



Client Note: Happy IR Anniversary!

A year ago Wednesday, President Biden signed the single largest investment (roughly \$370 billion) in climate and clean energy policy in American history. [To date](#), the Inflation Reduction Act (IRA) has created over 170,000 clean energy jobs and spurred over \$110 billion in private clean energy manufacturing investments across the nation.

Although Republicans have led multiple efforts to repeal the law's climate and clean energy provisions, their districts are disproportionately benefiting from them – [substantially](#). After multiple failed attempts by the House GOP to undermine the IRA through the Lower Energy Costs Act and the Limit, Save, Grow Act, the material benefits of the IRA are prevailing over efforts to roll back the law.

However, the outcome of the 2024 presidential election will be critical to following through and securing the historic investments to combat climate change. A Republican administration, led by former President Donald Trump (who was indicted in Georgia earlier this week), Florida Governor Ron DeSantis, or any of the other candidates [would likely do everything in its power](#) to hinder the law through executive action. Like the Trump Administration's efforts to undercut Obamacare, tightening tax credit eligibility, withholding grants and loans, or revisiting critical Treasury guidance are possible avenues a future Republican President could take to undermine the IRA.

FYI: Next week, the Republican Party will hold their first debate for the primary nomination—we will be tuning in to hear what candidates say about the IRA.

What to Keep an Eye On

A few of the critical components of the IRA are still being hashed out and could become consequential flashpoints this fall:

- Treasury's definition of what qualifies as a "foreign entity of concern" under Section 30D, the New Clean Vehicle Credit;
- Guidance on the two new tax credit deliverability mechanisms—direct pay and transferability;
- The advanced manufacturing tax credit (45X) and the advanced energy project credit (48C); and,
- House GOP efforts to prevent Department of Energy (DOE) funding from going to companies that enter into any partnerships with Chinese entities, or that are at all related to companies based in China, as we're seeing with the House Energy and Water appropriations bill today.

FYI: IRA Fact Sheets and Resources

Pioneer's ["Tax Credit Hot Topics" deck](#) summarizes Treasury guidance for credit adders and controversy behind a number of tax credits in the IRA.

Pioneer's ["Federal Climate Finance" deck](#) gives an overview of the sources of IRA and IIJA climate funding and deep-dives into the agencies doling it out.

E2's report, ["Clean Economy Works | IRA One-Year Review"](#), estimates the 210 announced clean energy projects will create nearly 75,000 new jobs and bring in over \$86 billion in private investments.

Climate Power's ["One Year of Our Clean Energy Boom"](#) report discusses the new 170,000 jobs throughout 44 states that were announced or advanced over the last year as well as state-by-state and district-by-district investments.

The Solar Energy Industries Association's (SEIA) [report](#) explores the surge in private investments and solar and energy storage manufacturing capacity.

A [report](#) by American Clean Power highlights the \$4.5 billion saved by nearly 24 million utility consumers and nearly 185,000 in MW generated by new projects.

The Alliance to Save Energy's (ASE) [deck](#) provides a summary of energy efficiency incentives under the IRA for both commercial and residential use.

DOE Funding Opportunity Announcements (FOAs)

For the status of open funding opportunities in the energy space, please see [this memo](#).

Clients in the News

[NextEra Energy](#) will be a [co-presenting sponsor](#) for the 2023 Forbes Sustainability Leaders Summit in New York on September 20th.

[Climate Power](#) has launched a new ["Made by US"](#) campaign with thirty other organizations, aimed at [uplifting and widely publicizing](#) the success stories of individuals who have benefitted from the IRA to educate Americans about its important contributions to the economy.

www.pioneerpublicaffairs.com

