



Oregon

Theodore R. Kulongoski, Governor



OREGON
DEPARTMENT OF
ENERGY

To: CPAs

From: Oregon Department of Energy

Date: June 2010

RE: Guidance for verifying Business Energy Tax Credit documentation

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<http://Oregon.gov/ENERGY>

Your client (the energy project owner) has asked you to verify the costs and payments of an energy project that received a Preliminary Certificate for a Business Energy Tax Credit from the Oregon Department of Energy. You must be a Certified Public Accountant with a current license who is **not** an employee of the project owner.

You will need the following documents:

1. A copy of the applicant's Business Energy Tax Credit Preliminary Certificate. (A project must comply with conditions of the Preliminary Certificate.) OAR 330-090-0133.
2. All paid receipts, paid invoices, cancelled checks (if necessary), and bank loan or promissory note documentation that pertain to this project.
3. A copy of the Oregon Administrative Rule OAR 330-090-0110 Section 20 as it relates to Business Energy Tax Credit Eligible "Costs."
4. The Oregon Department of Energy guide on "Documenting Project Costs and Payments for a Business Energy Tax Credit." (June 2010)

The Oregon Department of Energy needs you to verify and document the following:

1. The actual **total project costs** (regardless if the entire project is eligible for the Business Energy Tax Credit.) This is specified in statute (ORS 469.215(3)(b)).
2. The total **project costs** that the project owner has proposed for the tax credit. These are the costs that concur with the "Project Description" on the Preliminary Certificate and are included in the list of eligible "Costs" in the Oregon Administrative Rules 330-090-0110 Section 20(a) through (l).
3. The total amount of the payments made by the project owner for the entire project, the amount of financial incentives (utility, Energy Trust of Oregon incentive, federal tax credit, etc.) received by the contractor and/or project owner.
4. The **date** the project was completed. This is the date that:
 - The project was operational; and
 - The project was fully paid for and/or loan contracts were signed.

IMPORTANT: All invoices, payments, contracts, bank loans, etc. for this project must be dated on or after the **Eligible Cost Effective Date** printed on the Preliminary Certificate and before the Final Application is filed. (The only exceptions are for pre-application costs. See page 3 of "Documenting Project Costs and Payments for Business Energy Tax Credit".) If there is no **Eligible Cost Effective Date** printed on the Preliminary Certificate, call the Oregon Department of Energy for this date. (Note: The Eligible Cost Effective Date is **not** the date the Preliminary Certificate was issued.)

Discrepancies:

Document any discrepancies in your verification letter. If there are costs that incurred prior to the Eligible Cost Effective Date, please note this in your verification letter. If the equipment installed was different than that described on the Preliminary Certificate (for example, a different number of solar PV arrays were installed), please note this in your verification letter. The project owner may contact the Oregon Department of Energy to discuss the discrepancies.

Call the Oregon Department of Energy if you have questions concerning the verification letter. The Oregon Department of Energy reserves the right to contact you to clarify any aspect of the verification letter or other written correspondence regarding the project.