

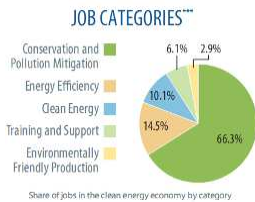
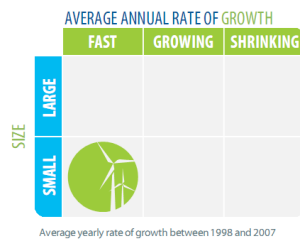
New Mexico Clean Energy and Green Business Incentives

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<http://gonm.biz/greenEconomy/overview/index.html>



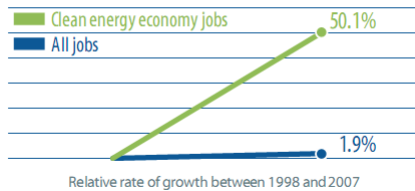
New Mexico Green Jobs Are Growing

STATUS OF CLEAN ENERGY ECONOMY



Source: Pew Charitable Trusts
http://www.pewtrusts.org/our_work_detail.aspx?id=690

10-YEAR GROWTH

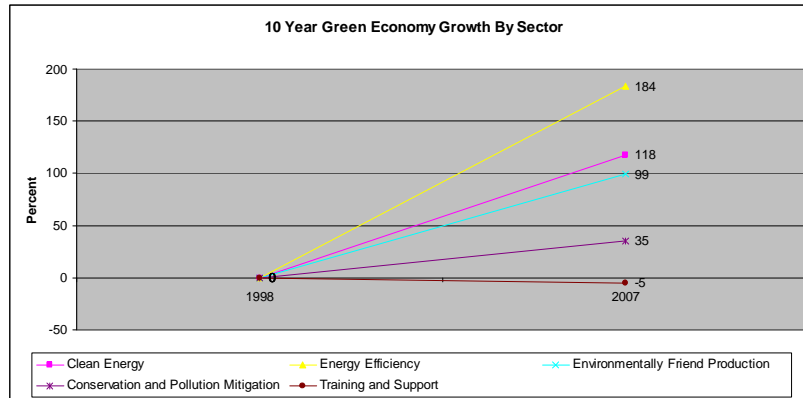


BY THE NUMBERS, THE CLEAN ENERGY ECONOMY:

Jobs (2007): **4,815**
 Businesses (2007): **577**
 Venture Capital Funds (2006-2008)*: **\$147,912,504**
 Patents (1999-2008): **95**



Green Economy Growth by Sector



Source: Pew Charitable Trusts

http://www.pewtrusts.org/our_work_detail.aspx?id=690



State Green Economy Strategy

Developed by Governor Richardson's Green Jobs Cabinet

1. **Be the Leader in Renewable Energy Export**
 - Electricity and Biofuels
 - Energy and Products
2. **Be the Center of the North American Solar Industry:
*Make New Mexico the "Solar Valley" of the United States***
 - Entire Value Chain: R&D, Startups, Manufacturing, Installation
3. **Lead the Nation in "Green Grid" Innovation**
 - Leverage research at universities and national laboratories and NM venture capital
4. **Be a Center of Excellence for Green Building and Energy Efficiency**
 - Energy Efficiency Renovations and New Green Construction
 - Green Building Products
5. **Have a Highly Skilled and Ready-to-Work Workforce**
 - State workforce development plan is being developed (federal grant)

Report available at: <http://www.edd.state.nm.us/greenEconomy/overview/index.html>



New Mexico Has Many Incentives for Clean Energy and Energy Efficiency

- Clean Energy Generation Incentives
- Job Creation Incentives
- Equipment and Facility Incentives



Clean Energy Generation Incentives

- Renewable Energy Production Tax Credit
- Electric Utility Programs
 - El Paso Electric Company - Small System Renewable Energy Certificate Purchase Program
 - PNM - Performance-Based Customer Solar PV Program
 - Xcel Energy - Solar*Rewards Program



Renewable Energy Production Tax Credit

- Applies to systems larger than 1 MW
- Between 1 and 4 cents per kilowatt-hour (kWh)
- Fully refundable
- Some aggregate caps on credits apply
- Details:
<http://www.tax.state.nm.us/forms/year07/rpd41227.pdf>



Utility Programs

- Some utilities provide credits for clean energy generation
 - El Paso Electric Company - Small System Renewable Energy Certificate Purchase Program
 - PNM - Performance-Based Customer Solar PV Program
 - Xcel Energy - Solar*Rewards Program
- These are not state incentives, but are a result of the state Renewable Portfolio Standard (RPS)
- Please see utility websites for information
- Links available through Public Regulation Commission:
<http://www.nmprc.state.nm.us/renewable.htm>



Job Creation Incentives

- Job Training Incentive Program (JTIP)
- High Wage Job Tax Credit
- Technology Jobs Tax Credit
- Rural Jobs Tax Credit



Job Training Incentive Program (JTIP)

- One of the strongest workforce training programs in the nation
- Funds classroom and on-the-job training for newly created jobs
- Reimburses from 50% to 80% of employee wages and required travel expenses for up to 6 months
- Details: <http://www.gonm.biz/businessAssistance/jobTraining/index.html>



High Wage Job Tax Credit

- Applies to employees with salaries greater than \$28K in rural areas and \$40k in urban areas.
- 10% of the combined salary and benefits for 4 years
- Refundable
- <http://www.tax.state.nm.us/forms/year08/rpd41290.pdf>



Technology Jobs Tax Credit

- Two part credit:
 - Basic credit: 4% of expenditures on qualified research against gross receipts tax
 - Additional credit: Additional 4% against income tax
- Both of these double when jobs are created in rural areas
- Application: <http://www.tax.state.nm.us/forms/year07/rpd41239.pdf>
- Claim form: <http://www.tax.state.nm.us/forms/year08/rpd41244.pdf>



Rural Jobs Tax Credit

- \$1000 per new employee for 2-4 years depending on rural location
- Transferable
- Application: <http://www.tax.state.nm.us/forms/year07/RPD41238200707.pdf>
- Certification: <http://www.tax.state.nm.us/forms/year07/RPD41247200707.pdf>
- Claim form: <http://www.tax.state.nm.us/forms/year07/RPD41243200604.pdf>



Equipment and Facility Incentives

- **Solar Market Development Income Tax Credit**
- **Ground-Coupled Heat Pump Tax Credit**
- **Sustainable Building Tax Credit**

- Alternative Energy Product Manufacturer's Tax Credit
- Advanced Energy Tax Credit
- Biomass-Related Equipment Compensating Tax Deduction
- Bio Fuels Production and Sales Tax Incentive
- Manufacturers' Investment Tax Credit



Solar Market Development Income Tax Credit

- 10% credit on purchase/installation of solar photovoltaic or solar thermal systems
- Up to \$9000 maximum credit
- Can be applied in addition to 30% federal credit
- System must be certified by Energy Dept.
<http://www.emnrd.state.nm.us/ECMD/CleanEnergyTaxIncentives/solartaxcredit.htm>
- Tax forms:
<http://www.tax.state.nm.us/forms/year09/rnd41317.pdf>



Ground-Coupled Heat Pump Tax Credit

- A new credit for 2009
- Establishes a 30% income tax credit for ground-coupled heat pump systems up to a maximum credit of \$9000/system
- System must be certified by Energy Dept.
- A federal credit also applies to heat pumps
<http://www.emnrd.state.nm.us/ECMD/RenewableEnergy/geothermal.htm>



Sustainable Building Tax Credit

- Contact:
 - Susie Marbury (Susie.Marbury@state.nm.us)
- Commercial and Residential
- LEED certification required for commercial
- LEED, Build Green NM or Energy Star certification required for residential
- 2 step commercial process:
 - Request at LEED registration
 - Application at building completion
- Details: <http://www.emnrd.state.nm.us/ecmd/cleanenergy/taxincentives/sustainablebuildingtaxcredit.htm>



Commercial incentives

- \$/SF based on level
 - from \$1.40/SF for LEED CI Silver
 - to \$6.25/SF for LEED NC Platinum

- Annual cap
 - \$5 million
- Transferable

REQUIREMENTS FOR COMMERCIAL BUILDINGS			
<ul style="list-style-type: none"> • LEED® Silver, Gold or Platinum certification • Energy reduction, based on national average for similar building type: 50% through 2010, 60% from 2011 through 2013 • Enhanced commissioning, where applicable • Applies to new construction and renovation of existing buildings 			
	First 10,000 sq ft	Next 40,000 sq ft	Next 450,000 sq ft
LEED-NC New construction			
Silver	\$3.50/sf	\$1.75/sf	\$0.70/sf
Gold	\$4.75/sf	\$2.00/sf	\$1.00/sf
Platinum	\$6.25/sf	\$3.25/sf	\$2.00/sf
LEED-EB(CS) Existing building/Core and shell			
Silver	\$2.50/sf	\$1.25/sf	\$0.50/sf
Gold	\$3.50/sf	\$1.40/sf	\$0.70/sf
Platinum	\$4.50/sf	\$2.25/sf	\$1.40/sf
LEED-CI Commercial interiors			
Silver	\$1.40/sf	\$0.70/sf	\$0.30/sf
Gold	\$1.80/sf	\$0.80/sf	\$0.40/sf
Platinum	\$2.50/sf	\$1.30/sf	\$0.80/sf



Residential incentives

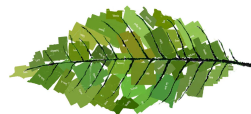
- **\$/SF based on level**
 - from \$3.00/SF for ENERGY STAR manufactured home
 - to \$9.00/SF for LEED-H Platinum
- **Annual cap**
 - \$5 million with \$1.25 million for manufactured homes
- **Transferable**

	First 2,000 ft ²	Next 1,000 ft ²
BGNM		
Gold	\$4.50/ft ²	\$2.00/ft ²
LEED-H Homes		
Silver	\$5.00/ft ²	\$2.50/ft ²
Gold	\$6.85/ft ²	\$3.40/ft ²
Platinum	\$9.00/ft ²	\$4.45/ft ²
Manufactured Homes		
ENERGY STAR	Up to 3,000 ft ²	\$3.00/ft ²



Alternative Energy Product Manufacturer's Tax Credit

- Applies to manufacture of solar PV, solar thermal, wind, biomass, electric generation systems, electric and hybrid vehicles and fuel cells
- 5% credit against capital expenses
- Applies to gross receipts, compensating or withholding tax
- Can be carried forward 5 years
- Application: <http://www.tax.state.nm.us/forms/year08/rpd41330.pdf>
- Schedule A: http://www.tax.state.nm.us/forms/year08/rpd41330_scha.pdf
- Claim form: <http://www.tax.state.nm.us/forms/year08/rpd41331.pdf>



Manufacturers' Investment Tax Credit

- Credit of 5% of the value of qualified equipment brought to and used in New Mexico
- Application: <http://www.tax.state.nm.us/forms/year08/rpd41167.pdf>
- Schedule A: <http://www.tax.state.nm.us/forms/year08/rpd41168.pdf>
- Claim form: <http://www.tax.state.nm.us/forms/year08/rpd41212.pdf>



Advanced Energy Tax Credit

- Applies to solar thermal, solar PV, geothermal, advanced coal and recycled energy facilities
- 6% of development and construction costs
- Up to \$60M per facility
- Application: <http://www.tax.state.nm.us/forms/year09/rpd41333.pdf>
- Claim form: <http://www.tax.state.nm.us/forms/year09/rpd41334.pdf>



Biomass-Related Equipment Compensating Tax Deduction

- Bio-power equipment cost may be deducted from compensating tax due
- Details: http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=NM06F&re=1&ee=1



Bio Fuels Production and Sales Tax Incentive

- Credit against gross receipts and compensating tax for biodiesel blending infrastructure up to \$50,000 per facility
- 2% minimum biodiesel required
- Application: <http://www.tax.state.nm.us/forms/year07/rpd41322.pdf>
- Claim form: <http://www.tax.state.nm.us/forms/year07/rpd41340.pdf>



Other Incentives

- Industrial Revenue Bonds (IRBs)
 - Local communities can issue IRBs to exempt a substantial portion of company's property taxes.
 - Can range from 50% exemption for 20 years to 75% for 30 years
 - Contact legal counsel for advice
 - At the discretion of local governments
- New Mexico 9000 ISO Compliance for Small Business
 - Provides significantly reduced cost assistance to NM businesses in becoming ISO compliant.
 - Details:
<http://www.gonm.biz/businessAssistance/iso9000/info.html>



Emerging Programs

- Two new acts for 2009
 - Solar Energy Improvement Special Assessment Act
 - Renewable Energy Financing District Act
- Allows for counties to adopt special assessment districts that can be used to help property owners finance renewable energy systems.
- Systems financed through property tax assessment
- Stays with the home, not with the borrower
- Lower interest financing may be available
- New Mexico Association of Counties and State Energy Dept. are working to establish ordinances for these districts around the state.



Utility Programs

- **Utility Production Incentives**
 - El Paso Electric Company - Small System Renewable Energy Certificate Purchase Program
 - PNM - Performance-Based Customer Solar PV Program
 - Xcel Energy - Solar*Rewards Program
- **Utility Rebate Programs**
 - Central New Mexico Electric Cooperative - Residential Energy Efficiency Rebate Program
 - Kit Carson Electric Cooperative - ETS System Rebate Program
 - PNM - Commercial Energy Efficiency Rebate Program
 - PNM - Commercial Energy Efficiency Retrofit Rebate Program
 - PNM - Commercial New Construction Energy Efficiency Rebate Program
 - PNM - Energy Efficient Home Builder Rebate Program
 - PNM - Residential Energy Efficiency Rebate Program

Source:

<http://www.dsireusa.org/incentives/index.cfm?re=1&ee=1&spv=0&st=0&srp=1&state=NM>



Where can I go for assistance?

- Developing a business plan
 - See your local Small Business Development Center
<http://www.gonm.biz/linksLists/index.html>
- Evaluating state job creation incentives that would apply to your business and identify connections in your local community
 - Contact your state business development representative
<http://www.edd.state.nm.us/businessAssistance/businessRep/index.html>
- Identifying sources of financing to grow your business
 - Contact the state financial assistance team
<http://www.edd.state.nm.us/businessAssistance/financialAssistance/index.html>
- Help with clean energy systems and sustainable building incentives
 - Contact the state energy department
<http://www.emnrd.state.nm.us/ecmd/>



Entrepreneurship and Equity Resources

- Technology Ventures Corporation
<http://www.techventures.org/>
- New Mexico Small Business Assistance Program (Sandia, LANL)
<http://www.nmsbaprogram.org/>
- New Mexico Angels
<http://www.nmangels.com/>
- New Mexico Venture Capital Association
<http://www.nmvca.org/>
- Coronado Ventures Forum
<http://www.cvf-nm.org/>
- New Mexico State Investment Council:
NM Private Equity Program
[http://www.sic.state.nm.us/
private_equity.htm](http://www.sic.state.nm.us/private_equity.htm)



References

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- New Mexico Gross Receipts Tax Credits: <http://www.tax.state.nm.us/forms/year99/crsforms.htm>
- State Economic Development: <http://www.edd.state.nm.us/>
- State Economic Development Incentive Information:
<http://www.gonm.biz/businessAssistance/incentives/index.html>
- State Economic Development Financial Assistance:
<http://www.gonm.biz/businessAssistance/financialAssistance/index.html>
- Job Training Incentive Program (JTIP):
<http://www.gonm.biz/businessAssistance/jobTraining/index.html>
- New Mexico Green Economy: <http://www.edd.state.nm.us/greenEconomy/overview/index.html>
- Directory of Local Small Business Development Centers and Economic Development Organizations Statewide: <http://www.gonm.biz/linksLists/index.html>
- State Energy Department Information: <http://www.emnrd.state.nm.us/ECMD/index.htm>
- National Database of State Incentives for Renewable Energy and Energy Efficiency:
<http://www.dsireusa.org/incentives/index.cfm?re=1&ee=1&spv=0&st=0&srp=1&state=NM>
- Electric Utility Renewable Energy Credit and Rebate Programs:
<http://www.dsireusa.org/incentives/index.cfm?re=1&ee=1&spv=0&st=0&srp=1&state=NM>
- Public Regulation Commission Renewable Energy Page:
<http://www.nmprc.state.nm.us/renewable.htm>

