



Oregon Department of Energy Conservation Project Opportunity Announcement for: Small Premium Projects

Contact

Address:	Oregon Department of Energy 550 Capitol St. NE, 1 st Floor Salem, OR 97301
E-mail:	energy.incentives@oregon.gov
E-mail Subject Line:	SPP

Schedule of Events

Event	Date
Date of Issuance	July 29, 2016
Revised (address)	December 12, 2016
Informational Filings Accepted	August 1, 2016 – June 30, 2017



Oregon Department of Energy offers energy incentives, grants, loans, and technical services

In addition to Energy Incentives and Renewable Energy Development Grants, the Oregon Department of Energy (Department) offers loans and technical services for a variety of energy projects. The Department also administers the Alternative Fuel Vehicle Revolving Loan Fund for public fleets in Oregon and commercial fleets located in certain areas of Oregon. Learn more about the Small Scale Energy Loan Program, the State Energy Efficiency Design program, and the Energy Efficient Schools program by visiting the Department at the following links:

- [Small Scale Loan Program](#) (SELP)
- [State Energy Efficiency Design](#) (SEED)
- [Energy Efficient Schools](#)

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Section 1: Program Overview

1.1 Introduction

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

ORS 469B.303 limits the amount of potential tax credits for all energy conservation projects to \$28 million for the current biennium ending June 30, 2017. 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.

1.2 How much funding is available?

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 qualifying 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 **\$2,000,000 in tax credits** available for Small Premium Projects to be allocated on a first-come, first-served basis between August 1, 2016 and June 30, 2017. The funding may end sooner if funds are exhausted before the closing date.

1.3 Eligibility

This informational filing system applies to filings for energy conservation projects with qualified project cost of \$20,000 or less 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 Oregon 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.

The Small Premium Projects portion of the EIP program is designed to be more prescriptive than the other program areas, therefore certain measures have been evaluated and

prequalified by the department. The list of available project types is expected to change (both added to and removed from) over time. The following measure types are currently available:

- Adjustable Flow Irrigation Pumping
- Building Envelope Thermal Improvement
- Commercial Greenhouses Energy Retrofits
- Commercial Lighting
- Direct-fired Radiant Heating in High Volume Spaces
- Ductless Heat Pump with Variable Refrigerant Flow
- Heat Pump Water Heating
- High Performance Home Building
- Industrial Piping Insulation
- Outdoor LED
- Premium Efficiency Electric Air Conditioning
- Solar Water Heating

Technical Specifications and minimum conditions for qualifying measures for each project type can be found on the Department [website](#).

Section 2: Filing Requirements and Process

2.1 Submission of Informational Filings

The Department 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 the Department 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
- Incentive Estimate Worksheet from the technical specifications.
- Payment via check or credit card of the \$75 non-refundable informational filing fee.

The Department must **receive** complete informational filings within the opportunity period. For this Opportunity Announcement the opportunity period is August 1, 2016 through June 30, 2017, but could end sooner if funds are exhausted.

The department must receive applications **no later than the closing date** specified on the cover and must be delivered to the following address:

Oregon Department of Energy
55 Capitol St. NE, 1st Floor
Salem, OR 97301

The Department will not accept late, faxed or electronically transmitted informational filings.

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

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

The Department will not consider informational filings complete unless the \$75 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 the Department 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 the Department, an informational filing will expire 12 months after the date the Department received the filing, unless the Department 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 the Department programs does not constitute special circumstances.

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

2.3 Withdrawal of Informational Filing

Applicants may withdraw their informational filing by submitting a written notice to the Department. The Department will not refund the \$75 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 the Department for final certification when the project is complete. The final certification application must include a fee, determined by multiplying the qualifying project cost by 0.55 percent (0.0055). 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, the Department will determine eligibility of the Small Premium Project. Each final certification application will be reviewed by a Department 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 itemized invoices and 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\(7\)\(b\)](#).

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

If an application fails the final review, the Department will notify the applicant in writing. See [OAR 330-210-0100\(8\)](#).

3.2 Pass-through Option and Transfer Process

Pass-through Option

Project owners may pass-through their tax credit eligibility to a pass-through partner in exchange for a lump-sum cash payment. The Department determines the rate used to calculate the cash payment. See [OAR 330-230-0110 through OAR 330-230-0150](#). Applicants for Small Premium Projects may select the pass-through option on the final certification application. The rate used is the rate in effect on the date the Department receives the complete informational filing.

Applicants using the pass-through option must pay a fee for this service. **The fee is \$200 plus \$100 per each additional certificate issued. The additional fee of \$100 per certificate issued does not apply to the first certificate.**

Transfer Process

Project owners who have been issued but not used any portion of the tax credit, may transfer the tax credit to a transfer partner in exchange for a lump-sum cash payment ([OAR 330-230-0150](#)). The transfer must occur within 12 months of the issuance of the tax credit certificate to the project owner.

The department does not provide assistance nor does it enforce a specific rate for the present value of the tax credit. However, the parties may use the present value rate in the department's rules as a guide for the transaction.

To transfer the tax credit, the project owner has to complete a transfer form, tax information authorization, and provide the original tax credit certificate. Applicants using the transfer option pay a fee of \$200 plus \$100 per tax credit certificate issued.

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 the Department. The law states every person has a right to inspect any public record of a public body, subject to certain exceptions. Applications are public records and the department may be required by law to disclose information in the application to the public on request. An applicant may mark any information that it requests be kept confidential. Marking information does not guarantee that it will be kept confidential however and the department will make any decisions regarding public disclosure of information contained in this application in accordance with [Oregon Public Records Law](#).

The Department 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

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

- a. Amend, delay or cancel the Opportunity Announcement without liability if the Department 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

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