



Local entrepreneurs navigate green credits for homeowners

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Many residents want to make their homes greener but don't have time to delve into details on federal, state and local programs that encourage energy efficiency. With plenty of public money sloshing around, entrepreneurs and others have stepped in to assist homeowners through the government labyrinth. But experts say customers still need to do some fact finding on their own before selecting a solar system.

Metairie-based Green Grants, LLC taps into credits and grants to install solar panels for low- and mid-income residents. The firm, started by Tom Neyhart and partner Aaron Dirks in the fall of last year, has overseen 281 solar installations in greater New Orleans. The partners consider themselves "social entrepreneurs," and Neyhart said they've invested heavily in the community.

Green Grants was formed as a one-stop shop for clients who save time and money because of the firm's expertise, Neyhart said. From an office on North Causeway Boulevard, Green Grants staffers research ways for clients to access tax credits, grants and rebates, and negotiate equipment prices. The company oversees solar system installations, and works with contractors and employees of vendors. Plans are to expand the company's staff of 12 this spring.

How does a homeowner benefit from signing on with Green Grants? Say the total cost of a solar panel system is \$25,000 to \$30,000. Of that, the state of Louisiana provides a one-time, tax credit of \$12,500 and the federal government provides a one-time, tax credit or grant of \$7,500 to \$9,000, Neyhart said. The balance owed by the homeowner is financed interest free for seven years under a lease at \$50 per month. Green Grants owns and leases the solar system to the homeowner. At the end of seven years, the title to the system is transferred to the homeowner, who then owes a balloon payment for the balance, which he didn't quantify. That remainder can be financed with \$50 a month, interest-free payments.

Green Grants expects the electricity produced by the solar panels to be of greater dollar value than the \$50 a month lease payment, Neyhart said. But if the electricity produced doesn't exceed \$50, Green Grants reduces the homeowner's lease payment.

Philip Allison, spokesman for Entergy New Orleans, the utility serving Orleans Parish and a subsidiary of Entergy Corp., said that his company encourages customers to do their homework on solar before signing a lease with an advisory firm. He noted that “some of the savings projected by some solar companies may be best-case-scenario numbers that may not entirely fit with south Louisiana’s weather patterns or utility rates.” He recommends using the solar calculator on the National Renewable Energy Laboratory site at www.nrel.gov/rredc/pvwatts/grid.html and reading NREL literature on solar installations.

Allison said under Entergy’s net metering in the city, monthly kilowatt-hours produced by a customer and sent to the grid offset the Kwh sold to the customer. When a customer sends more electricity than used, the excess is credited in the next month’s bill. “But it’s rare for customers to produce more electricity from their solar generators than they consume, except maybe in shoulder months like March, October and November when air conditioning and heat aren’t needed as much.”

To sign up for net metering, customers submit an application describing their generator system to Entergy New Orleans. The utility supplies customers with meters recording two-way electrical flows. “Because of safety and reliability concerns, we don’t allow interconnected generation or net metering in the Central Business District, the French Quarter or the Warehouse District,” Allison said. “But that doesn’t mean customers in those areas can’t install solar panels. It just means that they can’t hook their generation up to the Entergy grid and participate in net metering. Most customers in the city are allowed to install interconnected generation.”

Meanwhile, Neyhart last year ran into trouble with a government grant program but said it was a mistake. Grant Resource Advisors, a forerunner of Green Grants, was suspended from the state’s Hazard Mitigation Grant Program last summer. The \$750 million HMGP helps Road Home recipients lift their rebuilt houses to safer heights. Neyhart said he’s never done any home elevation work and his suspension was an error, stemming from an email he received from Aaron Bennett of construction and elevation contractor Benetech, LLC—which was disqualified from the HMPG.

“Grant Resource Advisors, my first company, was erroneously disqualified from the HMPG last summer after a local newspaper reported an email, which I was copied on from Mr. Bennett, that was sent to a number of people regarding a possible marketing strategy,” Neyhart said. “Neither GRA nor Green Grants ever did business with Bennett,” he said.

Neyhart continued, saying “my company, Grant Resource Advisors, was removed from the state’s HMPG disqualified list in less than 60 days after a complete review by the state. Our company’s name was changed to Green Grants, LLC last fall, because green grants are what we’re pursuing for our customers.”

Christina Stephens, spokeswoman for the state’s Disaster Recovery Unit overseeing the HMPG, said penalized contractors are listed on the HMPG web page. Grant Resource Advisors is on none of the current lists. However, Benetech LLC is designated as having had its State of Louisiana contractor’s license revoked.

As for Green Grants, Neyhart explained how the company’s operating expenses are covered. “Private funding allows us to pay for work done up front,” he said. “We file for federal and state tax credits and

grants. A lot of money was funded by my partner and me up front, and then we were able to secure additional financing through banks and private investors.”

Neyhart said his firm, along with the Make it Right Foundation, and nonprofits like Global Green—which manages Nola Wise, are all part of a green club in which everyone can work together. It’s a big tent with lots of customers and initiatives to make the community and planet greener.

Global Green manages the NOLA Wise program, helping residents improve homes and save energy in a partnership between the City of New Orleans, the Southeast Energy Efficiency Alliance and the Dept. of Energy’s Better Buildings Program. Fidelity Homestead Savings Bank is NOLA Wise’s financial partner.

Louisiana offers the most-generous, state solar-tax credit in the nation. Homeowners are eligible for a tax credit of 50% of the cost off their photovoltaic solar system, up to \$12,500 per system. But even with Louisiana’s incentives and resources, unless you have a relative in the business, you’ll probably need to do some studying on your own before installing a system. Among the places to look is Entergy New Orleans’ net metering program at www.entergy-neworleans.com/your_home/net_metering.aspx.

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