



CASE STUDY: KENTUCKY COUNTY BOARD OF EDUCATION SOLAR PROJECT

Investment Tax Credit Elective Pay

Walker Blue, LLC partnered with a county board of education in Kentucky to conduct a comprehensive Investment Tax Credit (ITC) eligibility assessment for a solar installation at a public high school. The engagement demonstrates how K–12 school districts can leverage federal incentives under the Inflation Reduction Act (IRA) to reduce operating costs while expanding renewable energy and STEM learning opportunities.

The high school serves approximately 500 students in grades 9–12 and functions as a year-round academic and community hub, supporting instruction, staff development, and community activities. To address rising energy costs and take advantage of strong site solar exposure, the district installed a ground-mounted solar array behind the high school and adjacent technology center.

ITC ELIGIBILITY AND ADDERS»

Walker Blue performed a detailed review to substantiate ITC eligibility under IRC Section 48, in accordance with current IRS and U.S. Department of Energy guidance. Key findings include:

- **BASE ITC RATE:** 30% for qualifying solar energy property
- **PWA COMPLIANCE:** System capacity below 1 MW AC automatically satisfied Prevailing Wage & Apprenticeship requirements
- **ENERGY COMMUNITY ADDER:** 10% bonus qualified due to project location within a designated Energy Community census tract
- **TOTAL ITC RATE:** 40%
- **OTHER ADDERS:** Project did not qualify for Domestic Content or Low-Income Communities bonuses

PROJECT DETAILS

**TYPE OF
PROJECT:**
40 kW AC
ground-mounted
photovoltaic (PV)
system

**CONSTRUCTION
START:**
9/20/2024

**PLACED IN
SERVICE:**
4/21/2025



APPROACH»

Walker Blue’s methodology involved reviewing invoices, contracts, and supplier data to accurately allocate costs, ensuring only solar-supporting elements were claimed.

WORK ACTIVITY	ITC ELIGIBILITY	TOTAL COST (\$)	ITC-ELIGIBLE COST (\$)
Solar Design & Construction Administration	Full	\$11,585.00	\$11,585.00
Solar Materials, Supplier 1	Full	\$34,444.00	\$34,444.00
Solar Materials, Supplier 2	Full	\$944.00	\$944.00
Construction Labor	Partial	\$205,758.00	\$188,758.00
Construction Materials	Partial	\$94,505.00	\$80,385.70
TOTAL		\$347,236.00	\$316,116.70



RESULTS & IMPACT»

Through a detailed ITC eligibility and bonus credit assessment, Walker Blue confirmed that the Kentucky high school solar project qualified for a 40% federal Investment Tax Credit, delivering \$126,447 in total tax credit value. The engagement ensured accurate cost basis determination, validated compliance with current IRS and DOE guidance, and positioned the district to fully capture available federal incentives.

TAX CREDIT OUTCOME

APPLICABLE ITC RATE:
40%

ELIGIBLE COST BASIS:
\$316,117



TOTAL ITC VALUE:
\$126,447

ENGINEERED TO MAXIMIZE ENERGY INCENTIVES, EFFICIENCY & SAVINGS

WALKER BLUE, LLC

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