**Alternative Energy Development Incentive**

63M-4-501

**BACKGROUND**

The Alternative Energy Development Incentive (AEDI) is a fixed post-performance credit of 75 percent of new eligible state revenues for 20 years, for qualifying projects that produce at least 2 megawatts of electricity or 1000 barrels of oil equivalent from qualifying hydroelectric, solar, biomass, geothermal, wind, nuclear, or certain unconventional resources.

**PROCEDURE**

The procedure for administering an Alternative Energy Development Incentive (AEDI) is detailed below:

1. Applicant must complete interview with Incentives Manager.
2. Incentives Manager will create an online profile on Fluid Review application portal
3. Application completes online application
4. Office of Energy Development (OED) Internal Review
5. Before the Office enters into an AEDI Agreement, the Office, in consultation with other state agencies as necessary, shall certify that:
6. The alternative energy entity plans to produce at least 2 megawatts of electricity
7. The alternative energy entity plans to produce at least 1,000 barrels per day if the project is crude oil equivalent production.
8. The alternative energy entity plans to produce at least 250 barrels per day of biomass energy fuel.
9. If the entity meets the requirements of this part, the Office shall enter into an agreement with the alternative energy entity to authorize a tax credit.

ADMINISTRATIVE REVIEW – Reject: The office may deny an applicant a tax credit based on the documentation not being substantially accurate, the office shall:

1. Deny the tax credit; or
2. Inform the applicant that the documentation supporting the tax credit applicant’s claim for a tax credit was inadequate and ask that the applicant submit new documentation.

**APPLICATION FEE**

Starting August 15, 2018 in accordance with Utah Code 63M-4-401, the Governor’s Office of Energy Development will begin charging a $150 fee per application submitted. Fees must be paid by credit card.

By June 1 annually, OED will send the Tax Commission a report that includes the following:

1. A report prepared by a CPA of the alternative energy project entity, that shows new state revenues generated by the alternative energy project during the taxable year in which the entity seeks to receive the tax credit. The report must also detail all incremental jobs created by the project.