



June 25, 2021

Mr. Lawrence E. Chehardy, Chairman
Ms. Sandra Potier, Member
Mr. Ben Jeffers, Member
Mr. Joey Vercher, Member
Ms. Regina Lynch Wood, Member
Louisiana Tax Commission
1051 North Third Street, 2nd Floor
Baton Rouge, Louisiana 70802

RE: Submission of the Advanced Power Alliance’s proposal to form a working group charged with the production of recommended rules and regulations for the assessment of solar power and battery energy storage systems

Dear Chairman Chehardy and Members of the Commission:

On behalf of the members of the Advanced Power Alliance (APA), we urge and request that the Louisiana Tax Commission (the Commission) form a working group comprised of representatives from the Louisiana Assessors’ Association (LAA) and industry participants to bring proposed rules and regulations for the assessment of solar power and battery energy storage systems in accordance with the requested format and timeline established by the Commission.

The APA represents a diverse cross-section of the world’s leading energy companies, energy investors, energy consumers in the wind, solar and energy storage industries. Our energy company members own renewable energy and energy storage systems in several states. Inclusion of our members in the working group will allow the presentation of direct and relevant experience in how solar and storage assets are valued across the United States. We hope that this will assist the LAA and the Commission in gaining insight into practices that allow for the fair and accurate assessment of these complex assets.

Similar to other large scale industrial projects such as oil and gas refineries, drilling and extraction equipment, coal and natural gas power plants, and chemical plants; utility scale solar power generation and energy storage assets possess unique characteristics that must be accounted for and measured when assessed for tax purposes. Without specific consideration of these attributes, the assets are at risk of being improperly assessed.

Any rules and regulations, such as depreciation tables, valuation guidance, or other assessment methodology regarding solar power and energy storage systems should contemplate the potential for physical wear and tear, functional obsolescence, and economic obsolescence experienced over time. This is especially critical given the advancement of solar panel and battery technologies. The cost of these assets is changing at a rapid pace, as is the output potential and expected useful life/degradation over time. We believe that the trends and supporting data should be shared with and discussed in a working group format in order to efficiently move the rule making process forward.

We believe that a working group with representation by members of both the LAA and APA will be productive and accountable. The goal of our members and the above proposal is to ensure that the rules and regulations are fair, reasonable, and able to be uniformly applied across the state of Louisiana.

Thank you for your consideration.

Respectfully Submitted,



Jeffrey Clark

President and CEO

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