The Business Council for Sustainable Energy®

ENERGY EFFICIENCY
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The "Best in Class" Trackers on Inflation Reduction Act Implementation and Impact

Issue Brief

Updated August 15, 2024

The energy efficiency and clean energy incentives included in the Inflation Reduction Act (IRA) have spurred significant private and public investment in the clean energy transition since the law's passage in August 2022. As BCSE members work to understand the impact of the IRA's policies, up-to-data statistics and analysis are crucial. This issue brief provides a sampling of trackers from clean energy industries, federal agencies, NGOs, and BCSE members that catalogue clean energy project announcements, job creation, and carbon emissions reductions since the enactment of the IRA.

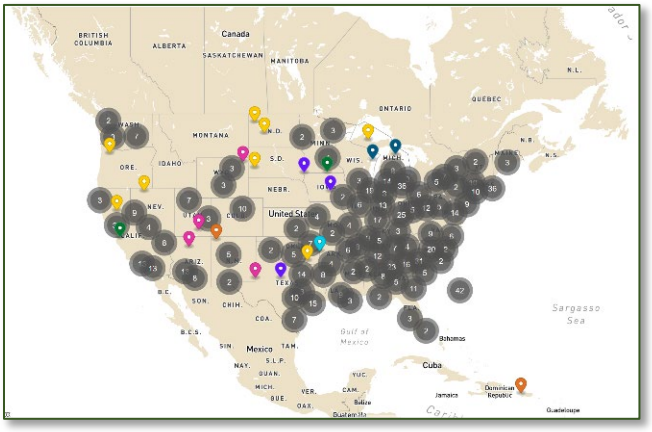
Since August 2022, these resources have tracked:

- **$8.4 billion** in total taxpayer claims from the IRA's energy efficiency home improvement and residential clean energy tax credits.
- **334,565** new clean energy jobs across 47 states and Puerto Rico.
- **160+** new or expanded utility-scale clean energy manufacturing facilities.
- **$124 billion** invested in private sector solar, wind, storage, clean vehicle, and grid/electrification projects.

This issue brief is updated quarterly with new resources. In this edition, new trackers and resources include the IRA tax credit returns from the U.S. Department of Treasury and IRS, a U.S. Department of Energy map tracking clean energy deployment, and reporting from the *Financial Times* on the progress of large manufacturing projects.

New Resources

DOE Tracker: Investment Announced Under Biden Administration



The U.S. Department of Energy (DOE)'s new interactive investment map shows the communities nationwide that have received investments from the IRA and the Infrastructure Investment and Jobs Act (IIJA). This includes color-coded information about the type of

New Resources (Cont.)

technological investment and quantifies each investment by the amount of funding and the number of new jobs created.

In total, **59 communities have received over $1 billion each** in investments from the IRA and IIJA, while hundreds more have received smaller investments. The map tracks investments from **27 different types of clean energy products across 8 renewable energy technologies**, including nuclear, onshore wind, offshore wind, solar, hydrogen electrolyzers and fuel cells, heat pumps and clean HVAC systems, batteries, and electric vehicles.

Treasury and IRS Inflation Reduction Act Clean Energy Statistics

The Internal Revenue Service (IRS) and the U.S. Department of Treasury released new statistics about the number of claims for IRA tax credits for fiscal year 2023. In the report, the IRS finds that taxpayers claimed **$8.4 billion in renewable energy tax credits**. Of these claims, $2.1 billion were for the IRA's energy-efficient home improvement credits and $6.3 billion were for residential clean energy credits from rooftop solar and batteries. Texas, Pennsylvania, California, Florida, and New York were among the states with the most IRA tax credit claims in 2023.

Financial Times Analysis of Announced Large Manufacturing Projects' Progress

In August 2024, the *Financial Times* released research on the progress of U.S. manufacturing projects (of at least $100 million) spurred by the IRA. According to the FT's reporting, **about 40% of 114 large projects announced post-IRA have been delayed or paused**.

To compile this data, the FT "conducted more than 100 interviews with companies and state and local authorities to determine the status of projects, in addition to reviewing corporate press releases and filings." The reporting details that some business owners have decided to change their plans due to "deteriorating market conditions, slowing demand and lack of policy certainty in a high-stakes election year."

IRA Implementation Progress

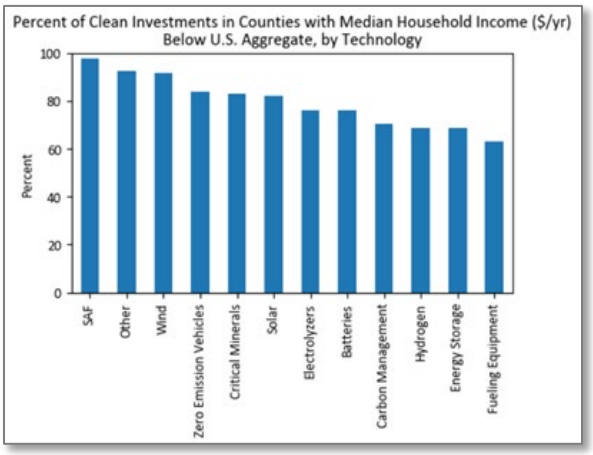
Inflation Reduction Act Tracker

The IRA Tracker is a collaboration between the Columbia Law School's Sabin Center for Climate Change Law and the Environmental Defense Fund. The tracker highlights the **347 actions taken by 12 government agencies to implement climate change-related provisions of the IRA**. An overview of these provisions can be found in the accompanying IRA Database, organized by federal agency. Being highly filterable, users can view agency actions based on IRA section, agency, eligible entity, or action type (i.e., announcement vs. final rule). For further information, agency actions are accompanied by links with "opportunities for participation and additional resources." This tool is useful for companies and organizations looking to understand eligibility requirements and ways to partake in these agencies' programs.

The Inflation Reduction Act: A Place-Based Analysis

An analysis from the U.S. Department of Treasury highlights that the IRA is driving clean energy investments to underserved communities and energy communities at the forefront of fossil production.

Using data from MIT and Rhodium Group's Clean Investment Monitor, this study concluded **over 80% of post-IRA clean investments have gone to counties with below-average wages** and **more than 85% have gone to counties with below-average college graduation rates**. The analysis finds investment is booming across the country, but it is growing even faster in energy communities which have historically relied on economic activity from coal mines or fossil-fuel power plants.



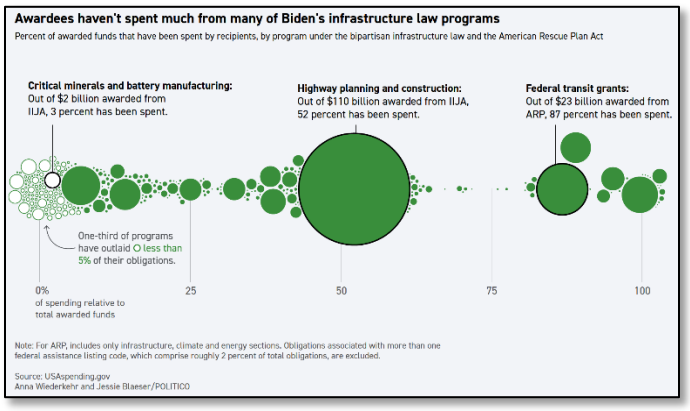
Capitol Climate Guide

This guidebook from the White House provides an overview of federal funding programs for companies focused on clean energy and climate solutions. For each funding program, the guidebook lists the application timeline, eligible entities and projects, a point of contact, average deal size or award amount, and whether the program is part of the Justice40 Initiative. In total, the guidebook provides **overviews of 24 different funding opportunities** including programs funded by the IRA, the 2021 Infrastructure Investment and Jobs Act (IIJA), and annual appropriations packages.

IRA Implementation Progress (Cont.)

Politico Analysis of Climate Funding Implementation Progress

In April 2024, Politico released an investigation on the status of planned investments under the 2021 American Rescue Plan, the IIJA, the 2022 CHIPS and Science Act, and the IRA. At the time of publication, Politico's estimates showed that **less than 17% of the $1.1 trillion** appropriated for the four pieces of legislation had been spent.



The reporting details persistent obstacles to implementation, including lack of bureaucratic transparency and public awareness, as well as the looming threat of a change of administration after the 2024 election. Politico's analysis also includes graphics tracking the progress of each spending package individually and maps depicting where the clean energy investments have occurred.

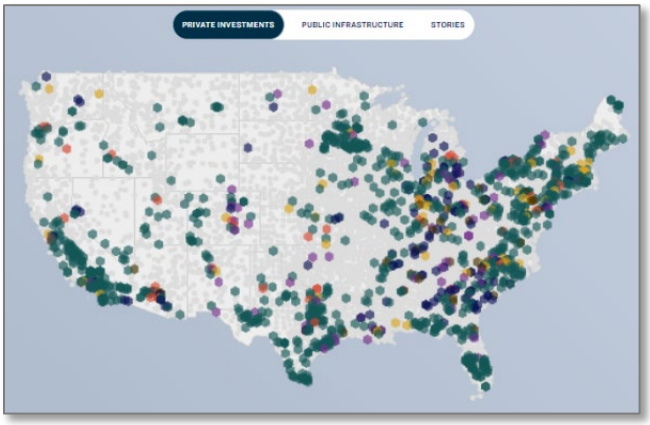
Federal Funding Tracker for Buildings

In partnership with the U.S. Environmental Protection Agency (EPA), the National Association of State Energy Officials (NASEO) created the *Federal Funding Tracker for Buildings*. This database captures the ongoing key funding opportunities provided by the IRA and IIJA, **including 29 active programs totaling $50 billion in funding**. The programs outlined in this tracker vary by funding amount, eligibility, disadvantaged community prioritization, and more. For a quick glimpse at what is to come, note the "Next Program Milestone Date/Description." To filter the tracker by additional fields, make a copy of the sheet and get full editing access.

Tracking Clean Energy Announcements

White House Investing in America Tracker

This interactive map provides a snapshot of the thousands of clean energy, infrastructure, manufacturing, and electricity projects that have been introduced across the United States since the passage of the IRA and IIJA.



To date**, $79.5 billion has been "announced for grants, rebates, and other initiatives to accelerate the deployment of clean energy, clean buildings, and clean manufacturing**."

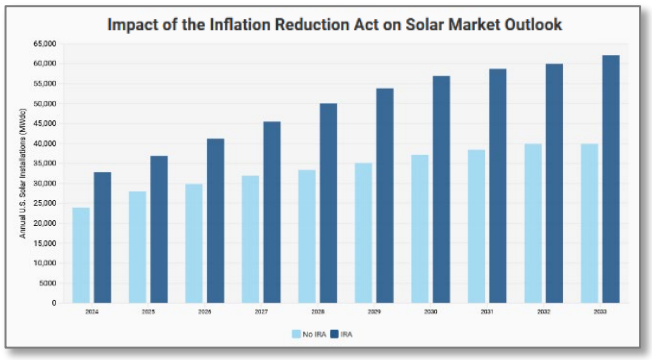
Tracking Clean Energy Announcements (Cont.)

With an advanced search under "Public Infrastructure", the map filters projects by funding source, funding agency, and program name. Users will find this map useful for understanding the impact of the IRA from a geographical and topical standpoint. However, no further resources are provided to continue learning about specific programs or initiatives.

Impact of the Inflation Reduction Act

This factsheet from the Solar Energy Industries Association summarizes the rapid growth the solar industry has seen since the passage of the IRA and charts anticipated future growth, spurred by the IRA's clean energy investments.

Over the next 10 years, **the IRA is expected to drive "48% more solar deployment"** and **"increase CO2 emissions offsets from 169 million metric tons (MMT) today to more than 459 MMT by 2033."** The factsheet provides topline facts on job creation, manufacturing capacity expansion, and private sector investment in the solar industry.

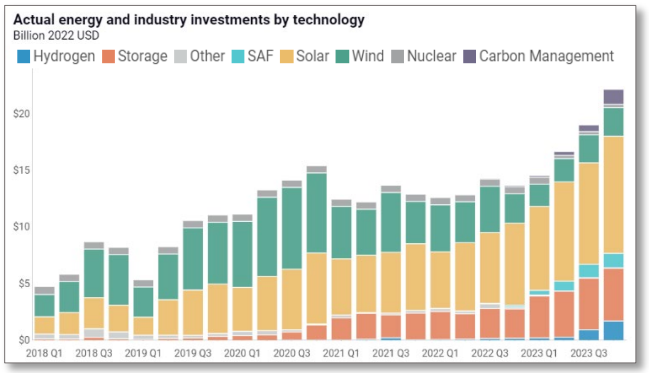


Clean Investment Monitor

Maintained by the Rhodium Group and the MIT Center for Energy and Environmental Policy Research, the Clean Investment Monitor updates every quarter with crucial data tracking clean energy investments in manufacturing, industry, and retail. Of note was a **36% increase in new investment in the manufacturing and deployment of clean energy, clean vehicle, building electrification, and carbon management tech from 2023 to 2024, totaling $284 billion**.

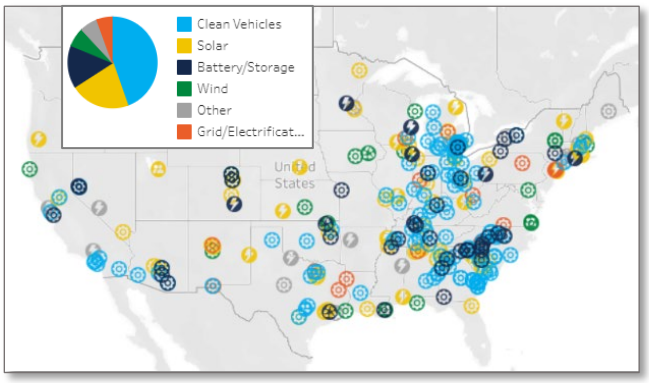
Paired with the live tracker is the Assessing Progress in Electricity and Transport Report, comparing actual clean energy progress with projections of the impact of the IRA and the IIJA based on research from Energy Innovation, the REPEAT Project, and the Rhodium Group.

Current data reveals that while electricity generation and storage capacity added is slowing, zero emissions vehicle sales are on track to meet the IRA's objective of reaching a 40% reduction in emissions by 2030.



Tracking Clean Energy Announcements (Cont.)

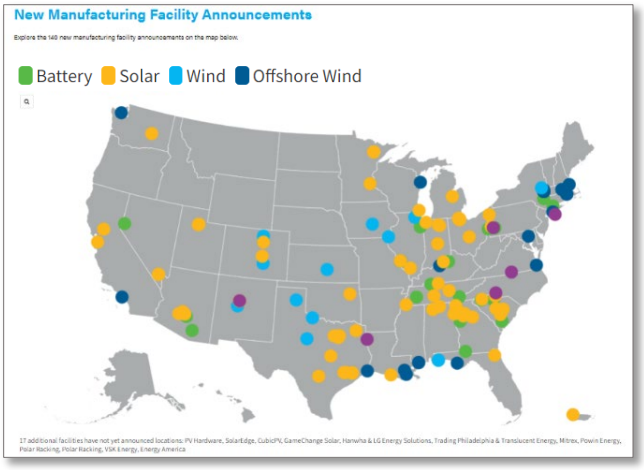
Clean Economy Works



Created and maintained by E2, this interactive tool provides a live map illustrating **325 newly announced large-scale clean energy projects covering 41 states** since the passage of the IRA. Broken down by project type and sector, the map can be filtered by state or announcement date.

For an added level of specificity, all new projects are listed below the map with links to the original announcements and statistics on job creation and investment totals. All data is based on publicly available information.

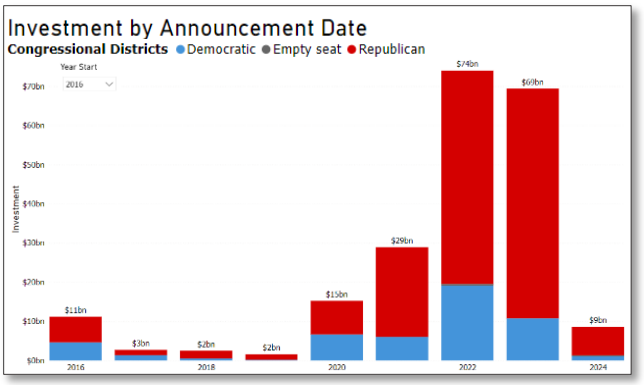
Clean Energy Investing in America



The American Clean Power Association tracks announcements of new or expanded utility-scale manufacturing facilities since the passage of the IRA through their interactive Clean Energy Investing in America report. Included in these **160 announcements is 300 GW provided by projects**.

Paired with graphical visuals, the tracker details the number of announcements in the battery, solar, wind, and offshore wind sectors and their impact on manufacturing capabilities, capital investment, and clean power capacity. **To help keep this report up-to-date, fill out this form to add a manufacturing facility announcement to future updates.**

Clean Economy Tracker



Developed by Atlas Public Policy and Utah State University, the Clean Economy Tracker is a highly filterable tool tracking investment and job growth in clean energy manufacturing and development across the country. Updated *weekly*, the tracker allows users to visualize

Tracking Clean Energy Announcements (Cont.)

investment trends by sector, congressional district, and community type (energy, rural, or low-income).

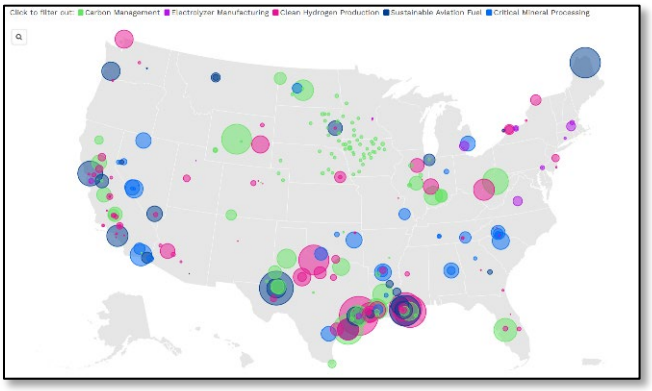
An analysis of the manufacturing overview reveals that **76% of the $160 billion in announced investments in manufacturing facilities since 2022 are in Republican congressional districts**. The tracker also includes visualizations of U.S. Department of Energy demonstration projects across the country.

State Fact Sheets

This list of White House fact sheets, updated as of April 2024, provides an overview of the specific public and private investments in clean energy, infrastructure, and manufacturing in each state. Each report contains state-specific project highlights, an overview of infrastructure and clean energy financing, and how these investments have helped to lower costs. Currently, **Texas** has the highest clean energy investment by the private sector at **$150 billion**, followed by **Arizona** at **$120 billion**. The fact sheets cover all 50 states and U.S. territories.

Clean Technology Tracker

Dig into the investment and deployment trends of five emerging clean energy technologies with Cipher's Clean Technology Tracker. The tool offers an interactive map and chart depicting the progress of carbon management, clean hydrogen production, electrolyzer manufacturing, sustainable aviation fuel technologies, and – in a new update – critical mineral processing.



Driven by IRA-funded tax credits, **companies have invested approximately $19 million in U.S. lithium processing projects** since 2021, according to Cipher. Of note, this tracker only includes facilities that process critical minerals, and does not include mining sites (which are not eligible for IRA tax credits).

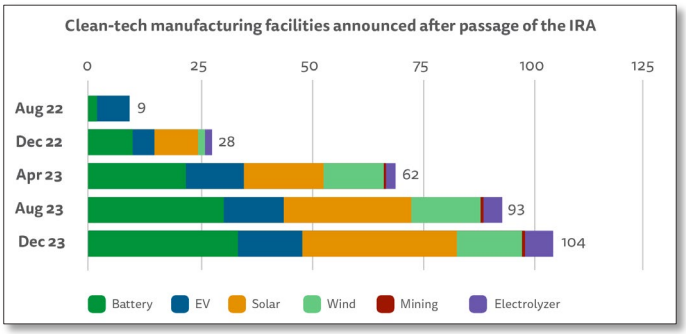
Industry-Specific Data

2024 Sustainable Energy in America Factbook

The *2024 Sustainable Energy in America Factbook*, published annually by the Business Council for Sustainable Energy and BloombergNEF, reports on macroeconomic trends that are occurring across the clean energy industry. The 2024 edition features sector-by-sector market responses to the IRA, signaling the positive impact that the legislation has had on energy storage, hydrogen, private sector investment, and manufacturing, to name a few.

Industry-Specific Data (Cont.)

While industry-wide growth occurred, emerging technologies lead the charge as the fastest growing sectors, including a **68% increase in new carbon capture and storage investments, 82% jump in hydrogen-producing project investments, and an 81% rise in supply of renewable jet fuel** since 2022.

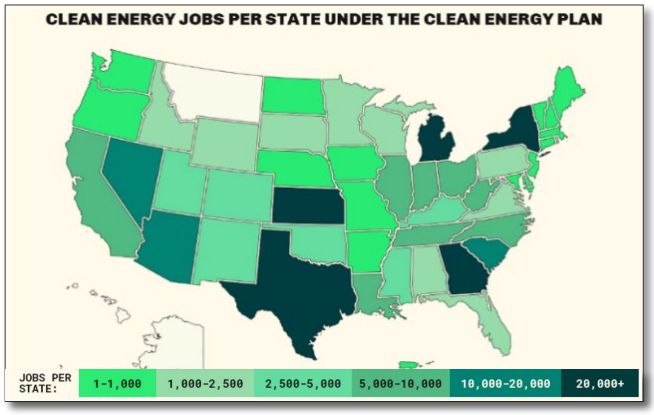


Clean Energy Jobs Growth

Clean Energy Boom

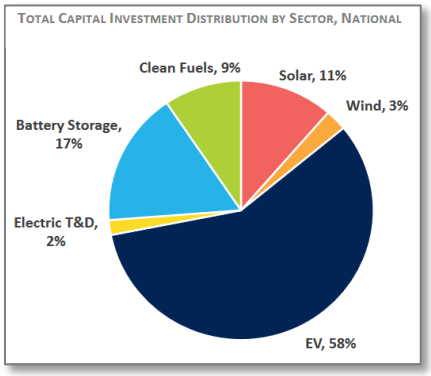
Provided by Climate Power and updated every two months, the Clean Energy Boom report tracks new jobs stemming from clean energy project announcements made since the passage of the IRA. Between August 2022 and August 2024, "companies have announced or advanced **646 new clean energy projects**, **creating 334,565 new jobs** and **driving $372 billion** in new investments across 47 states and Puerto Rico".

Broken down by state and even congressional district, the report offers a more granular look at how investments are being made on a community level. Clean Energy Boom reports for individual states can also be found for Arizona, Georgia, Michigan, Nevada, North Carolina, Ohio, Pennsylvania, Texas, and Wisconsin.



Clean Economy Works Report

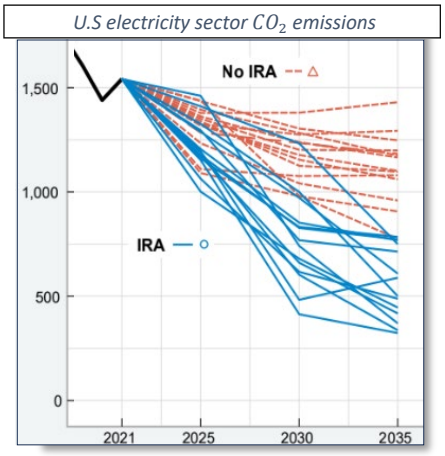
Taken from E2's clean energy projects tracker, this report summarizes the economic benefits resulting from new major clean energy projects induced by the IRA over the next five years.



Of note are **more than 400,000 jobs created or supported *each year*** across the solar, wind, EV, electric transmission and distribution, battery storage, and clean fuels sectors and **$106.4 billion in total private investment**. Appendix C features a list of announced projects used in the analysis sorted by sector.

Measuring Emissions Reductions

Reports from the U.S. Environmental Protection Agency (EPA) and Department of Energy (DOE)



Released in September 2023, the EPA's Electric Sector Emissions Impacts of the Inflation Reduction Act report tracks and projects sector-by-sector improvements – attributable to the IRA – in limiting direct and indirect emissions. By comparing two scenarios – no IRA vs. IRA – the report offers a comprehensive look at economy-wide emissions trends and identifies key IRA provisions contributing to these positive results.

Similarly, the Investing in American Energy (Aug. 2023) report from the U.S. Department of Energy examines three scenarios of potential long-term impacts of the IRA – no IRA, moderate IRA implementation, and advanced IRA implementation. In an advanced scenario, the analysis **predicts GHG emissions to decline to 35%-41% below 2005 levels by 2030**.

For more information on this topic:

- IRS' Latest News & Resources on the IRA
- Tracking and Evaluation of Research, Development, and Demonstration Programs at the U.S. Department of Energy
- Inflation Reduction Act Guidebook
- White House IRA landing page
- U.S. House of Representatives Sustainable Energy & Environment Coalition IRA Resources
- Clean Energy Business Network IRA Resources
- BCSE EV Tax Credit Issue Brief
- BCSE Policy Actions on IRA and IIJA

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