



## Residential Solar and Fuel Cell Tax Credit

**Incentive Type:** Personal Tax Credit

**Eligible Renewable/Other Technologies:** Solar Water Heat, Photovoltaics, Fuel Cells, Other Solar Electric Technologies

**Applicable Sectors:** Residential

**Amount:** 30%

**Maximum Incentive:** \$2,000 for solar-electric systems and solar water-heating systems; \$500 per 0.5 kW for fuel cells

**Carryover Provisions:** Excess credit may be carried forward to succeeding tax year

**Eligible System Size:** Not specified

**Equipment/Installation Requirements:** Solar water heating property must be certified by SRCC or by comparable entity endorsed by the state in which the system is installed. At least half the energy used to heat the dwelling's water must be from solar in order for the solar water-heating property expenditures to be eligible.

**Authority 1:** [26 USC § 25D](#)

**Date Enacted:** 8/8/2005

**Effective Date:** 1/1/2006

**Expiration Date:** 12/31/2008

### Summary:

**Note: [IRS Form 5695 & Instructions: Residential Energy Credits for Tax Year 2007](#) are now available. Also note that the federal tax credits for home energy-efficiency improvements under [26 USC § 25C](#) expired on 12/31/07, but the solar and fuel cell tax credits are available through 12/31/08.**

The Energy Policy Act of 2005 ([H.R. 6, Sec. 1335](#)) established a 30% tax credit up to \$2,000 for the purchase and installation of residential solar electric and solar water heating property. An individual can take both a 30% credit up to the \$2,000 cap for a photovoltaics system and a 30% credit up to a separate \$2,000 cap for a solar water heating system. A 30% tax credit up to \$500 per 0.5 kilowatt (kW) is also available for fuels cells. Initially scheduled to expire at the end of 2007, the tax credits were extended through December 31, 2008, by Section 206 of the [Tax Relief and Health Care Act of 2006 \(H.R. 6111\)](#).

Solar water heating property must be certified for performance by the Solar Rating Certification Corporation (SRCC) or a comparable entity endorsed by the government of the state in which the property is installed. Note that the tax credit does not apply to solar water heating property for swimming pools or hot tubs.

The credit is calculated based on the individual's expenditures excluding subsidized energy financing, which is defined as "financing provided under a Federal, State, or local program a principal purpose of which is to provide subsidized financing for projects designed to conserve or produce energy." *Consumers who receive other incentives are advised to consult with a tax professional regarding how to calculate this federal tax credit.*

If the federal tax credit exceeds tax liability, the excess amount may be carried forward to the succeeding taxable year. Expenditures include labor costs for the onsite preparation, assembly, or original installation of the system and for piping or wiring to interconnect the system to the dwelling.

To be eligible for the credit, a system must be "placed in service" or activated on or after January 1, 2006, and on or before December 31, 2008. Expenditures with respect to the equipment are treated as made when the installation is completed. If the installation is on a new home, the "placed in service" date is the date of occupancy by the homeowner.

### Contact:

Public Information - IRS  
Internal Revenue Service  
1111 Constitution Avenue, N.W.  
Washington, DC 20224  
Phone: (800) 829-1040  
Web site: <http://www.irs.gov>



## Interconnection Standards

**Incentive Type:** Interconnection

**Eligible Renewable/Other Technologies:** Photovoltaics, Wind, Fuel Cells

**Applicable Sectors:** Commercial, Industrial, Residential, Nonprofit, Schools, Local Government, State Government, Fed. Government

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

**Limit on System Size/Overall**

**Enrollment:** 10 kW (residential), 100 kW (commercial); 0.2% of utility's peak load for previous year

**Standard Interconnection**

**Agreement?** No (contact Georgia Power)

**Additional Insurance**

**Requirements?** None

**External Disconnect Required?** Not specified

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

**Authority 1:** [O.C.G. § 46-3-56](#)

**Date Enacted:** 4/28/2001

**Effective Date:** 6/1/2002

### Summary:

The Georgia Cogeneration and Distributed Generation Act of 2001 allows residential electricity customers with photovoltaic systems, wind-energy systems or fuel cells with a maximum capacity of 10 kilowatts (kW), and commercial facilities up to 100 kW, to connect to the grid. A utility is not required to enroll customers beyond 0.2% of its peak load for the previous year.

Interconnected customers must comply with all national standards: Institute of Electrical and Electronic Engineers (IEEE), Underwriters Laboratories (UL), and National Electrical Safety Code (NEC). Furthermore, the Georgia Public Service Commission (PSC) may adopt additional safety, power-quality and interconnection requirements. There is no provision in Georgia's interconnection standards requiring customers to install a manual external disconnect device. Utilities may not require additional tests or additional liability insurance.

Georgia Power, the state's largest utility, has established a green-power program, whereby the power generated by eligible renewable-energy systems connected to the grid under the utility's net-metering provisions is sold to other customers. System owners are paid for generation at a higher rate than the rate at which they would be compensated under standard net metering.

### Contact:

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Public Information - Georgia PSC  
Georgia Public Service Commission  
244 Washington Street, SW  
Atlanta, GA 30334  
Phone: (800) 282-5813  
Phone 2: (404) 656-4501  
Fax: (404) 656-2341  
E-Mail: [gaps@psc.state.ga.us](mailto:gaps@psc.state.ga.us)  
Web site: <http://www.psc.state.ga.us>



## Georgia - Net Metering

**Incentive Type:** Net Metering Rules

**Eligible Renewable/Other Technologies:** Photovoltaics, Wind, Fuel Cells

**Applicable Sectors:** Commercial, Industrial, Residential

**Limit on System Size:** 10 kW for residential systems; 100 kW for commercial systems

**Limit on Overall Enrollment:** 0.2% of a utility's annual peak demand during the previous year

**Treatment of Net Excess:** Credited to customer's next bill; granted to utility at end of 12-month billing cycle

**Utilities Involved:** All utilities

**Interconnection Standards for Net Metering?** Yes

**Authority 1:** [O.C.G. § 46-3-50 et seq.](#)

**Date Enacted:** 4/28/2001

**Effective Date:** 6/1/2002

### Summary:

Georgia's 2001 net-metering legislation paved the way for a new relationship between utilities and customer-generators by combining net metering with green pricing. Utilities will purchase energy until renewable-energy capacity reaches 0.2% of the utility's system peak. Eligible technologies include photovoltaics (PV), fuel cells and wind-energy systems up to 10 kilowatts (kW) in capacity for residential applications, and systems up to 100 kW for commercial applications. Systems must meet standards specified by Underwriters Laboratories (UL), the Institute of Electrical and Electronics Engineers (IEEE), and the National Electrical Safety Code. System owners are not required to purchase additional liability insurance.

Electricity flowing to and from the home is separately measured so that customers will see added value based on the excess kilowatt-hours the utility will sell under a green-power program. Customers are given a choice of metering arrangements. Systems may be interconnected on the customer side of the meter and have a bi-directional meter to measure flows in each direction. In this scenario, net excess generation (NEG) is credited to the customer's next bill. Alternatively, customers may send all power from a system directly to the grid by connecting ahead of the customer meter and essentially selling all power (rather than meeting on-site load with part of the energy and then selling any excess generation).

### Contact:

Public Information - Georgia PSC  
 Georgia Public Service Commission  
 244 Washington Street, SW  
 Atlanta, GA 30334  
 Phone: (800) 282-5813  
 Phone 2: (404) 656-4501  
 Fax: (404) 656-2341  
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**Solar Easements**

**Incentive Type:** Solar Access Law/Guideline

**Eligible Renewable/Other Technologies:** Solar Water Heat, Solar Space Heat, Solar Thermal Electric, Solar Thermal Process Heat, Photovoltaics

**Applicable Sectors:** Commercial, Industrial, Residential, Nonprofit, Schools, Local Government, State Government, Fed. Government

**Authority 2:** [O.C.G. § 44-9-21 et seq.](#)

**Date Enacted:** 1978

**Summary:**

In determining that the use of solar energy "can help reduce the nation's reliance upon imported fuels," Georgia encourages the development of solar-energy systems. Accordingly, under Georgia's Solar Easements Act of 1978, easements may be established to allow owners of solar-energy systems to negotiate for assurance of continued access to sunlight.

**Contact:**

Cyrus Bhedwar  
Georgia Environmental Facilities Authority  
100 Peachtree Street, Suite 900  
Peachtree Center - Harris Tower  
Atlanta, GA 30303-1506  
Phone: (404) 584-1077  
Fax: (404) 584-1078  
Web site: <http://www.gefa.org>

**ELECTRIC SERVICE TARIFF:**

**RENEWABLE AND NONRENEWABLE  
RESOURCES  
SCHEDULE: "RNR-3"**



PAGE	EFFECTIVE DATE	REVISION	PAGE NO.
1 of 2	With Bills Rendered for the Billing Month of October, 2006	Original	12.00

**AVAILABILITY:**

Available throughout the Company's service area on existing lines of adequate capacity.

**APPLICABILITY:**

Applicable for any Provider who desires to sell electrical energy to the Company.

Energy resources are divided into two groups:

- I. **Renewable energy resources** are generally defined under the Center for Resource Solutions Local Region Proposed Accreditation Criteria for the State of Georgia and include solar, wind, limited biomass, and limited hydro. Renewable energy resources are residential applications with a peak generating capacity of less than or equal to 10 kW and commercial applications with a peak generating capacity of less than or equal to 100 kW are eligible for participation subject to the terms and provisions of The Georgia Cogeneration and Distributed Generation Act of 2001.
  
- II. **Nonrenewable energy resources** are residential fuel cell applications with a peak generating capacity of less than or equal to 10 kW and commercial fuel cell applications with a peak generating capacity of less than or equal to 100 kW are eligible for participation subject to the terms and provisions of The Georgia Cogeneration and Distributed Generation Act of 2001.

**METERING COSTS:**

The Company will install single directional metering or bi-directional metering depending on the Provider's method of installation. The Provider will enter into a contract with the Company to cover all incremental metering costs billed monthly as outlined below.

Single directional metering:        \$2.68

Bi-directional metering:        \$4.18

## SCHEDULE: "RNR-3"

PAGE	EFFECTIVE DATE	REVISION	PAGE NO.
2 of 2	With Bills Rendered for the Billing Month of October, 2006	Original	12.00

### PAYMENT FOR ENERGY:

Payments for energy purchased from renewable and nonrenewable resources are a recoverable fuel cost of the Company. The Company will only make payments based on the metered energy delivered to the Company's system.

**Renewable Energy Resources:** The Company will only be required to purchase renewable energy from eligible providers on a first come, first serve basis until the cumulative generating capacity of all renewable sources equals to 0.2 percent of the Company's annual peak demand in the previous year. The Company will pay avoided energy cost as defined by the most recent informational filing made by the Company in compliance with the final order in the PURPA Avoided Cost Docket 4822-U. Additional energy may be purchased by the Company at a cost agreed to by it and the Provider.

Under the Georgia Public Service Commission Docket 16573-U, allowance will be made for solar-photovoltaic energy to be purchased at a preset price of 17.4 cents/kWh through the single directional metering option. Solar-photovoltaic energy purchases under this option shall be limited to a total of 500 kW jointly for the RNR-3 and SAV-RNR-3 Schedules.

**Nonrenewable Energy Resources:** The Company will pay avoided energy cost in compliance with the final order in the PURPA Avoided Cost Docket 4822-U to QFs. Additional energy may be purchased by the Company at a cost agreed to by it and the Provider.

### SAFETY, POWER QUALITY, AND INTERCONNECTION REQUIREMENTS:

The Customer shall be responsible for ensuring a safe and reliable interconnection with the Company system and all costs incurred therein. The Company's Power Delivery Bulletin 18-8 sets forth the criteria for interconnection including system protection requirements, power quality, and operating guidelines. The Customer should be familiar with Bulletin 18-8, or its successor, and follow the procedures from preliminary application to final inspection. Every interconnection request is handled individually by the Company's Protection and Control department.

### GENERAL TERMS AND CONDITIONS:

The charge calculated under this Rider is subject to change in such an amount as may be approved and/or amended by the Georgia Public Service Commission.

Service hereunder subject to Rules and Regulations for Electric Service on file with the Georgia Public Service Commission.