Financing Renewable Energy and Energy Efficiency Projects

June 23, 2012
Michigan Energy Fair
• Renewable Energy

• Energy Efficiency
grant  bond  loan
Federal  State  Utility
residential  commercial

Financing
Industrial  nonprofit  municipal governments
tax credits/exemptions/deductions  amortization
Tribal governments  schools
Industry recruitment
Change in the Wind

- Production Tax Credit
- 1603 Treasury Cash Grant
- Bonus Depreciation
- MPSC Grants
- “Demand will substantially outstrip supply”
Financing Mechanisms

- Cash Equity
- Tax Equity
- Project-Level Debt
- Capital Markets
Commercial/Corporate

State Incentives
• Revolving Loan Fund
• Tax Credits
• Renaissance Zones
• PACE
Michigan Saves - RE

- Loans up to $20,000
- MichiganSaves.org
- Solar Photovoltaic
- Authorized contractors
- Participating Lenders
Michigan Saves - EO

- Building Shell Improvements
- HVAC
- Water Heating
- Appliances
- Building Performance
Utility Programs - RE

- Net metering
- EARP
- SolarCurrents
All 63 utilities have approved plans to help customers save energy and money.
Residential

Federal Incentives

• Energy Efficient Mortgages
  – Renewable Energy: Solar

• Tax Credit
  – Renewable Energy: Biomass

• 30% Tax Credit
  – Renewable Energy: Multiple

• Personal Exemption
MIRECS – aggregation

- Small units (150 kW or less) are aggregated into one project (up to 1 mW)
- Must have same generation characteristics

- Contact 5 Lakes Energy
  - (517)455-7661
Property Tax Issues

- Different valuation methods
- Differing interpretations around the State
- Differing opinions on personal vs. real
Stay Informed

• Michigan.gov/renewables
  – Legislation, incentives, net metering, contacts
• Michigan.gov/MPSC
  – For energy optimization plans and ideas
• DSIREUSA.org
  – List of incentives
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