



OREGON DEPARTMENT OF
ENERGY

**Oregon Department of Energy issues the following
Energy Conservation Project Opportunity Announcement for
Small Premium Projects(SPP)**

Date of Original Issuance: January 13, 2012

Revision #1.2: March 7, 2012

Date Informational Filings Accepted:
January 13, 2012 through December 31, 2012

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Informational Filing forms located at website: <http://www.oregon.gov/ENERGY/BUSINESS/Incentives/>

Summary of Revisions

Revision 1.0 Summary 02.17.12:

2.2 Waiver of Project Start Date: Removed verbiage indicating the waiver would be evaluated at final review

3.2 Pass-through Option: Substituted reference to time of pass through rate assignment at time of “final certification” to “time of “informational filing”

5.3 Technical Specification: Heat Pump Service Hot Water Heater: Revised minimum EF reference. Replaced “incentive estimate worksheet” table on page 11 with new table.

5.4 Technical Specification: Building Envelope Thermal Improvement: Revised minimum attic insulation R value to R49. Added provision for R19 under floor insulation requirements where floor joists too small to accommodate R30. Replaced “incentive estimate worksheet” table on page 17 with new table.

5.5 Technical Specification: High Performance Homebuilding: Revised water heater EF on OPPH table on page 19 and revised HSPF for air source ducted heat pump on OPPH HVAC Requirements.

Revision 1.1 Summary 02.24.12:

General change to e-mail contact address

5.4 Technical Specification: removed typo verbiage related to wall insulation and hole plugging. Added language to clarify that HVAC duct insulation only requires internal insulation where weather protection is required.

Added Section 5.13 Technical Specification: Ductless Heat Pump with Variable Refrigerant Flow.

Revision 1.1 Summary 03.06.12:

General change to e-mail contact address

5.5 Technical Specification High Performance Homebuilding: Clarified language referring to Northwest ENERGY STAR homes program. Added row to Minimum Savings Margin and Incentive Worksheet Tables for Energy Trust of Oregon Homes Path 2 projects participating in Option 2.

5.5 Technical Specification Premium Efficiency Electric Air-Conditioning Equipment: Corrected typos in Unitary AC and Unitary Heat Pump Performance Requirements tables.

Section 1: Purpose and General Information

1.1 Introduction

Oregon Laws 2011, chapter 730, section 49 limits the amount of potential tax credits for all energy conservation projects to \$28 million for the current biennium ending June 30, 2013. To manage these limits, the director may create an informational filing system in place of preliminary certification for small energy conservation projects that:

- Have qualified costs of less than \$20,000;
- Consist of measures that the director prequalifies for a tax credit; and
- Comply with other requirements established by the director.

The purpose of this Opportunity Announcement is to create a review process that follows the requirements of statute and determines which small energy conservation projects will receive a tax credit. The Oregon Department of Energy (ODOE) has adopted administrative rules to administer this program, see OAR 330-210.

1.2 Tax Credit Availability

Small premium projects are eligible for a predetermined tax credit based on savings and cost; however, this tax credit may not exceed 35 percent of certified cost. The taxpayer may claim the total amount of the tax credit allowable in the first tax year. The technical requirements provide specific rates for each project type.

For this Opportunity Announcement there is a total of approximately **\$1.7 million in tax credits** available for small premium projects to be allocated on a first-come-first-served basis between January 13, 2012 and December 31, 2012. The funding may end sooner if funds are exhausted before the close date.

1.3 Eligibility

This informational filing system applies to filings for energy conservation projects with qualified project cost of less than \$20,000 that meet the minimum department-established standards.

Energy conservation projects with qualifying project costs of less than \$20,000 may either submit an informational filing or participate in the preliminary certification and competitive review process, **but not both**.

An eligible applicant must meet the requirements of statute, rule and this Opportunity Announcement. These requirements include:

1. Be a trade, business or rental property owner with a business site in Oregon
Or be an Oregon non-profit organization, tribe or public entity that partners with an Oregon business or resident;
2. Own or be the contract buyer of the project; and
3. Use the equipment or lease it to another person or business in Oregon.

Section 2: Filing Requirements & Process

2.1 Submission of Informational Filings

ODOE must receive the informational filing prior to the installation or construction of the project. The applicant should submit the filing on the form provided by ODOE with all the requested information.

A complete informational filing includes:

- An informational filing form with all required information completed, including a signed project owner statement; and
- Payment via check or credit card (\$60).

ODOE must receive complete informational filings within the opportunity period. For this Opportunity Announcement the opportunity period is January 13 through December 31, 2012, but could end sooner if funds are exhausted. Informational filings must be delivered via U.S. Mail:

Oregon Department of Energy
EIP – Small Premium Projects
P.O. Box 2008
Salem, OR 97308

ODOE will not accept late, faxed, courier-delivered (including FedEx, DHL, UPS), hand-delivered or electronically transmitted informational filings.

ODOE will process informational filings on an ongoing basis subject to the tax credit limitations published by ODOE in this Opportunity Announcement. Upon receipt of an information filing, ODOE will check the filing for completeness and reserve the requested tax credit amount listed in the filing. ODOE will not conduct a review or determine eligibility of the project until the final review process.

If ODOE finds that the filing is complete, ODOE will confirm in writing the receipt of an informational filing by sending a postcard that contains the date of the filing, informational filing identifier and the tax credit amount reserved. ODOE will not process incomplete filings and will provide written notification.

ODOE will not consider informational filings complete unless the \$60 fee is received with the filing. If the payment is unable to be processed, the filing will be deemed incomplete and will not be processed.

If the tax credits available for small premium projects have been fully allocated before ODOE receives a complete informational filing, applicants will not be eligible for any tax credits for the project under the small premium review process but may participate in the preliminary certification competitive review process.

Once accepted by ODOE, an informational filing will expire 12 months after the date ODOE received the filing, unless ODOE receives a complete final application before the expiration date.

2.2 Waiver of Project Start Date

The director may allow an applicant to file the informational filing after the start of installation or construction of the project if the director finds that filing before the start of installation or construction is inappropriate or because special circumstances render filing earlier unreasonable; and the project would otherwise qualify. Failing to submit a filing or not being selected for a grant or tax credit under this or prior ODOE programs does not constitute special circumstances.

For the waiver to be considered, a written waiver request must be submitted with the informational filing form.

2.3 Withdrawal of Informational Filing

Applicants may withdraw their informational filing by submitting a written notice to ODOE. ODOE will not refund the \$60 filing fee nor apply it to future fees. Applicants will receive notification confirming their withdrawal.

2.4 Amendments to the Informational Filing

ODOE will not accept amendments to informational filings. See OAR 330-210-0090(2).

Section 3: Final Certification Process

3.1 Final Certification Review

A project owner should apply to ODOE for final certification when the project is complete. The final certification application must include a fee, determined by multiplying the qualifying project cost by 0.5 percent (0.005). See OAR 330-210-0040(5).

A tax credit recipient must receive a Final Certificate before the credit can be claimed on an Oregon tax return.

At the final review, ODOE will determine eligibility of the small premium project. Each final certification application will be reviewed by an ODOE technical reviewer to determine if the technical standards are met as described in OAR 330-210-0070.

In the final certification application, the project owner must demonstrate that the total project costs for purchase and installation or construction of the energy conservation project were paid in full. Small premium projects must demonstrate total project cost with copies of receipts for proof of payment, which may include canceled checks, credit card statements, binding contracts or agreements that are marked "paid."

The sum of all financial incentives and the tax credit may not exceed the total project costs. See OAR 330-210-0100(7).

If a final certification application does not include all information needed to complete the review, ODOE may provide the applicant a written notice requesting any additional information. If the applicant does not provide the requested information to ODOE within 30 calendar days, ODOE may deny the final certification application. OAR 330-210-0100(5).

If an application fails the final review, ODOE will notify the applicant in writing. See OAR 330-210-0100(8).

3.2 Pass-through Option

Project owners may pass-through or transfer their tax credit eligibility to a pass-through partner in exchange for a lump-sum cash payment. ODOE determines the rate used to calculate the cash payment. See OAR 330-230-0110 through OAR 330-230-0140. Applicants for small premium projects may select the pass-through option on the informational filing form. The rate assigned is the rate in effect on the date ODOE receives the complete informational filing.

Applicants choosing to transfer their tax credit must pay the pass-through fee. If ODOE assists the applicant in obtaining a pass-through partner or partners, the fee for that assistance is 1 percent (0.01) of the tax credit amount. If ODOE does not assist the applicant in obtaining a pass-through partner, the fee is \$100 per tax certificate issued. See OAR 330-210-0040(7). The fee is due after a pass-through partner has been identified and before ODOE issues the tax credit.

Section 4: Additional Information

4.1 Public Information, Confidentiality

The State of Oregon's Public Records Law (ORS 192.410 et seq.) applies to tax credit filings and applications submitted to ODOE. The law states every person has a right to inspect any public record of a public body, subject to certain exceptions.

ODOE may publicly announce applicants under this tax credit program. The public announcement may include, but is not limited to, the business owner's name, type of project, location of project and awarded tax credit.

4.2 Reservation of Department Rights

ODOE reserves all rights regarding the Opportunity Announcement, including, without limitation, the right to:

- a. Amend, delay or cancel the Opportunity Announcement without liability if ODOE finds it is in the best interest of the State of Oregon to do so;
- b. Not consider any or all informational filings or applications received upon finding that it is in the best interest of the State of Oregon to do so;

- c. Deem incomplete any informational filing or application that fails substantially to comply with all prescribed Opportunity Announcement procedures and requirements; and
- d. Allocate tax credits not to exceed 35 percent of the qualifying project costs at its discretion. See Oregon Laws 2011, chapter 730, section 35.

4.3 No Tax Credit Obligation

ODOE is not obligated as a result of the submission or acceptance of an informational filing to award a tax credit to an applicant.

4.4 Project Owner Statement

By submitting and signing an informational filing, the project owner acknowledges reading and agreeing with the following terms and conditions and not having altered any part of the statement, the Opportunity Announcement or informational filing. The project owner also agrees to other conditions contained in the informational filing form.

1. I understand that the Oregon Department of Energy (ODOE) approval and certification of my project is for tax credit purposes only. ODOE does not guarantee or in any way ensure the performance of any equipment, the quality of any system or the reliability of any dealer.
2. I will permit ODOE or its agents to inspect the project at its discretion to make sure the project qualifies for the Energy Incentive Program (EIP). I understand that if I give false information about the project or if I refuse to permit ODOE to inspect the project, the information filing will be denied and I will not receive a tax credit.
3. I understand that the information filing is a public record and that ODOE may be required by law to disclose information in this filing to the public on request. I have marked any information that I request be kept confidential. I understand that marking information does not guarantee that it will be kept confidential and that the director will make any decisions regarding public disclosure of information contained in this application in accordance with Oregon Public Records Law.
4. I understand that ODOE does not endorse any company that requests information on this information filing and does not sell information as a mailing list.
5. I hereby (a) release the State of Oregon and its commissions, agencies, officers, employees, contactors and agents and agree to defend and indemnify the foregoing from and against any claims, demands or costs (including attorney and expert witness fees at trial and on appeal) arising from or in any way related to claims made by applicant or any parent or subsidiary of applicant and which are related in any way to the Oregon Department of Energy's issuance or failure to issue any certification to an applicant for a tax credit or the inability to obtain a tax credit; and (b) agree to reimburse the State of Oregon for any damages, costs and expenses, including, but not limited to attorney fees and reasonable expenses for agency staff and legal counsel incurred as a result of or arising from or in any way related to the applicant obtaining certification for a tax credit by fraud or misrepresentation or failing to construct or operate the project in compliance with the plans, specifications and procedures in any certification to applicant for a tax credit. Agreement to the terms of this paragraph by applicants that are agencies of the State of Oregon is subject to the limitations of Article

XI, section 7 of the Oregon Constitution and the Oregon Tort Claim Act (ORS 30.260 through 30.300).

6. I understand that the sum of all financial incentives and the tax credit cannot exceed the total project cost.
7. I verify that the project owner does not restrict membership, sales or services on the basis of race, color, creed, religion, national origin, sexual preference or gender.