



# 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.)

#### Biomass Energy Program

[www.adeca.state.al.us/C16/Biomass%20Energy%20Program/default.aspx](http://www.adeca.state.al.us/C16/Biomass%20Energy%20Program/default.aspx)

Provides up to \$75,000 in interest subsidy payments to help defray the interest expense on loans to install approved biomass projects. Sponsored by the Alabama Department of Economic and Community Affairs (ADECA). The program provides funding and technical assistance for industrial, commercial, and institutional facilities looking to install biomass energy systems. Landfill gas (LFG) projects are also eligible for funding consideration. Participants obtain loans from commercial lending institutions and submit repayment data to ADECA for interest payment assistance.

#### Green Power Switch Generation Partners Program

[www.tva.com/greenpowerswitch/partners/](http://www.tva.com/greenpowerswitch/partners/)

Offers purchase of solar photovoltaic-generated electricity from commercial energy producers, at a rate of \$0.20 per kWh, for a duration of 10 years. Although the maximum output for commercial generation systems remains at 50 kW, larger systems may be permitted with mutual agreement of the purchaser, Tennessee Valley Authority (TVA), on a case-by-case basis. A list of participating Alabama power distributors can be found at: [www.tva.com/greenpowerswitch/partners/distributors.htm](http://www.tva.com/greenpowerswitch/partners/distributors.htm).

### Quick Facts

Public Benefit Fund (PBF)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Renewable Portfolio Standard	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Net Metering	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Interconnection Standards	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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

Petroleum-Fired	0.1%	Nuclear	22.6%
Natural Gas-Fired	13.8%	Hydroelectric	5.1%
Coal-Fired	55.4%	Other Renewables	2.8%

### Points of Contact

#### Biomass Energy Program

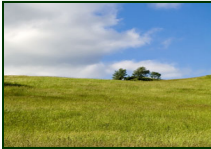
Alabama Department of Economic and Community Affairs

[www.adeca.alabama.gov](http://www.adeca.alabama.gov)

Clarence Mann, [clarence.mann@adeca.alabama.gov](mailto:clarence.mann@adeca.alabama.gov), (334) 242-5330

#### Green Power Switch Generation Partners Program

Refer to [www.tva.com/greenpowerswitch/partners/distributors.htm](http://www.tva.com/greenpowerswitch/partners/distributors.htm) for a list of participating power distributors in Alabama. Once a distributor has been identified, call the TVA at (865) 632-2101 to be connected to the appropriate facility, or email [tvainfo@tva.com](mailto:tvainfo@tva.com).



# Incentives for Development of Contaminated Land



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

### Alabama Department of Environmental Management (ADEM) Land Recycling Revolving Fund (RLF) Program

[http://216.226.179.150/LandDivision/Brownfields/redevelopment\\_home.htm](http://216.226.179.150/LandDivision/Brownfields/redevelopment_home.htm)

Offers low interest loans, on an amount-requested basis, to governmental entities and nonprofit organizations on a competitive basis for the remediation of contaminated sites. To be eligible, applicants must own the properties. The negotiated loans generally have a 10-year payback period. The potential creation of jobs, potential benefit to the communities, and plans for sustainable redevelopment also will be taken into consideration in determining loan recipients. This program was initially funded by a \$1 million EPA Brownfields RLF grant.

### Site Preparation Grants

[www.ador.state.al.us](http://www.ador.state.al.us)

Offers grant funds issued through the Alabama Development Office that are provided on an as-requested basis for use in the preparation of a project site. These funds may be utilized for (1) preparation of a means of access to the site; (2) provision for adequate drainage of the site; (3) boundary and topographical surveying, clearing and grubbing, and excavating; (4) the reasonable rehabilitation of buildings and other structures; and (5) other work relative to site preparation deemed necessary or appropriate. The amount of funds provided through the grant will be a percentage of the capital costs involved in the qualifying project. These funds may be applied to projects investing less than \$25 million.

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

### Alabama Department of Revenue—Income Tax Capital Credit

<http://ador.alabama.gov/Taxincentives/capcrsummary.htm>

Offers a credit of 5% of the capital costs of a qualifying project, to be applied to the Alabama income tax liability generated by the project income, each year for 20 years. A project consists of new investment at a new site in Alabama, or new investment that will expand the capacity and number of employees at an existing facility. Capital cost requirement under this credit is not less than \$2 million for new, expansion, and headquarters facility projects.

### Alabama Department of Revenue—Tax Incentive Reform Act of 1992 Abatements

[www.ador.state.al.us/Taxincentives/abatecover.htm](http://www.ador.state.al.us/Taxincentives/abatecover.htm)

Offers potential abatements on taxes that include: state sales and use taxes; non-educational county and city sales and use taxes; non-educational state, county, and city property taxes, for up to 10 years; and mortgage and recording taxes. To receive an abatement for any or all of these taxes, a business must meet certain qualifications and follow certain procedures, as determined by laws and regulations defined in an "Abatement Booklet" published by the Alabama Department of Revenue.

## Limitations on Liability

### Brownfields Redevelopment and Voluntary Cleanup Program – Letter of Concurrence

<http://216.226.179.150/LandDivision/LandDivisionPP.htm>

Offers a "Letter of Concurrence" from ADEM to VCP participants once it is proven that all requirements of an approved cleanup plan are complete. These letters provide limited liability protection for owners and operators and broad liability protection for prospective purchasers, lenders, and non-responsible parties. Conditional Letters of Concurrence may be awarded if temporary institutional controls are in place on a property.

### Quick Facts

Limitations on Liability	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Number of State-Tracked Contaminated Properties:	356
As reflected in a database maintained by the Alabama Department of Environmental Management (ADEM)	
Number of EPA CERCLIS Sites:	300
Sites identified for potential investigation under the federal Superfund Program	
Number of EPA Brownfields Properties:	72
Properties being funded or addressed under the EPA Brownfields Program	
<i>There may be some overlap among the categories listed and sites listed may not represent all potentially contaminated sites in Alabama.</i>	

### Points of Contact

#### Revolving Loan Fund Program

##### Alabama Department of Environmental Management (ADEM)

##### Brownfields Program

<http://216.226.179.150/LandDivision/Brownfields/index.htm>

Larry Norris, [lan@adem.state.al.us](mailto:lan@adem.state.al.us), (334) 279-3053

#### Site Preparation Grants

##### Alabama Development Office

Sandy Taylor, [sandy.taylor@ado.alabama.gov](mailto:sandy.taylor@ado.alabama.gov), (334) 353-1199

#### Brownfields Redevelopment and Voluntary Cleanup Program

##### ADEM Land Division

<http://216.226.179.150/LandDivision/LandDivisionPP.htm>

Larry Norris, [lan@adem.state.al.us](mailto:lan@adem.state.al.us), (334) 279-3053

#### Income Tax Capital Credit

##### Alabama Department of Revenue

Kelly Graham, [kelly.graham@revenue.alabama.gov](mailto:kelly.graham@revenue.alabama.gov), (334) 242-1175

#### Tax Incentive Reform Act of 1992

##### Alabama Department of Revenue

Angela Till, [angela.till@revenue.alabama.gov](mailto:angela.till@revenue.alabama.gov), (334) 242-1175