Interconnection Standards

01/07/2008

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

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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