

Advanced Energy Incentives

The Advanced Energy Job Stimulus Program will provide for \$150 million in total funding.

If you have any questions about this client alert, or if you think that the Program could provide an opportunity for you, please contact:
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Substitute House Bill 554 (“H.B. 554”), an economic stimulus bill enacted in June 2008, contained provisions related to advanced energy initiatives. In connection therewith, the Ohio Air Quality Development Authority (“OAQDA”) recently announced the creation of the Advanced Energy Job Stimulus Program (the “Program”), which will provide for **\$150 million** in total funding, with **\$66 million** available for “clean coal” projects and **\$84 million** available for other advanced energy technologies (e.g., solar, wind, biomass, fuel cells). The most significant aspects of the Program are as follows:

- Provision of coal-based project grants of up to **\$5 million** per project, with loans also available on a case-by-case basis. Eligible “clean coal” projects include, but are not limited to, the following:
 - Improved retrofit technologies to significantly reduce carbon dioxide emissions, to reduce emissions of conventional pollutants and to develop methods for capture and sequestration of carbon dioxide;
 - Development/deployment of advanced coal based power and fuel producing systems;
 - Economic and effective mercury capture technologies; and
 - Other projects certified by the Ohio Coal Development Office Director as critical to the Program’s Strategic Plan.
- Non-coal projects will be eligible for grants of between **\$50,000** and **\$250,000**, and loans of between **\$1 million** and **\$2 million**. A total

of **\$28 million** in funding will be available for non-coal projects in each of the three Program years. Eligible projects include, but are not limited to, the following:

- Increased efficiency in electricity generation without additional carbon dioxide emissions;
- Distributed generation commonly referred to as combined heat and power;
- Advanced nuclear energy technology of generation III or later;
- Fuel cells;
- Advanced solid waste or construction and demolition debris conversion technologies;
- Renewable energy resources including solar, wind, hydroelectric, geothermal, certain fuels derived from solid wastes, certain byproducts of the pulping or wood manufacturing process and storage facilities that promote better utilization of a renewable energy resource; and
- Any technologies, products, activities or management practices or strategies that reduce or support the reduction of energy consumption or support the production of clean renewable energy.

The Program creates additional incentives opportunities for Ohio companies engaged in advanced energy initiatives. Applications are currently being accepted by OAQDA for Program incentives.

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