



Federal Incentives for Renewable Energy

Economic Stimulus Package Provisions Applicable to Solid Waste Management

Production Tax Credit Extension

Originally enacted in 1992, the Production Tax Credit (PTC) has been renewed and expanded numerous times, most recently by the American Recovery and Reinvestment Act of 2009, H.R. 1, in February 2009.

H.R. 1 gives renewable energy operations three different options for how they can receive a tax credit:

- 1. Production Tax Credit (PTC):** The federal renewable electricity production tax credit (PTC) is a per-kilowatt-hour tax credit for electricity generated and sold by qualified energy resources (including waste to energy and landfill gas) to an unrelated person during the taxable year. Facilities receive an annual tax credit amounting to 1,0ct per kilowatt-hour for landfill gas. In-service deadline is December 31, 2013.
- 2. Investment Tax Credit (ITC):** Facilities qualifying for the PTC that are placed online by Dec. 31, 2013 may claim an ITC instead, generally equivalent to 30% of capital invested in facility.
- 3. Equivalent Cash Grant:** Qualifying facilities may claim a cash grant worth 30% of the capital cost of the operation from the U.S. Department of Treasury. This is applicable for projects brought online in 2009 or 2010 or if construction started in either 2009 or 2010. They are also eligible to receive the grant within 60 days after the facility goes online.

Energy Efficiency and Conservation Block Grant (EECBG)

The American Recovery and Reinvestment Act of 2009 appropriated \$3.2 billion for the EECBG Program of which over \$2.6 billion are available in formula grants. The Program provides federal grants to cities, counties, states, and territories to reduce energy use and fossil fuel emissions, and for improvements in energy efficiency.

Activities eligible (among others):

- Reduction and Capture of Methane and Greenhouse Gases generated by landfills or similar waste-related sources
- Grants to nonprofit organizations and governmental agencies for the purpose of performing Energy Efficiency Retrofits
- Energy Efficiency and Conservation Programs for Buildings and Facilities
- Energy Distribution Technologies that significantly increase energy efficiency, including distributed resources, combined heat and power, and district heating and cooling systems

For additional information on applying for a grant please contact your GCS representative.

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