

## Oregon Department of Energy

### Business Energy Tax Credit Opportunity Announcement – Tier Two

Issued: September 30, 2010

Applications Accepted: October 1-29, 2010

#### Selection Criteria

##### Section 4.3 Program Priority Review (Scored)

Each member of the Review Committee shall review and score all applications based on the criteria listed below. Each of the program priorities listed below are not weighted equally. The priorities in Group 1 carry more weight than priorities in Group 2 and Group 3. Group 2 priorities carry more weight than priorities in Group 3.

##### Group 1 Priorities

- Facility requirements listed in OAR 330-090-0105 through OAR 330-090-0350
- Readiness to start and complete the facility, based on number of days from the date of the program priority review to completion of the facility.
- Cost Ratio of Power, power created per tax credit dollar requested. The reviewers use a conversion chart to convert everything into KBTus for comparison.
- Payback Period, the number of years for the facility to payback the costs, less than one year is not allowed.
- Financial Structure, percent of leveraged funds. Leveraged funds are those that the facility owner will be responsible for the initial or later payment such as owner funds or loans. Non-leveraged funds are those that the facility owner will not be responsible for paying back such as tax credits, grants and utility incentives (this includes but is not limited to BETC, federal credits/grants and Energy Trust of Oregon money).

##### Group 2 Priorities

- Life Span in number of years, preference given to facilities with a longer life span.
- Jobs and Employment, hours of employment per tax credit dollar requested. Considers construction, operating and maintenance jobs by hours directly related to the facility (project). Operating and maintenance hours should be estimated for the first five years of the facility's operation.
- Geographic area/local economic conditions of the site location, preference to low density areas in the eastern part of the state and high unemployment rates.
- Strength of Business Plan, the reviewers are looking for understanding, depth and knowledge of all aspects of the facility relating to the application including a financial analysis of the facility (project).
- Aligning Renewable and Conservation Activities, preference to in process or complete activities that are relevant to the facility (project).

##### Group 3 Priorities

- Connection and Infrastructure, preference given to existing infrastructure and connection, outside the facility not within.
- Combined Heat and Power or Co-Gen System, preference given to combined heat and power or co-gen systems.
- Reliability of Power, preference given to a consistent flow of power.
- Public Body Competitive Bidding, preference given to public bodies that use a competitive bidding process (Does not apply to private entities).
- Percentage of maximum eligible tax credit requested, preference given to applicants that request less than their maximum eligible tax credit. An applicant may request less than their maximum eligible tax credit. If reduced, the lowered tax credit amount will be used when calculating other program priority scores and the applicant will receive points based on the lowered tax credit amount. The applicant shall not receive more than their requested amount. Please note that OAR 330-090-0350(3)(e) allows applicants to apply for less than the maximum eligible tax credit for their project, but this does not change the tier within which the application is reviewed.

The complete Tier Two Opportunity Announcement is located at:

[http://www.oregon.gov/ENERGY/CONS/BUS/docs/Renew/Tier2BETC\\_OA-Oct2010.pdf](http://www.oregon.gov/ENERGY/CONS/BUS/docs/Renew/Tier2BETC_OA-Oct2010.pdf)