

The House Committee on Energy, Utilities and Telecommunications offers the following substitute to HB 473:

A BILL TO BE ENTITLED
AN ACT

1 To amend Part 1 of Article 1 of Chapter 23 of Title 50 of the Official Code of Georgia
2 Annotated, relating to the Georgia Environmental Facilities Authority generally, so as to
3 provide for grants for clean energy property for a limited period of time from federal funds
4 available for such purposes; to provide for definitions; to provide for procedures, conditions,
5 and limitations; to provide for related matters; to provide for an effective date; to repeal
6 conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Part 1 of Article 1 of Chapter 23 of Title 50 of the Official Code of Georgia Annotated,
10 relating to the Georgia Environmental Facilities Authority generally, is amended by adding
11 a new Code section to read as follows:

12 "50-23-21.

13 (a) As used in this Code section, the term:

14 (1) 'Authority' means the Georgia Environmental Facilities Authority.

15 (2) 'Business property' means tangible personal property that is used by a person in
16 connection with a business or for the production of income and is capitalized by the
17 person for federal income tax purposes. The term does not include, however, a luxury
18 passenger automobile taxable under Section 4001 of the Internal Revenue Code or a
19 watercraft used principally for entertainment and pleasure outings for which no admission
20 is charged.

21 (3) 'Clean energy property' includes any of the following:

22 (A) Solar energy equipment that uses solar radiation as a substitute for traditional
23 energy for water heating, active and passive space heating and cooling, generating
24 electricity, distillation, desalinization, or the production of industrial or commercial
25 process heat, as well as related devices necessary for collecting, storing, exchanging,
26 conditioning, or converting solar energy to other useful forms of energy;

27 (B) Energy Star certified geothermal heat pump systems;

28 (C) Energy efficient projects as follows:

29 (i) LIGHTING RETROFIT PROJECTS. 'Lighting retrofit project' means a lighting retrofit
30 system that employs dual switching (ability to switch roughly half the lights off and
31 still have fairly uniform light distribution), delamping, daylighting, relamping, or
32 other controls or processes which reduce annual energy and power consumption by
33 30 percent compared to the American Society of Heating, Refrigerating, and Air
34 Conditioning Engineers 2004 standard (ASHRAE 90.1.2004); and

35 (ii) ENERGY EFFICIENT BUILDINGS. 'Energy efficient building' means for other than
36 single-family residential property new or retrofitted buildings that are designed,
37 constructed, and certified to exceed the standards set forth in the American Society
38 of Heating, Refrigerating, and Air Conditioning Engineers 2004 standard (ASHRAE
39 90.1.2004) by 30 percent; and

40 (D) Wind equipment required to capture and convert wind energy into electricity or
41 mechanical power as well as related devices that may be required for converting,
42 conditioning, and storing the electricity produced by wind equipment.

43 (4) 'Cost' means:

44 (A) In the case of clean energy property owned by a person, cost is the aggregate funds
45 actually invested and expended by a person to put into service the clean energy
46 property; and

47 (B) In the case of clean energy property a person leases from another, cost is eight
48 times the net annual rental rate, which is the annual rental rate paid by the person less
49 any annual rental rate received by the person from subrentals.

50 (5) 'Installation' means the year in which the clean energy property is put into service and
51 becomes eligible for a grant allowed by this Code section.

52 (b)(1) The authority may issue a grant to any person for the construction, purchase, or
53 lease of clean energy property that is placed into service in this state between the
54 effective date of this Code section and December 31, 2012, subject to the provisions of
55 this Code section.

56 (2) A person that receives a grant allowed under this Code section shall not be eligible
57 to claim any tax credit under Code Section 48-7-29.14 or any other grant under this Code
58 section with respect to the same clean energy property.

59 (3) A person shall not receive a grant allowed in this Code section for clean energy
60 property the person leases from another unless such person obtains the lessor's written
61 certification that the lessor will not receive a grant under this Code section or claim a
62 credit under Code Section 48-7-29.14 with respect to the same clean energy property.

63 (4) Grants shall not be issued under this Code section except to effect participation in a
 64 federal government program which authorizes the use of federal funds for purposes of
 65 this Code section. In no event shall the total amount of grants allowed by this Code
 66 section exceed federal funds made available to the authority for such purposes. No funds
 67 derived from any other sources shall be granted under this Code section.

68 (5)(A) Any person seeking any grant provided for under this Code section shall submit
 69 an application to the authority for approval of such grant. The authority shall
 70 promulgate the forms on which the application is to be submitted. The authority shall
 71 review such application and shall approve such application upon determining that it
 72 meets the requirements of this Code section within 60 days after receiving such
 73 application, subject to availability of funds as provided by paragraph (4) of this
 74 subsection.

75 (B) To apply for a grant allowed by this Code section, the person shall provide any
 76 information required by the authority. Every person receiving a grant under this Code
 77 section shall maintain and make available for inspection by the authority any records
 78 that the authority considers necessary to determine and verify the amount of the grant
 79 to which the person is entitled. The burden of proving eligibility for a grant and the
 80 amount of the grant shall rest upon the applicant, and no grant shall be allowed to a
 81 person that fails to maintain adequate records or to make them available for inspection.

82 (C) The authority shall issue the grants on a first come, first served basis. In no event
 83 shall the aggregate amount of grants approved by the authority for all applicants under
 84 this Code section exceed the limitations specified in paragraph (4) of this subsection.

85 (6) Any grant allowed by paragraph (1) of this subsection shall not exceed the following
 86 amounts:

87 (A) For all types of clean energy property placed into service for any purpose other
 88 than single family residential, the grant allowed by this subsection shall not exceed the
 89 lesser of 35 percent of the cost of the clean energy property described in subparagraphs
 90 (a)(3)(A) through (a)(3)(C) of this Code section or the following grant amounts for any
 91 clean energy property:

92 (i) A ceiling of \$500,000.00 per installation applies to solar energy equipment for
 93 solar electric (photovoltaic), other solar thermal electric applications, and active space
 94 heating and wind equipment as described in subparagraphs (a)(3)(A) and (a)(3)(D),
 95 of this Code section;

96 (ii) The sum of \$100,000.00 per installation applies to clean energy property related
 97 to solar energy equipment for domestic water heating as described in subparagraph
 98 (a)(3)(A) of this Code section which is certified for performance by the Solar Rating
 99 Certification Corporation, Florida Solar Energy Center, or by a comparable entity

100 approved by the authority to have met the certification of Solar Rating Certification
 101 Corporation OG-100 or Florida Solar Energy Center-GO-80 for solar thermal
 102 collectors;

103 (iii) For Energy Star certified geothermal heat pump systems as described in
 104 subparagraph (a)(3)(B) of this Code section, the sum of \$100,000.00;

105 (iv) For a lighting retrofit project as described in division (a)(3)(C)(i) of this Code
 106 section, the sum of \$0.60 per square foot of the building with a maximum of
 107 \$100,000.00; and

108 (v) For an energy efficient building as described in division (a)(3)(C)(ii) of this Code
 109 section, the sum of the cost of energy efficient products installed during construction
 110 at \$1.80 per square foot of the building, with a maximum of \$100,000.00; and

111 (B) The following ceilings apply to clean energy property placed in service for single
 112 family residential purposes, the lesser of 35 percent of the cost or:

113 (i) The sum of \$2,500.00 per dwelling unit applies for clean energy property related
 114 to solar energy equipment for domestic water heating as described in subparagraph
 115 (a)(3)(A) of this Code section which is certified for performance by the Solar Rating
 116 Certification Corporation, Florida Solar Energy Center, or by a comparable entity
 117 approved by the authority to have met the certification of Solar Rating Certification
 118 Corporation OG-100 or Florida Solar Energy Center-GO-80 for solar thermal
 119 collectors, Solar Rating Certification Corporation certification OG-300 or Florida
 120 Solar Energy Center-GP-5-80 for solar thermal residential systems, or both;

121 (ii) The sum of \$10,500.00 per dwelling unit applies for clean energy property related
 122 to solar energy equipment for solar electric (photovoltaic), other solar thermal electric
 123 applications, and active space heating as described in subparagraph (a)(3)(A) of this
 124 Code section, or to wind as described in subparagraph (a)(3)(B) of this Code section;
 125 and

126 (iii) The sum of \$4,000.00 per installation for Energy Star certified geothermal heat
 127 pump systems applies as described in subparagraph (a)(3)(B) of this Code section.

128 (c) The authority shall be authorized to adopt rules and regulations to provide for the
 129 administration of any grant provided by this Code section. Specifically, the authority shall
 130 create a mechanism to track and report the status and availability of grants for the public
 131 to review at a minimum on a quarterly basis.

132 (d) The authority shall provide an annual report of:

133 (1) The number of persons that claimed the grants allowed in this Code section;

134 (2) The cost of clean energy property with respect to which grants were issued;

135 (3) The type of clean energy property installed and the location;

136 (4) A determination of associated energy and economic benefits to the state; and

137 (5) The total amount of grants allowed."

138

SECTION 2.

139 This Act shall become effective 30 days after the date it is approved by the Governor or
140 becomes law without such approval.

141

SECTION 3.

142 All laws and parts of laws in conflict with this Act are repealed.