

# State Commercial Renewable Energy Incentives

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# Introduction

- The mission of the Maryland Energy Administration is to promote affordable, reliable, clean energy.
- Historically, high costs have acted as a barrier to widespread deployment.
- State incentives will propel clean energy into the mainstream.



# Clean Energy Production Tax Credit

- Equal to \$0.0085/kWh against the state income tax
  - 5 year period
- Virtually all renewable technologies eligible
  - \$1000 initial credit certificate minimum
  - \$2.5 million max incentive
- Credits rollover



# Other Tax Incentives

- Bio-Heating Oil Tax Credit
  - \$0.03/gallon for purchases of biodiesel used for space heating or water heating
  - \$500/year max incentive
  - No carry over
  - Available through 2017



# Commercial Clean Energy Grant Program

- We will focus on PV
- \$60/kW for systems less than 100 kW installed capacity and \$30/kW for 100-200 kW systems
  - \$6,000 max incentive
- Funded by the Strategic Energy Investment Fund
- Must be grid-tied and in compliance with net metering law



# Windswept Program

- Estimated grant amount:
  - First 5 kW: \$2,800/kW
  - Next 15 kW: \$750/kW
  - Over 20 kW: \$1,700/kW
- Award must not exceed \$75,000 or 50% of net installation cost after other incentives
- Must be certified by CEC, NYSERDA or Small Wind Certification Council
- Grants allocated on per-property basis



# Renewable Energy Credits (RECs)

- Represent the environmental attributes associated with 1 megawatt hour of renewable energy production
- Under Renewable Portfolio Standard, electricity suppliers must either buy and retire a certain amount of RECs or pay a more expensive fine (Alternative Compliance Payment)
- Market based incentive for renewable energy production

Energy Year	RPS Solar Requirement	Projected SRECs Required (MWh)	Projected Capacity Required MW	SACP
2012	0.10%	91980	75	\$400
2013	0.25%	151505	124	\$400
2014	0.35%	214044	175	\$400
2015	0.50%	307590	251	\$350
2016	0.70%	436838	356	\$350
2017	0.95%	600015	489	\$200
2018	1.40%	894945	730	\$200
2019	1.75%	1132220	923	\$150
2020	2.00%	1310594	1,069	\$150
2021	2.00%	1325600	1,081	\$100
2022	2.00%	1342154	1,094	\$100

# Conclusions

- These incentives will help Maryland create a stronger, more sustainable economy
- MEA will continue to promote renewables
- Efforts will make Maryland an industry leader





# Additional Resources

- Maryland Energy Administration website:
  - [energy.state.md.us](http://energy.state.md.us)
- Database of State Incentives for Renewables and Efficiency (DSIRE)
  - [dsireusa.org](http://dsireusa.org)



Thank You!