)-297-3080

**Minnesota Department of Commerce Contamination Tax**  
Minnesota Department of Revenue, Derrick Hodges, (651) 556-6113