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## New Incentives for Solar and Geothermal Energy in Maryland

Maryland Energy Administration (MEA)

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The Maryland Energy Administration applauds the General Assembly for passing Governor O'Malley's legislative energy package earlier this month. Along with energy efficiency bills, legislation passed that increases the grant amounts for solar and geothermal projects provided through the **Maryland Solar Energy Grant Program** and the **Maryland Geothermal Energy Grant Program**. House Bill 377 and the companion Senate Bill 207 provide the new incentive levels. We have begun the process of revising the regulations and program participation criteria and will provide updates as they become available. Information on the recent legislation can be found at <http://mlis.state.md.us/2008rs/bills/hb/hb0377e.pdf>.

Effective July 1, 2008, grants will be available to individuals, businesses and local governments in the following categories:

- Photovoltaic Solar                      \$2,500 per kW installed up to \$10,000 maximum grant amount.
- Solar Water Heating                    30% of system cost up to \$3,000 maximum grant amount.
- Residential Geothermal                Up to \$1,000 per ton with a maximum grant amount of \$3,000.
- Commercial Geothermal                Up to \$1,000 per ton with a maximum grant amount of \$10,000.

There are also new State tax incentives available for solar and geothermal:

- State Sales and Use Tax Exemption for solar and geothermal equipment.
- Property Tax Exemption (property cannot be assessed at a higher value due to the project installation).

For those who have already had their applications approved and have completed their projects prior to July 1, 2008, the existing grant amounts remain in effect. Additional information on the current grants can be found on the MEA Web site <http://www.energy.state.md.us>, the solar grants page <http://www.energy.state.md.us/incentives/residential/solargrants/index.asp>, and the geothermal grants page <http://www.energy.state.md.us/incentives/residential/geothermalgrant/index.asp>.

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