



Commissioner
Clyde Holloway

Renewable Energy

LPSC Renewable Energy Pilot

- RFPs issued by Utility Companies by Order of Commission, November 2010
- Searching for various forms of renewable energy and their actual cost in Louisiana
- Competitive Pricing in Louisiana
- Reliability and Cost Factors
 - Is power intermittent?
 - Will back-up power have to be provided?
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Louisiana Consistently Among the **Lowest** Residential Rates in U.S.

2012---currently **the lowest of 50 states**—8.45 cents per kilowatt

2011---4th lowest in the nation---8.96 cents per kilowatt

2010—12th lowest in the nation—8.98 cents per kilowatt

2009---5th lowest in the nations—8.10 cents per kilowatt

Source: [U.S. Energy Information Administration \(EIA\)](http://www.eia.gov/) www.eia.gov/

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Cost to Taxpayers

- **68. Wind and Solar Energy System Credit**

A credit is allowed for the cost of purchase and installation of a wind energy system or solar energy system, or both, a taxpayer at their residence located in Louisiana, by a taxpayer who owns a residential rental apartment project, or by a taxpayer who purchases and installs such a system in a residence or a residential rental apartment project which is located in Louisiana. The credit may be claimed if a resident individual purchases a new home with a system installed, a system is purchased and installed at an existing home, or a system is installed at a new or existing apartment project. The credit is for 50 percent of the first \$25,000 of the cost of a system purchased and installed on or after January 1, 2008. The credit may be used in addition to any federal tax credits earned for the same system, except that, a taxpayer may not receive any other state tax credit, exemption, exclusion, deduction, or any other tax benefit for property for which a tax credit has been received under this Section. Only one tax credit is available for any eligible system and use of credit must be disclosed when property is sold.

Legal Citation

R.S. 47:6030

Origin

Acts 2007, No. 371, amended by Acts 2009, No. 467

Effective Date

January 1, 2008

Beneficiaries

Taxpayers installing wind or solar energy systems on their property.

Estimated Fiscal Effect

Estimated Effect

FYE 6-12 \$13,199,000

FYE 6-13 \$13,463,000

Source: Louisiana Department of Revenue

- **NOTE: COST /NUMBER OF INSTALLATIONS CONTINUES TO ESCALATE DUE LEASING OF SOLAR PANELS BEING ADDED TO THE LEGISLATION DURING THE 2008 SESSION.**

Cost Projections for 2013

(Based on Utility Installation of
Past Year/Pending Orders)

Conservative Estimates

(based on 2,000 additional net metering customers in
the fiscal coming year)

2,000 customers x one (1) system @\$12,500= **\$25 million**

2,000 customers x two (2) systems @ \$12,500= **\$50 million**

2,000 customers x three(3) systems @ \$12,500= **\$75 million**

2,000 customers x four(4) systems @ \$12,500 = **\$100 million**

Estimates exclude Louisiana's 10 electrical cooperatives.

Net Metering Residential Louisiana Customers Compared to Surrounding States

AEP (SWEPCO)

- Arkansas: 96,142 total customers—12 net metered customers
- Texas: 147,519 total customers ---19 net metered customers
- Louisiana: 200,660 total customers---
- 417 + 271 (pending for 2012)= 688 net metered customers

Entergy Systems in Louisiana (ELL,EGSL, ENO)

- Arkansas: 584,504 total customers---53 net metered customers
- Mississippi: 368,323 total customers---4 net metered customers
- Texas: 365,552 total customers----89 net metered customers
- Louisiana 1,063,701 total customers ----2,069 net metered customers

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