

Vermont Small Scale Renewable Energy Incentive Program

Renewable Energy for the Farm
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What is the Vermont Small Scale Renewable Energy Incentive Program?

- A program of the VT Department of Public Service designed to provide funds to help defray the cost of installing small solar PV, solar hot water, wind, and micro-hydro systems
- Currently administered by the Renewable Energy Resource Center (a program of the Vermont Energy Investment Corporation)



A Brief History of the Program

- Originally established pursuant to Renewable Energy Legislation passed in Oct. 2003
- Began providing incentive reservations in late 2003
- Funds have come from the VT General Fund, CVPS, GMP, the VT Clean Energy Development Fund, and the Federal government



Accomplishments to Date-2008

- Over \$2,600,000 in incentives awarded - resulting in over \$10,300,000 in private investment
- Supported installation of more than 690 renewable systems:
 - 347 solar PV systems
 - 448 solar hot water systems
 - 79 wind systems



Incentives - Solar PV and HW

| Customer Type | Installer | Incentive Amount (\$/Watt or 100 Btu/d) | Maximum Incentive |
|--|-----------------------|---|---|
| Individuals, businesses, schools, farms, local/state governments | Vermont Solar Partner | \$1.75 | \$8,750 |
| Low-income multi-family | Vermont Solar Partner | \$3.50 | The lesser of \$35,000 or 50% of total installed cost |



Incentives - Wind

| Customer Type | Installer | Incentive Amount (\$/Watt) | Maximum Incentive |
|--|----------------------|----------------------------|---|
| Individuals, businesses Low-income multi-family | Vermont Wind Partner | \$2.50 base * | \$12,500 |
| Schools, farms, and local/state governments | Vermont Wind Partner | \$4.50 | The lesser of \$20,000 or 50% of total installed cost |



New Incentive - Micro-hydro

| Customer Type | Installer | Incentive Amount (\$ per 3 ft- gal/min)** | Maximum Incentive |
|--|--------------------------|---|--|
| Individuals, businesses | Vermont Hydro Partner | \$1.75 | \$8,750 |
| Schools, farms, local/state governments, & low- income multi-family projects | Vermont Hydro Partner | \$3.50 | The lesser of \$17,500 or 50% of total installed cost |



Installed Systems - Average Statistics 2007 - 2008

| System (#) | Size | Incentive (% of cost) | Installed Cost | Private Investment | \$/W (after incentive) |
|-----------------------|-----------|-----------------------|----------------|--------------------|------------------------|
| Solar Electric (153) | 3.4 kW | \$5,090 (17%) | \$30,535 | \$25,445 | \$7.48 per Watt |
| Solar Hot Water (178) | 78 kBtu/d | \$1,435 (16%) | \$9,145 | \$7,710 | \$9.88 per 100Btu/d |
| Wind (29) | 3.9 kW | \$12,000 (39%) | \$30,935 | \$18,935 | \$4.86 per Watt |



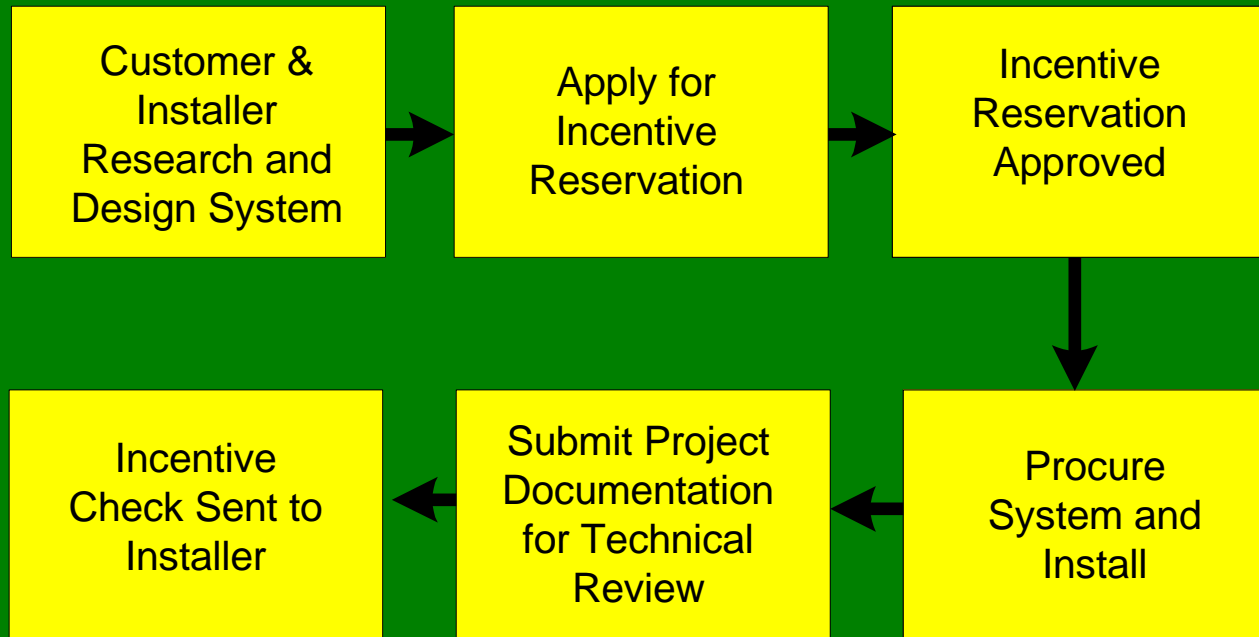
Eligibility Requirements

Definition of a Farm: "...must be directly engaged in the production of agricultural products, including crops (including farming); livestock (including ranching); forestry products; hydroponics; nursery stock; or aquaculture (10 V.S.A. § 6001 (22)).

Additional Eligibility Requirements available on-line and on Program Forms: grid-tied, new equipment only, etc.



Program Process



All systems must be installed by a Vermont Solar, Small Wind or Micro-Hydro Partner. A list of partners is available at: www.revermont.org.

Self-installed systems are not eligible.



Extension of the Federal Tax Credit

Major legislative victory – persistence and alignment with the times

- 8 year extension of credit (through 2016)
- Removes \$2,000 residential cap for PV
- Adds tax credit for small wind - \$4,000 cap
- Allows Investment Tax Credit for utility investments
- Adds ~ \$5,600 in federal tax benefits to average residential installation
- Research further with your tax advisor



Heather Hollow Labradors, Hardwick Vermont



“We have made more power since our last meter reading than we have had to purchase.”



You Need Wind!!!

Program Information Available at:

Renewable Energy Resource Center

www.nerc-vt.org

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