
Renewable Energy and Clean Technology Funding Opportunities

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The recent passage of the American Recovery and Reinvestment Act (ARRA), together with existing legislation such as the 2008 Farm Bill, the Energy Independence and Security Act of 2007, and the Energy Policy Act of 2005, has created unprecedented opportunities for renewable energy and clean technology companies to obtain funding from the federal government for a wide variety of energy and environmental projects. A summary of the major funding opportunities announced by the federal government during the last week can be viewed by clicking on the following links:

- [Renewable and Clean Technologies](#)
- [Environmental Programs](#)
- [Recent Developments Related to Funding Opportunities](#)

Funding under these programs will be awarded on a competitive basis and under tight application deadlines. Applications must contain detailed information regarding an applicant's proposal, and actual funding awards require the negotiation of detailed documentation similar to that used in complex project financings.

WilmerHale's Energy and Clean Technology practice group has extensive experience in the areas of public policy, government contracting, project finance and development, and energy regulation. We are uniquely positioned to expertly advise renewable energy and clean technology companies on the complex issues and opportunities that arise in connection with these federal funding opportunities, and to assist companies in both obtaining government funding and successfully developing their projects.

RENEWABLE AND CLEAN TECHNOLOGIES

Clean Coal Power Initiative—Round 3. This program re-opens a prior funding opportunity announcement issued in August 2008, with the goal of demonstrating at a commercial scale technologies that: (1) achieve a minimum of 50% CO₂ capture efficiency and have a target CO₂ capture efficiency of 90% in a gas stream containing at least 10% CO₂ by volume; (2) make progress toward a capture and sequestration goal resulting in an increase of less than 10% in the

cost of electricity for gasification systems and less than 35% for combustion and oxy-combustion systems; and (3) capture and sequester or put to beneficial use a minimum of 300,000 tons per year of CO2 emissions using a 30-day running average.

Current full application deadline: August 24, 2009

Letter of intent due: July 24, 2009

For details, click [here](#).

Systems Level Technology Development, Integration, and Demonstration for Efficient Class 8 Trucks (SuperTruck) and Advanced Technology Powertrains for Light-Duty Vehicles (ATP-LD).

DOE will award up to \$95,000 per applicant for projects falling under one of two areas of interest: (1) projects that develop and demonstrate a 50% improvement in overall freight efficiency (measured in ton-miles per gallon) on heavy-duty class 8 tractor-trailers; and (2) projects that accelerate the development of cost-competitive engine and powertrain systems for light-duty vehicles capable of attaining breakthrough thermal efficiencies while meeting future emissions standards. Teaming arrangements among suppliers, national labs, universities and vehicle manufacturers are encouraged.

Current application deadline: September 9, 2009

For details, click [here](#).

State Electricity Regulators Assistance. DOE will provide grants to Public Utility Commissions (PUCs) to facilitate staffing increases, which will aid PUCs in managing longer dockets and the increased volume of regulatory actions expected to result from ARRA electricity related activities and investments.

Current application deadline: August 31, 2009

For details, click [here](#).

ENVIRONMENTAL PROGRAMS

U.S. Department of Agriculture (USDA) New Era Rural Technology Competitive Grants Program.

USDA is providing grants for technology development, applied research, and/or training to develop an agriculture-based renewable energy workforce to serve rural communities. Applicants must be qualified public or private nonprofit community colleges, or advanced technological centers. Joint applicants may receive up to \$300,000; single applicants may receive up to \$125,000.

Current application deadline: July 20, 2009

For details, click [here](#) and [here](#).

U.S. Environmental Protection Agency (EPA) Clean Air Research Centers. EPA is seeking proposals for integrated, multidisciplinary research centers that will study the health effects of exposure to particulate matter (PM), ozone, and other air pollutants. EPA anticipates funding approximately four awards, up to \$8 million each. Eligible applicants include qualified public nonprofit institutions/organizations, private nonprofit institutions/organizations, state, local, and tribal governments.

Current application deadline: November 16, 2009

For details, click [here](#) and [here](#).

U.S. Geological Survey (USGS) Seismic Upgrades. USGS is providing ARRA funds for the replacement of outdated equipment used to monitor and report on earthquake activity in the U.S. Eligible applicants—including colleges, universities, profit-making, and nonprofit organizations, and state and local governments—must contribute to the upgrades to existing seismic network operations as part of the development of the Advanced National Seismic System. Total funding for this program is \$5 million.

Current application deadline: July 8, 2009

For details, click [here](#).

EPA Climate Showcase Communities Grant Program. EPA will provide funding to local and tribal governments for assistance in developing plans, conducting demonstrations, and implementing projects that reduce greenhouse gas emissions while achieving additional environmental, economic, public health, and/or community benefits. Up to \$500,000 per applicant will be awarded.

Current application deadline: July 22, 2009

For details, click [here](#) and [here](#).

RECENT DEVELOPMENTS RELATED TO FUNDING OPPORTUNITIES

Internal Revenue Service (IRS) Issues Guidance for Electing the Investment Tax Credit (ITC) in Lieu of the Production Tax Credit (PTC). The ARRA provided an opportunity for certain categories of renewable energy facilities to elect a 30% ITC under Section 48 of the Internal Revenue Code (Code) in lieu of a PTC under Section 45 of the Code. On June 5, 2009, the IRS issued Notice 2009-52 (Notice), which outlines the steps entities must take in order to make the ITC election. Under the Notice, entities must make the ITC election on a Form 3468, and provide a statement containing certain information regarding the facility and taxpayer. The Notice also contains a record-keeping requirement, under which electing taxpayers must maintain certain books, records and supporting documentation related to submissions made under the Notice.

To view the full text of IRS Notice 2009-52, click [here](#).

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