

Louisiana Incentives and Laws

Net Metering and Interconnection Standard

Incentive Type:	Permits self generation grid connection
Applicable Sectors:	Residential, Commercial, or Agricultural
Authority 1:	RS 51:3061 http://www.legis.state.la.us/lss/lss.asp?doc=208140
Authority 2:	LaPSC Docket R-27558. http://www.dsireusa.org/documents/Incentives/LA03Rb.pdf
Effective Date:	October 1, 2003 and June 30, 2008
Termination Date:	NONE
System Size Limit:	25 kW (residential), 300 kW (non-residential)
Limit on Overall Enrollment:	None
Interconnection Agreement:	Yes, Standardized
Carryover Provisions:	Excess credit is carried over month to month, indefinitely
Summary:	Louisiana law requires <u>all</u> utilities to offer net metering to their customers. Utilities must provide customer-generators with a meter capable of measuring the flow of electricity in both directions. Systems must meet all safety and performance standards established by local and national electric codes, including the National Electric Code, the Institute of Electrical and Electronics Engineers, the National Electrical Safety Code, and Underwriters Laboratories.
Website:	http://www.revenue.louisiana.gov/forms/lawspolicies/RIB07025.pdf
Eligible Renewable/ Other Technologies:	Photovoltaics, Wind, Biomass, Hydroelectric, Geothermal Electric, Fuel Cells and Microturbines using Renewable Fuels
Special Rules:	An external disconnect is required, but no special insurance is required. Customers may be required to pay for interconnection costs, The PSC may authorize a utility to assess customer-generators a greater fee or customer charge 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.

Louisiana Incentives and Laws

Solar Energy System Property Tax Exemption

Incentive Type:	Property Tax exemption
Applicable Sectors:	Residential
Authority 1:	La. R.S. 47:1706 http://www.legis.state.la.us/lss/lss.asp?doc=101337
Effective Date:	May 30, 1993
Termination Date:	NONE
Amount:	100%
Maximum Limit:	None
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.
Website:	Solar Property Tax Exemption Legislation http://dnr.louisiana.gov/sec/execdiv/techasmt/financial_incentives/solar/LA_RS_47_1706.pdf
Eligible Renewable/ Other Technologies:	Passive Solar Space Heat, Solar Water Heat, Solar Space Heat, Photovoltaics, Solar Pool Heating
Other:	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.

Louisiana Incentives and Laws

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

Incentive Type:	Personal Tax Credit
Applicable Sectors:	Residential, Multi-Family Residential
Authority 1:	R.S. 47:6030 http://www.legis.state.la.us/lss/lss.asp?doc=453218
Authority 2:	Department of Revenue emergency rule LAC 61:I.1907
Effective Date:	January 1, 2008
Termination Date:	NONE
Carryover Provisions:	Excess above taxes owed is refunded
Maximum Amount:	50% of the first \$25,000 including installation costs for each system.
Number of Systems allowed:	Unlimited to each location
Summary:	<p>Provides a refundable tax credit for the purchase and installation of solar and wind energy systems.</p> <p>The system must be installed at either a residence, condominium or a residential rental apartment complex to be eligible. The credit is applicable to either personal, corporate or franchise taxes.</p> <p>The tax credit applies to both solar-electric systems (PV systems) and solar-thermal systems where the energy is used for space heating, space cooling or water heating.</p>
Website:	Solar & Wind tax credit http://www.revenue.louisiana.gov/forms/lawspolicies/RIB07025.pdf
Eligible Renewable/ Other Technologies:	Solar Water Heat, Solar Space Heat, Photovoltaics, Wind electrical generation or mechanical power
Other:	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. This tax credit may be combined with any federal tax incentive, but may not be combined with any other state tax incentive.

Louisiana Incentives and Laws

Renewable Fuels Standard

Incentive Type:	ETHANOL, BIODIESEL & OTHER ALTERNATIVE FUELS must be sold
Applicable Sectors:	ALL
Authority 1:	Louisiana Revised Statutes 3:4674 http://www.legis.state.la.us/lss/lss.asp?doc=206106
Authority 2:	Louisiana Revised Statutes 3:3712 http://www.legis.state.la.us/lss/lss.asp?doc=409473
Effective Date:	June 12, 2006; July 1, 2006
Termination Date:	NONE
Amount:	Mandate
Maximum Amount:	
Number of Systems allowed:	NA
Carryover Provisions:	NA
Summary:	<p>Within six months after ethanol produced in the state exceeds an annual production volume of 50 million gallons and the average wholesale price of a gallon of Louisiana-manufactured ethanol, less any federal alcohol fuel mixture tax credit, is equal to or below the average wholesale price of a gallon of regular unleaded gasoline for a period of 60 days, 2% of the total gasoline sold by volume in the state must be denatured ethanol produced from <u>domestically</u> grown feedstock or other biomass materials.</p> <p>Within six months after the cumulative monthly production of biodiesel produced in the state equals or exceeds 10 million gallons annually, 2% of the total diesel sold by volume in the state must be biodiesel produced from domestically grown feedstock.</p> <p>These requirements may also be met through the production of an "alternate renewable fuel," defined as a liquid fuel that is domestically produced from renewable biomass, can be used in place of ethanol or biodiesel, and meets the definition of renewable fuel in the Energy Policy Act of 2005.</p> <p>Blenders and retailers will have six months to meet the renewable fuel content re</p>
Website:	
Eligible Renewable/ Other Technologies:	
Other Critical Information that varies with each incentive	<p><i>Biofuels Feedstock Requirements:</i> Crops grown in Louisiana must be used to produce renewable fuels at plants in the state in the percentage that Louisiana's production is of the nation's production as reported by the USDA Chief Economist. (Reference Louisiana Revised Statutes 3:3712)</p> <p>Ethanol is defined an ethyl alcohol that has a purity of at least 99%, exclusive of added denaturants, meets U.S. Bureau of Alcohol, Tobacco, Firearms and Explosives and American Society for Testing and Materials (ASTM) D-4806 standards, and is produced from domestic agricultural or biomass products.</p> <p>Biodiesel is defined as a fuel comprised of mono-alkyl esters of long chain fatty acids derived from renewable resources and meeting the requirements of ASTM D-6751, or a diesel fuel substitute produced from non-petroleum renewable resources such as vegetable oils and animal fats that meet U.S. Environmental Protection Agency fuel and fuel additive requirements.</p>

(z) Solely for the purposes of sales and use taxes levied by the state or any political subdivision whose boundaries are coterminous with those of the state, the term "sale at retail" shall not include the sale of any alternative substance when such alternative substance is used as a fuel by a manufacturer.

"Alternative substance" means any substance other than oil and natural gas and any product of oil and natural gas. "Alternative substance" shall include petroleum coke, landfill gas, reclaimed or waste oil, unblended biodiesel, or tire-derived fuel, but not coal, lignite, refinery gas, nuclear fuel, or electricity.

"Manufacturer" means a person whose principal activity is manufacturing and who is assigned by the Louisiana Department of Labor a North American Industrial Classification System code with the agricultural, forestry, fishing, and hunting Sector 11 or the manufacturing Sectors 31-33 as they existed in 2002.

Louisiana Incentives and Laws

Home Energy Rebate Option (HERO)

Incentive Type:	Cash Rebate up to \$2000
Applicable Sectors:	DOE - State Energy Plan
Authority:	One and two family residences located in Louisiana
Effective Date:	1999
Termination Date:	NONE
Amount:	20% of the lesser of the present value of the estimated total energy saved by energy improvements over their useful lives or the cost of improvements
Maximum Amount:	\$2000
Limit on Overall Enrollment:	Existing residence owned by a Louisiana citizen
Summary:	The Louisiana Home Energy Rebate Option (HERO) offers a cash payment for Louisiana residents who make energy improvements to existing homes. The cash payment is 20% of the lesser of the Energy Efficiency Premium or the cost of improvements up to a maximum of \$2,000. The Energy Efficiency Premium is the present value of the estimated total energy saved by energy improvements, over their useful lives, made to the home. The Energy Efficiency premium is determined by a home energy rating which is <u>required</u> to participate in the program. For an existing home to qualify for HERO, its energy efficiency must be improved by at least 30 percent.

A preliminary energy rating is required before any improvements are made to the home. The preliminary energy rating turned into DNR by the energy rater is also the participant's application for the HERO program. All ratings are performed by private sector Energy Raters, experts trained and certified to submit the required documentation to Louisiana Department of Natural Resources, Technology Assessment Division for participation in the HERO Program. A rating includes a detailed computer analysis and on-site inspection of the home. The list of approved Raters is on the website. Information and step-by-step instructions are also available on the website shown below.

For individuals purchasing an existing home, a Home Energy Rating can also be used to qualify the home for an Energy Efficient Mortgage (EEM). With an EEM, homebuyers may be able to borrow additional funds to make energy improvements at the time of purchase. The additional costs are included in their mortgage. The reduction in energy costs from the funded improvements is generally larger than the increase in mortgage payment.

The Louisiana Home Energy Rating system is administered by Louisiana Department of Natural Resources, Technology Assessment Division. HERO is a component of the Home Energy Loan Program of the Louisiana Department of Natural Resources (DNR).

Website: <http://dnr.louisiana.gov/sec/execdiv/tehasmt/programs/residential/hero/#cash#cash>

Eligible Efficiency Technologies:	Comprehensive Measures/Whole Building, Custom/Others pending approval
Eligible Renewable/Other Technologies:	NONE - Incentive is for the house design, construction and installed equipment. A HERO home is a good start toward a sustainable home
Other Critical Information that varies with each incentive	Participation in the HERO program precludes participation in the HELP program.

Louisiana Incentives and Laws

Home Energy Loan Program

Incentive Type: DNR subsidized Loan Program
Applicable Sectors: One and two family residences located in Louisiana
Authority: DOE - State Energy Plan
1998
Termination Date: NONE
Maximum Amount Eligible: One half of loan amount to maximum of \$12,000
Loan Duration: 5-year maximum term
Equipment Requirements: On prescriptive list or as advised by Energy Rater
Summary: Through the HELP program, homeowners can get a five year loan to improve the energy efficiency of their existing homes at a reduced interest rate. This is accomplished by DNR subsidizing one half of the financing for energy efficiency improvements at a low rate to participating lenders, up to a maximum DNR participation of \$6,000. Each participating lender sets its own maximum loan amount and the interest rate that is charged to the homeowner. Credit worthiness is determined by the lender. The HELP loan may be a consumer loan or a second mortgage. For a list of participating lenders click on the title "Lender Participants" on the webpage page.

The owner must be a current resident of the State of Louisiana and the property on which the improvements are to be made must be located in Louisiana to participate in the program.

There are two ways homeowners can qualify for HELP low-interest home improvement loans.

Energy Rating Option - the prospective borrower can obtain a home energy rating by a Louisiana Department of Natural Resources, Technology Assessment Division approved home energy rater. All recommendations of the energy rating are eligible for financing under the program. The cost of the energy rating may be financed as part of the loan.

Pre-approved Prescriptive List - The prospective borrower can choose from a list of pre-approved items. Anything on the list is automatically eligible for financing under the program. A link to a list of pre-approved items is on the website.

Participation in the HELP program precludes participation in the HERO program.

For other questions or assistance, call 1-800-836-9589.

Website: [HELP program http://www.dnr.state.la.us/sec/execdiv/techasmt/programs/residential/help/index.htm](http://www.dnr.state.la.us/sec/execdiv/techasmt/programs/residential/help/index.htm)
Eligible Renewable/
Other Technologies: Solar Water Heat, Solar Space Heat, Photovoltaics, Geothermal Heat Pumps
Eligible Efficiency
Technologies: Energy Star appliances, Water Heaters, Lighting, Heat pumps, Air conditioners, Building Insulation, Windows, Others pending approval
Other: The homeowner must contact a participating lender directly to complete a credit application. Loans may be consumer loans or second mortgages at the discretion of the participating lender.

Louisiana Incentives and Laws

Biodiesel Equipment and Fuel Tax Exemption

Incentive Type:	Sales Tax Exemption
Applicable Sectors:	Manufacturing
Authority 1:	Louisiana Revised Statutes 47:301 http://www.legis.state.la.us/lss/lss.asp?doc=101815
Authority 2:	
Effective Date:	July 1, 2006
Termination Date:	June 30, 2012.
Amount:	State and local sales tax
Maximum Amount:	NONE
Number of Systems allowed:	Unlimited
Carryover Provisions:	NA
Summary:	Property and equipment used to manufacture, produce, or extract unblended biodiesel, as well as unblended biodiesel used as fuel by a registered manufacturer, are exempt from state sales and use taxes. Unblended biodiesel is defined as B100 which meets the American Society of Testing and Materials (ASTM) standard D6751.
Website:	
Eligible Renewable/ Other Technologies:	Biodiesel Fuel Only
Other Critical Information that varies with each incentive	

Louisiana Incentives and Laws

Clean-Burning Motor Vehicle Fuel Property Income Tax Credit

Incentive Type:	Personal or corporate income tax credit
Applicable Sectors:	Individuals or corporations
Authority 1:	Revised Statute 47:6035
Authority 2:	Dept. of Revenue Ruling No. 02-019 Nov. 8, 2002 adds hybrid vehicles
Authority 3:	Dept. of Revenue Ruling No. 03-004 Aug. 22, 2003 adds low speed vehicles
Effective Date:	Jan. 1, 2009
Termination Date:	None
Amount:	50%
Maximum Amount:	Maximum only applies when incremental cost not determined, see Other Critical Information below; no maximum on refueling property
Number of Systems allowed:	Unlimited
Carryover Provisions:	None
Summary:	The State of Louisiana offers an income tax credit of 50% of the cost to convert a vehicle to use an alternative fuel, 50% of the incremental cost of a factory-equipped alternative fuel vehicle, and 50% of the cost of alternative fuel refueling property.

Website:

Eligible Renewable/ Other Technologies:	Includes, but not limited to compressed natural gas, liquefied natural gas, liquefied petroleum gas, biodiesel, methanol, ethanol, and electricity
Other Critical Information that varies with each incentive	If the taxpayer elects not to, or is unable to determine the incremental cost of a factory-equipped alternative fuel vehicle, the taxpayer may claim a credit of 10% of the cost of the vehicle or \$3,000, whichever is less. The RS stipulates that only those vehicles registered in Louisiana, or fueling stations within Louisiana can receive the tax credit.