Utah Governor's Office of Economic Development
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Renewable Energy Incentives

Wasatch Wind Farm, Spanish Fork Canyon

Pioneer Solar and Electric Array, Salt Lake City

Layton Solid Waste Energy Recovery Facility

Utah's vast renewable energy resources, history of innovation, and pioneering spirit position the State as a leader in the clean energy economy. This leadership, combined with aggressive incentive programs, creates an environment where business leaders can grow the State's renewable energy and energy efficiency industries.

The Governor's Office of Economic Development (GOED) provides financial incentives for business relocation and expansion to select companies that create new, high-paying jobs that help improve the standard of living, increase the tax base, attract and retain top-level management, and diversify the state economy.

The incentive amount and duration is determined by the GOED Board and executive director based on statutory guidelines and evaluation criteria, including the financial strength of the company, the number and salary of jobs created, amount of new state tax revenue, long-term capital investment, competition with other locations, and whether the company engages in renewable energy generation related to:

Wind • Solar
Hydroelectric • Biomass
Geothermal

Renewable Energy Development Incentive (REDI)

A post-performance refundable tax credit for up to 100% of new state tax revenues (includes state corporate, sales and withholding taxes) over the life of the project (typically 5 – 10 years).

Requirements:

- Project consists of renewable energy generation or related manufacturing
- Create new high-paying jobs
- Pay at least 125% of urban county average wage or 100% of rural county average wage
- Demonstrate company stability and sustainability
- Secure commitment from local community to provide a local incentive
- Demonstrate competition with other locations
- Enter into an incentive agreement with GOED that specifies performance milestones

Renewable Energy Incentives (continued)

St. George SunSmart Solar Farm

Flaming Gorge Dam and Hydroelectric Turbines

Nontraditional fuels develop a framework for reducing dependence on outside sources

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Application Process

1. Meet with GOED incentives team to complete and submit application *(complete applications are due the second Thursday of the month for presentation to the Board the following month)*
2. Work with local community to obtain commitment for local incentives
3. Incentive applications are considered by the GOED Board's Incentives Committee (typically the first Thursday of the month) and a preliminary decision is recommended to the full GOED Board
4. The GOED Board meets on the second Thursday of the month and makes the final decision on the incentives application
5. GOED sends a Commitment Letter to the company detailing the incentives offer and performance milestones
6. The company countersigns and returns the Commitment Letter to GOED
7. A Renewable Energy Zone is requested by the local community and created by the GOED Board
8. GOED and the company enter into an incentives agreement prior to commencement of the first incentives period

Green Flags

- Number and salary of jobs created
- Long-term capital investment
- Amount of new state revenue
- Competition with other locations

Red Flags

- Start-up or pre-revenue company
- Non-profit organization
- Bankruptcy or negative cash flow
- Sales declines

Additional Information

In addition to the financial incentives offered by the State, there are many other reasons that make Utah the right place for renewable energy projects.

ENERGY POLICY is designed to make Utah a leader in renewable energy generation, use, and manufacturing. The State has adopted two important goals to help make this vision a reality:

- In 2006, Governor Huntsman called for a 20% increase in energy efficiency statewide.
- In 2008, the State Legislature established a target for the state to derive 20% of its electricity sales from renewable resources by 2025.

UGREEN The Utah Generated Renewable Energy Electricity Network Authority was created to facilitate the connection of renewable energy generation facilities to existing transmission lines. The UGREEN Board reviews, prioritizes, and finances transmission projects. Financing transmission projects through bonding, government grants, and loans, is a critical way that renewable energy generators can overcome the challenges associated with connecting to the grid.

UREZ The Utah Renewable Energy Zone Task Force was created to identify areas around the state with utility-scale renewable energy generation potential. Highlighted findings include:

- Wind zones with 9,145 MW potential over 1,838 square miles
- Solar zones with 826 GW potential over 6,371 square miles
- Geothermal zones with 2,166 MW potential over 5,053 square miles

The full UREZ report and maps can be found at: **geology.utah.gov/sep/renewable_energy/urez**