



State Incentives for Achieving Clean and Renewable Energy Development on Contaminated Lands

The development of clean and renewable energy on formerly used land offers many economic and environmental benefits. Combining clean and renewable energy and contaminated land cleanup incentives can allow investors and communities to create economically viable clean and renewable energy redevelopment projects. This document provides information about incentives in your state that can be leveraged for clean and renewable energy and development of contaminated land.



Incentives for Clean and Renewable Energy

Funding (grants, loans, bonds, etc.)

Renewable Energy Project Grants and Financing

www.njcleanenergy.com/renewable-energy/programs/clean-energy-financing/clean-energy-financing-and-assistance-programs

Provides grants and financing up to 20% of eligible project development costs for large-scale renewable energy facilities larger than 1MW. Eligible facilities include wind, solar power (photovoltaic (PV)), landfill gas, digester gas, and methane. Incentive is currently under review and is not accepting proposals at this time.

Sustainable Development Loan Fund

www.state.nj.us/njbusiness/financing/enviromental/sustainable.shtml

Provides low-interest loans for up to 85% of eligible capital costs (\$250,000 maximum) to assist in capitalizing sustainable projects, including pollution prevention, energy conservation, or sustainable production.

Renewable Energy Development Initiative (REDI)

www.njcleanenergy.com/files/file/Honeywell_2008_NJCEP_Program_Plan_120707_FINAL.pdf

Provides up to \$50,000 to support project design, feasibility studies, and permitting processes required for project development and financial incentives for the rapid development and construction of projects, with further payment schedules based on project milestones. Eligible technologies include PV, wind energy, fuel cells, wave, tidal, renewably generated hydrogen, and sustainably harvested biomass.

Tax Incentives (abatements, deductions, credits, etc.)

Solar and Wind Energy Systems Exemption

<http://www.dsireusa.org/documents/Incentives/NJ01F1.htm>

Provides a full exemption from the state's 7% sales tax for all solar and wind energy equipment to all taxpayers.

Technical Assistance and Other Incentives

Solar Renewable Energy Certificates (SRECs)

www.njcep.com/srec

Provides opportunity for electric suppliers to buy renewable energy certificates to meet their solar renewable portfolio standard (RPS). A generator can be compensated up to \$0.30 per kWh. The solar energy programs and incentives are being restructured to help reach the state RPS targets. Changes are anticipated not to take effect until June 1, 2008.

New Jersey Clean Energy Rebate Program

www.njcleanenergy.com/renewable-energy/programs/core-rebate-program/incentives/core-rebate-program

Provides a rebate up to \$5.00 per watt to commercial renewable energy program entities for fuel cells, PV systems, small wind-energy systems, or sustainable biomass-energy technologies. Rebate may be provided for up to 100% of eligible costs for PV and up to 60% for wind and sustainable

biomass. This program is currently under review; contact the New Jersey Clean Energy Rebate Program for more information.

CleanPower Choice Program

www.njcleanenergy.com/renewable-energy/programs/cleanpower-choice-program/new-jersey-cleanpower-choice-program

Provides consumers with option to support renewable energy sources. Additional consumers added to the program allow for more renewable energy sources added to the energy mix.

Net Metering

www.newrules.org/electricity/netmeternj.html

Provides credits to customer's next bill at retail rate and is purchased by utility at avoided-cost rate at the end of a 12-month billing cycle. Net-metering rules apply to all commercial systems using solar technologies, wind, fuel cells, geothermal, wave or tidal, or sustainable biomass.

Quick Facts

Public Benefit Fund (PBF)	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Renewable Portfolio Standard	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
22.5% by 2021: 2.12% from solar; 17.88% from other Class I renewables; 2.5% from Class II or additional Class I renewables		
Net Metering	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Interconnection Standards	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

Electric Power Industry Generation by Primary Energy Source (EIA, 2006)

Petroleum-Fired	0.5%	Nuclear	53.7%
Natural Gas-Fired	25.8%	Hydroelectric	0.1%
Coal-Fired	17.9%	Other Renewables	1.5%

Points of Contact

**Clean Energy Financing and Assistance Program
Renewable Energy Project Grants and Financing, REDI,
Clean Energy Rebate Program, CleanPower Choice Programs**

www.njcleanenergy.com, (609) 777-3300, info@njcep.com
Benjamin Scott Hunter, benjamin.hunter@bpu.state.nj.us

New Jersey Commerce Commission

Sustainable Development Loan Fund
www.state.nj.us/commerce/, (866) 534-7789

New Jersey Board of Public Utilities (PBU), Net Metering

www.bpu.state.nj.us, (609) 777-3300

Solar and Wind Energy Systems Exemption

Benjamin Hunter, benjamin.hunter@bpu.state.nj.us

Solar Renewable Energy Certificates, Clean Power Markets

(201) 612-3221, njsrec@cleanpowermarkets.com



Incentives for Development of Contaminated Land



Funding (grants, loans, bonds, etc.)

Hazardous Discharge Site Remediation Fund (HDSRF)

www.state.nj.us/dep/srp/finance/hdsrffactsheet.htm

Provides low-interest loans and grants of up to \$1 million to private entities for site assessment and remediation activities, including up to \$250,000 to implement an innovative cleanup.

Brownfields Redevelopment Loan Program

www.locationnj.com/Incentives_Smart_Growth.asp

Provides loans up to \$750,000 from the Economic Development Authority (EDA) to meet remediation costs. The EDA also works with the Department of Environmental Protection to provide loans up to \$1 million for up to 10 years for site investigation and cleanup.

Sustainable Development Loan Fund

www.state.nj.us/njbusiness/financing/enviromental/sustainable.shtml

Offers low-interest loans of up to \$250,000 to assist companies wishing to improve the environmental quality of their operations.

Urban Site Acquisition Program

www.njra.us/njra/cwp/view.asp?a=3&Q=453435&njraNav=|27894|

Provides project-specific loans for the acquisition, site preparation, and redevelopment of urban redevelopment properties from a \$20 million revolving loan fund.

Pre-Development Loan Program

www.njra.us/njra/cwp/view.asp?a=3&Q=453470&njraNav=|27894|

Provides up to \$250,000 per project for pre-development costs, including feasibility studies, architectural costs, environmental and engineering studies, and other related costs, from a \$2.5 million revolving loan fund.

Redevelopment Authority's Environmental Equity Program

www.njra.us/njra/cwp/view.asp?a=3&Q=455913&njraNav=|27894|

Provides project-specific up-front capital to developers to assist with site acquisition, remediation, and demolition costs for brownfields projects in NJRA eligible municipalities, from a \$9 million revolving loan fund.

Smart Growth Pre-Development Funding

www.state.nj.us/njbusiness/financing/enviromental

Provides short-term low-interest financing up to \$1 million to developers for projects in NJ State Planning Areas 1 and 2. Eligible activities include acquisition, demolition, and other pre-development costs.

Redevelopment Area Bond Financing

www.njeda.com/financingbond.asp

Provides long-term, low-interest bonds to municipalities for infrastructure improvements and other costs, including demolition and remediation. Bonds are secured by a Payment in Lieu of Taxes Agreement.

Community Development Fund

www.njeda.com/financingtypes.asp#newmarkets

Provides up to \$50,000 to finance feasibility studies and other pre-development costs.

Tax Incentives (abatements, deductions, credits, etc.)

Environmental Opportunity Zones

www.epa.gov/region02/superfund/brownfields/njdep.htm

Allows municipalities to offset cleanup costs through incrementally increasing real property tax abatements, for up to 15 years as needed.

Brownfields Reimbursement Program

www.state.nj.us/treasury/taxation

Provides reimbursement of up to 75% of authorized remediation costs through a tax credit based on new taxes generated from the site.

Technical Assistance and Other Incentives

New Jersey Brownfields Redevelopment Resources Kit

www.state.nj.us/dca/osg/docs/brownfieldsresourcekit.pdf

Provides list of grants, loans, tax incentives, and programs from multiple agencies for brownfields redevelopment and site activities.

Limitations on Liability

www.state.nj.us/dep/srp/brownfields/faq/#liability

www.state.nj.us/dep/commissioner/policy/pdir2003-07.htm

Offers No Further Action (NFA) letter with Covenant Not to Sue (CNTS). The state Spill Act also contains an innocent purchaser defense, which includes third party liability protection. Also, prospective purchaser agreements are available. Under state Natural Resources Damages policy, claims for damages or compensatory restoration shall not be asserted against brownfields developers that meet the innocent purchaser defense requirements under state law.

Quick Facts

Limitations on Liability	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Number of State-Tracked Contaminated Properties: Includes VCP sites	3,402	
Number of EPA CERCLIS Sites: Sites identified for potential investigation under the federal Superfund Program	565	
Number of EPA Brownfields Properties: Properties being funded or addressed under the EPA Brownfields Program	206	

There may be some overlap among the categories listed and sites listed may not represent all potentially contaminated sites in New Jersey.

Points of Contact

New Jersey Department of Environmental Protection (NJDEP) Brownfields

www.state.nj.us/dep/srp/brownfields/

HDSRF, Brownfields Redevelopment Loan Program, NRD Policy, Environmental Opportunity Zones

Ken Kloo, Ken.Kloo@dep.state.nj.us, (609) 292-1251

New Jersey Commerce Commission, www.state.nj.us/commerce/
Sustainable Development Loan Fund, (866) 534-7789

New Jersey Economic Development Authority (EDA)
Smart Growth Pre-Development Funding, Community Development Fund, Redevelopment Area Bond Financing
www.njeda.com, njeda@njeda.com, (609) 292-1800

New Jersey Redevelopment Authority

www.njra.us, (609) 292-3739

Urban Site Acquisition Program, Environmental Equity Program, Pre-Development Loan Program,
Antonio Henson, ahenson@njra.state.nj.us

New Jersey Division of Taxation, www.state.nj.us/treasury/taxation
Brownfields Reimbursement Program

Curt Seifert, curt.seifert@treas.state.nj.us, (609) 984-5111