



Small Premium Conservation Projects

A small premium project cannot exceed \$20,000.



Heat pump water heating unit

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The Business Energy Tax Credit Program began in 1979 to help Oregonians invest in energy conservation, renewable energy resources, rental weatherization and cleaner transportation fuels. In the 35 years of the program's existence, BETC certified about 25,000 projects that helped save, displace or generate more than \$1.6 billion in energy savings or new energy sources. The Oregon Department of Energy now administers business tax credits and grants through the replacement Energy Incentives Program.

What are Small Premium Projects?

These conservation projects cannot exceed \$20,000 in project costs and must be approved projects (See list on page 2).

What is the tax credit?

ODOE awards tax credits to commercial projects. The department uses predetermined tax credits based on a project's anticipated energy savings up to a maximum credit of \$7,000 per project.

For additional information about tax credits for specific categories, applicants should refer to the opportunity announcement "technical appendices" section.

What is the application process?

Earlier this year, the Oregon Department of Energy posted an opportunity announcement for eligible Small Premium Projects. ODOE allows applicants to apply for tax credits in either this category or another ODOE incentive program—not both.

For this program, applicants should:

- Submit an informational filing to reserve tax credits and before starting installation or construction.
- Complete projects within one year of informational filing to receive a tax credit.
- Expect to receive preliminary approval after informational filing is accepted.
- Submit final certification application within 12 months of informational filing.

Will ODOE offer new categories in the future?

Yes. ODOE determines these projects based on market trends. Currently, ODOE is considering these projects:

- Solar thermal pool
- Mini-split heat pumps
- Innovative lighting

Will ODOE accept suggestions for new projects?

Yes. ODOE welcomes public input and has a process for proposing new Small Premium Project conservation measures. Interested persons can submit a proposal suggesting a new project, with guidelines for ODOE to follow when evaluating applicants for the proposed project. ODOE will decide whether to include the technology, and if so, define the incentive rate. ODOE may offer the general public an

opportunity to comment on approved proposals before adding them to the next opportunity announcement.

The proposals must include:

- Regional data on the mean and range of technology unit costs.
- Regional data on the mean and range technology unit energy savings.
- Market projections.
- Evaluation of barriers and opportunities to market.
- Research references (e.g. periodical and article reviews).
- Evidence that the technology is currently listed as an emerging energy conservation technology by the following organizations:
 - Northwest Energy Efficiency Alliance, Bonneville Power Administration, U.S. Department of Energy and other agencies recognized and approved by ODOE.
- Any other information the department requires.



Ductless heat pump condensing unit



Industrial piping



LED outdoor lighting



Irrigation system

What projects qualify as Small Premium Projects?

Applicants can reserve tax credits within 15 project categories. ODOE has identified the technical specifications for each of the projects included in the appendices to the opportunity announcement. The projects include:

- LED Outdoor Lighting
- Solar Thermal Water Heating
- Heat Pump Service Water Heating
- Building Envelope Thermal Improvement
- High Performance Home Building
- Premium Efficiency Electric Air Conditioning Equipment
- Direct-fired Radiant Heating in High Volume Spaces
- Adjustable Flow Irrigation Pumping
- Energy Improvements to Commercial Greenhouses
- Agricultural Irrigation System Improvement
- Compressed Air Systems Components
- Boiler-Vent Dampers
- Industrial Piping Insulation
- Ductless Heat Pump with Variable Refrigerant Flow
- Pass-through Information

Where can applicants find more information?

The ODOE website offers details on Small Premium Projects, opportunity announcements and a link to sign up for regular email updates.

The U.S. Department of Energy, Energy Trust of Oregon and local utilities may also have incentive programs.