

## Tax Credit for Solar and Wind Energy Systems on Residential Property (Corporate)

*Last DSIRE Review: 07/18/2007*

**Incentive Type:** Corporate Tax Credit

**Eligible Renewable/Other Technologies:** Solar Water Heat, Solar Space Heat, Photovoltaics, Wind

**Applicable Sectors:** Residential, Multi-Family Residential

**Amount:** 50% of the first \$25,000 of the cost

**Carryover**

**Provisions:** Excess credit is refundable

**Authority 1:** [SB 90](#)

**Date Enacted:** 7/10/2007

**Effective Date:** 1/1/2008

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### Summary:

Louisiana provides a tax credit for the purchase and installation of solar and wind energy systems purchased and installed on or after January 1, 2008. The credit can be applied to either personal, corporate or franchise taxes, depending on the entity which owns the property, but the system must be installed at either a residence or a residential rental apartment complex to be eligible. The tax credit can be applied to both solar-electric systems (PV systems) and solar-thermal systems where the energy is used for space heating, space cooling or water heating.

The amount of the credit is equal to 50% of the first \$25,000 of the cost of the system, including installation costs. The credit must be fully claimed in the taxable year in which the system is installed and placed in service. Any excess credit which exceeds the taxpayer's liabilities for that year shall be treated as an overpayment, and the Louisiana Department of Revenue will issue a refund for the remaining amount within one year of receiving the claim.

This tax credit may be combined with any federal tax incentive, but may not be combined with any other state tax incentive.

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**Contact:**

**Public Information - LA DOR**

LA Department of Revenue

PO Box 201

Baton Rouge, LA 70821-0201

**Phone:** (225) 219-2200

**Web site:** <http://www.rev.state.la.us>

## Tax Credit for Solar and Wind Energy Systems on Residential Property (Personal)

*Last DSIRE Review: 07/18/2007*

**Incentive Type:** Personal Tax Credit

**Eligible Renewable/Other Technologies:** Solar Water Heat, Solar Space Heat, Photovoltaics, Wind

**Applicable Sectors:** Residential, Multi-Family Residential

**Amount:** 50% of the first \$25,000 of the cost

**Carryover**

**Provisions:** Excess credit is refundable

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## Solar Energy System Exemption

*Last DSIRE Review: 02/16/2007*

**Incentive Type:** Property Tax Exemption

**Eligible Renewable/Other Technologies:** Passive Solar Space Heat, Solar Water Heat, Solar Space Heat, Photovoltaics, Solar Pool Heating

**Applicable Sectors:** Residential

**Amount:** 100%

**Max. Limit:** None

**Authority 1:** [La. R.S. 47:1706](#)

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### Summary:

In Louisiana, any equipment attached to an owner-occupied residential building or swimming pool as part of a solar energy system is considered personal property that is exempt from ad valorem taxation. The value of a solar energy system will not be included in the assessment of such buildings or swimming pools.

A solar energy system is defined as "any device that uses the heat of the sun as its primary energy source and is used to heat or cool the interior of a structure or swimming pool, or to heat water for use within a structure or swimming pool." Solar energy systems include but are not limited to systems utilizing solar collectors, solar cells and passive roof ponds.

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LA Department of Revenue

PO Box 201

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**Web site:** <http://www.rev.state.la.us>

## Home Energy Loan Program

*Last DSIRE Review: 01/24/2007*

**Incentive Type:** State Loan Program

**Eligible Efficiency Technologies:** Clothes Washers/Dryers, Dishwasher,

Refrigerators/Freezers, Dehumidifiers, Ceiling Fan, Water Heaters, Lighting, Chillers, Furnaces, Boilers, Heat pumps, Air conditioners, Programmable Thermostats, Building Insulation, Windows, Custom/Others pending approval

**Eligible Renewable/Other Technologies:** Solar Water Heat, Solar Space Heat, Photovoltaics, Geothermal Heat Pumps

**Applicable Sectors:**

Residential

**Amount:** 50% of costs

**Maximum Amount:** \$6,000

**Terms:** 2% interest rate

**Equipment Requirements:** On prescriptive list or as advised by Energy Rater

**Website:** <http://www.dnr.state.la.us/sec/execdiv/tehasmt/programs/residential/help/index.htm>

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### Summary:

The Louisiana Department of Natural Resources offers a low-interest loan program, the Home Energy Loan Program (HELP), to help residential users make energy efficient improvements to their existing homes. A homeowner may qualify for an energy improvement loan in two ways – either through an energy audit in which an Energy Home Rater makes recommendations, or by choosing pre-approved home improvements as designated by the program.

In order to participate, a homeowner must contact one of the two participating lenders directly to complete a credit application. The HELP home improvement loans may be consumer loans or second mortgages at the discretion of the participating lender.

The list of participating lenders and pre-approved improvements is listed at the program website.

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**Contact:**

**Program Coordinator**

Louisiana Department of Natural Resources  
Energy Section, Technology Assessment Division

617 N. 3rd Street

P.O. Box 44156

Baton Rouge, LA 70804-4156

**Phone:** (225) 342-4500

**Fax:** (225) 342-5861

**Web site:**

<http://dnr.louisiana.gov/sec/execdiv/techasmt/index.htm>

## Home Energy Rebate Option (HERO)

*Last DSIRE Review: 08/04/2007*

**Incentive Type:** State Rebate Program

**Eligible Efficiency Technologies:** Comprehensive Measures/Whole Building, Custom/Others

**Technologies:** pending approval

**Applicable Sectors:** Residential

**Incentive Amount:** Up to 20% of costs

**Maximum Incentive:** \$2,000

**Funding Source:** Oil overcharge restitution funds

**Project Review/Certification:** New homes no longer are eligible under the program;

existing homes must have improved energy efficiency of at least 30%

**Website:** <http://www.dnr.louisiana.gov/sec/execdiv/tehasmt/programs/residential/hero/index.htm>

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### Summary:

The Home Energy Rebate Option (HERO) Program is offered by the Louisiana Department of Natural Resources (DNR) for residents to receive cash rebates for energy efficient improvements to existing homes. The actual amount of the incentives depends on the resulting energy savings, or Energy Efficiency Premium. Any homeowner of an existing home is eligible to apply under this program.

All applications must be submitted prior to the start of any renovation. The homeowner contacts a qualified home energy rater, listed on the Louisiana DNR site, and pending funding, submits a rating containing proposed improvements. After the home has been rated, the homeowner must complete construction in the time allowed by the DNR. Following a verification rating by the home rater, the HERO Program will issue a rebate to the homeowner, determined by the calculated energy savings.

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### Contact:

**Howard Hershberg**

Louisiana Department of Natural Resources

Energy Section, Technology Assessment Division  
617 N. 3rd Street  
P.O. Box 44156  
Baton Rouge, LA 70804-4156  
**Phone:** (225) 342-7982  
**Fax:** (225) 342-1397  
**Web site:** <http://www.dnr.louisiana.gov>

## Cleco Power - Power Miser Home Program

*Last DSIRE Review: 06/25/2007*

**Incentive Type:** Utility Rate Discount

**Eligible**

**Efficiency Technologies:** Water Heaters, Furnaces, Air conditioners, Duct/Air sealing, Building Insulation, Windows, Doors

**Applicable Sectors:** Residential

**Amount:**

10% discount on energy from November through April for the first five years that the customer lives in their house.

**Requirement:** Home must be built to Power Miser Standards.

**Website:** <http://www.cleco.com/site.php?pageID=161>

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### Summary:

Louisiana's Cleco Power offers a rate discount for residential customers who build homes that meet the Power Miser Program specifications. A customer that is building a new home that meets the standards will receive a rate discount of 10% between November and April for the first five years they live in the house.

Power Miser Standards include:

- Air Conditioner/Furnace has minimum SEER rating of 14
- Metal ductwork has 2 inches foil-backed insulation
- Non-metal ductwork made out of insulating material
- Electric waterheater is well-insulated
- Floor and wall insulation has minimum rating of R-13
- Attic insulation has minimum rating of R-30

More specifications can be found at the program website. After the home is built, the customer submits a verification form to obtain the rate discount.

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### Contact:

**Customer Service**

Cleco Power  
Power Miser Home Program  
P.O. Box 5000  
Pineville, LA 71361

**Phone:** (225) 261-1221

**Web site:** <http://www.cleco.com/site.php?pageID=161>

## DEMCO - Touchstone Energy Home Program

*Last DSIRE Review: 07/16/2007*

**Incentive Type:** Utility Rebate Program

**Eligible Efficiency**

**Technologies:** Custom/Others pending approval

**Applicable Sectors:** Residential

**Incentive Amount:** \$0.10 per square foot of living area

**Project House plans** must be submitted, and load **Review/Certification:** calculations must be done by cooperative

**Website:** [http://www.demco.org/products\\_services/](http://www.demco.org/products_services/)

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### Summary:

DEMCO, a Touchstone Energy Cooperative, provides electricity to the parishes of Ascension, East Baton Rouge, East Feliciana, Livingston, St. Helena, Tangipahoa, and West Feliciana. It provides customers who have a qualified Touchstone Energy Home a rebate of \$0.10 per square foot of living area. Guidelines for building a Touchstone Energy Home are available [online](#).

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### Contact:

**Customer Service**

Cleco Power

Power Miser Home Program

P.O. Box 5000

Pineville, LA 71361

**Phone:** (225) 261-1221

**Web site:** <http://www.cleco.com/site.php?pageID=161>

## Energy Reduction in Major State Facilities

*Last DSIRE Review: 08/28/2007*

**Incentive Type:** Energy Standards for Public Buildings

**Eligible**

**Efficiency**

**Technologies:** Comprehensive Measures/Whole Building

**Applicable State Government**

**Sectors:**

**Requirement:** Each major facility project must be designed, constructed, and certified to exceed the requirements of the state energy code by at least thirty percent

**Authority 1:** [SB 240](#)

**Date Enacted:** 7/6/2007

**Effective Date:** 7/6/2007

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### Summary:

Passed in July 2007, SB 240 makes requirements for energy efficiency in the construction and renovation of major facility projects funded by the state. Each major facility project must be designed, constructed, and certified to exceed the requirements of the state energy code by at least thirty percent when such improvements prove to be cost effective based on a life cycle cost analysis with a payback of no more than thirty years. Through December 31 2008, this requirement will apply to all new projects larger than 20,000 gross square feet. Size requirements for future projects required to meet the standard will be applied as follows:

- From January 1, 2009 through December 31, 2009 --- projects larger than 15,000 gross square feet
- From January 1, 2010 through December 31, 2010 --- projects larger than 10,000 gross square feet
- From January 1, 2011 and thereafter --- projects larger than 5,000 gross square feet

The standard also applies during all years to major renovation projects which involve more than fifty percent of the replacement

value of the facility or a change in occupancy. The bill also instructs the Office of Facility Planning and Control of the Division of Administration to adopt rules which increase the demand for building and construction materials made in Louisiana, reduce potable water usage in state-funded buildings, and encourage state building projects to achieve ENERGY STAR designation.

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**Contact:**

**Bill Morrison**

Office of Facility Planning and Control

1201 North Third Street

7th Floor, Clairborne Building

Baton Rouge, LA 70804

**Phone:** (225) 342-0855

**E-Mail:** [bill.morrison@la.gov](mailto:bill.morrison@la.gov)

**Web site:** <http://www.doa.louisiana.gov/fpc/fpc.htm>

## Interconnection Standards

*Last DSIRE Review: 12/13/2006*

**Incentive Type:** Interconnection

**Eligible Renewable/Other Technologies:** Photovoltaics, Wind, Biomass, Hydroelectric, Geothermal Electric, Fuel Cells using Renewable Fuels, Microturbines

**Applicable Sectors:** Commercial, Industrial, Agricultural

**Special Rules for Net-Metered Systems?** Yes

**Limit on System Size/Overall Enrollment:** 25 kW (residential), 100 kW (non-residential)

**Standard Interconnection Agreement?** Yes

**Additional Insurance Requirements?** Not specified

**External Disconnect Required?** Yes

**Rules for Non-Net-Metered DG?** No

**Authority 1:** [La. R.S. 51:3061 et seq.](#)

**Date Enacted:** 6/27/2003

**Effective Date:** 10/1/2003

**Authority 2:** [LA PSC Order, Docket No. R-27558](#)

**Date Enacted:** 11/30/2005

**Effective Date:** 11/30/2005

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### Summary:

In November 2005, the Louisiana Public Service Commission (PSC) issued rules for net metering and the interconnection of net-metered systems. Louisiana's rules, based on those in place in Arkansas,

require publicly-owned utilities and rural electric cooperatives to offer net metering to customers with systems that generate electricity using solar, wind, hydropower, geothermal or biomass resources. (Fuel cells and microturbines that generate electricity entirely derived from renewable resources are eligible.) The rules apply to residential facilities with a maximum capacity of 25 kilowatts (kW) and commercial systems with a maximum capacity of 100 kW.

Utilities must provide customer-generators with a meter capable of measuring the flow of electricity in both directions. Although utilities must pay for the cost of the meter itself, customer-generators must pay a one-time charge to cover the installation cost of the meter. Interconnected systems must meet all safety and performance standards established by local and national electric codes, including the National Electric Code (NEC), the Institute of Electrical and Electronics Engineers (IEEE), the National Electrical Safety Code (NESC), and Underwriters Laboratories (UL). A manual external disconnect switch is required for all interconnected systems.

Customer-generators seeking to interconnect and net meter must submit an interconnection agreement to a utility 45 days prior to interconnection. Utilities must use a PSC-approved standard interconnection agreement for interconnected facilities.

Customers must pay for "interconnection costs," defined as "the reasonable costs of connection, switching, metering, transmission, distribution, safety provisions and administrative costs incurred by the electric utility directly related to the installation and maintenance of the physical facilities necessary to permit interconnected operations with a net-metering facility, to the extent the costs are in excess of the corresponding costs which the electric utility would have incurred if it had not engaged in interconnected operations, but instead generated an equivalent amount of electric energy itself or purchased in equivalent amount of electric energy or capacity from other sources." Furthermore, following notice and opportunity for public comment, the PSC may authorize a utility to assess customer-generators "a greater fee or customer charge, of any type, if the electric utility's direct costs of interconnection and administration of net metering outweigh the distribution system, environmental and public-policy benefits of allocating the costs among the electric utility's entire customer base."

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**Contact:**

**Public Information**

Louisiana Public Service Commission

Galvez Building, 12th Floor

602 North Fifth Street

Post Office Box 91154

Baton Rouge, LA 70821-9154

**Phone:** (225) 342-4404

**Fax:** (225) 342-2831

**Web site:** <http://www.lpsc.org/>

## Louisiana - Net Metering

*Last DSIRE Review: 12/13/2006*

**Incentive Type:** Net Metering Rules

**Eligible Renewable/Other Technologies:** Photovoltaics, Wind, Biomass, Hydroelectric, Geothermal Electric, Fuel Cells using Renewable Fuels, Microturbines

**Applicable Sectors:** Commercial, Residential, Agricultural

**Limit on System Size:** 25 kW for residential systems; 100 kW for commercial and agricultural systems

**Limit on Overall**

**Enrollment:** No limit specified

**Treatment of Net Excess:** Credited to customer's next bill at utility's retail rate; carried over indefinitely

**Utilities Involved:** All utilities

**Interconnection Standards for Net Metering?** Yes

**Authority 1:** [La. R.S. 51:3061 et seq.](#)

**Date Enacted:** 6/27/2003

**Effective Date:** 10/1/2003

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of 100 kW.

Utilities must provide customer-generators with a meter capable of measuring the flow of electricity in both directions. Utilities must pay for the cost of the meter itself, but customer-generators must pay a one-time charge to cover the installation cost of the meter. Net excess generation (NEG) is credited to the customer's next bill indefinitely. For the final month in which the customer takes service from the utility, the utility will pay the customer for the balance of any credit at the utility's avoided-cost rate.

Customer-generators seeking to net meter must notify the utility at least 90 days prior to the date of interconnection. Utilities must use a PSC-approved standard interconnection agreement for net-metered facilities. Customers must pay for "interconnection costs," which are defined in the PSC's rules.\*

By the end of each calendar year, utilities must file with the PSC a report listing all existing net-metered systems and their capacities, and, where applicable, the inverter rating for each facility. Regarding renewable-energy credits (RECs), the PSC will review the feasibility of a REC-trading program as part of the commission's ongoing renewable portfolio standard (RPS) rulemaking process.

*\* See the DSIRE record for Louisiana's interconnection standards for details.*

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