



FOR IMMEDIATE RELEASE

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270+ Businesses and Trade Associations Urge Congress to Protect Energy Tax Incentives

Washington, D.C. – More than 270 companies and trade associations <u>sent a letter</u> to congressional leaders today urging support for the full suite of existing energy tax incentives, which have enjoyed decades of bipartisan support, spurred job creation, bolstered energy security, and boosted domestic manufacturing and energy development.

Organized by the <u>Business Council for Sustainable Energy (BCSE)</u> and the <u>Clean Energy Business Network (CEBN)</u>, the industry letter brings together **272 signatories**, including large companies, small businesses, and trade associations across all sectors of the energy value chain. Businesses supporting the letter represent a broad portfolio of energy solutions, including energy efficiency, natural gas, solar, wind, hydropower, biogas, biomass, energy storage, hydrogen, sustainable transportation, digitalization, carbon capture and storage, and more. Collectively, the signatories represent business interests in **43 states**, and the companies alone represent **over \$451 billion in capital** and **more than 165,000 employees**.

"Companies rely on long-term business certainty in the tax code to plan projects and allocate capital," said BCSE President Lisa Jacobson. "As we face an era of unprecedented energy demand growth, now is not the time to disrupt the market by making unnecessary changes to the tax structure. America needs more energy now to keep the lights on for homes and businesses – and these tax incentives are unleashing American energy from coast to coast."

The United States is already experiencing sharp increases in energy demand coupled with concerns about rising energy costs. A recent report by S&P Global Commodity Insights predicts that <u>U.S. electricity demand will surge by 35-50%</u> over the next few decades, driven by AI, data centers, and the onshoring of U.S. manufacturing. Clear, predictable, and long-term tax policy is essential for market confidence that will get projects deployed quickly and urgently.

"Preserving business certainty in the tax code for energy credits will enable small businesses to confidently make investments in U.S. energy deployment and manufacturing going forward," said CEBN President Lynn Abramson. "These investments have already created jobs, bolstered domestic supply chains, and helped address energy costs for households and businesses across the country. It is critical we keep these tools available as our nation faces rising energy demand."

According to a new report by Energy Innovation, repealing federal energy tax credits would <u>put nearly 790,000 jobs at risk</u> and increase annual energy bills for U.S. households by more than \$6 billion in 2030 and more than \$9 billion higher in 2035. Similarly, NERA Economic Consulting estimates that <u>electricity</u>

<u>bills for businesses would increase</u> by about 10% by 2026 if the tax credits are repealed, with costs likely passed on to consumers in the form of higher prices for goods and services.

The letter urges Congress to support sector-wide energy tax credits as it considers tax policy changes this year. <u>Click here</u> to read the full letter.

Quotes from signatories:

Sapna Gheewala-Dowla, AVP of Policy and Research, Alliance to Save Energy

"Energy efficiency tax credits are vital to enhancing the reliability of our energy system by reducing demand and ensuring affordable energy access for all Americans, lowering energy burdens, and stabilizing costs."

Patrick Serfass, Executive Director, American Biogas Council

"Biogas systems offer a unique, homegrown solution to U.S. energy needs, especially for rural data centers, by converting local waste streams into reliable renewable energy. While the United States has 2,500 operational biogas systems today, we can build 17,000 more unlocking \$450 billion in capital deployment. The tax credits in the Inflation Reduction Act help unlock these benefits. When the biogas industry grows, the reward is local investment, grid resilience, less waste costing cities and citizens, and local, clean power and fuels."

Carrie Annand, Executive Director, American Biomass Energy Association

"Biomass energy is crucial to wildfire risk reduction efforts and is a key source of baseload power and rural employment. Despite these considerable benefits, biomass does not currently qualify for any federal tax credits, and many of our members are struggling to keep their doors open. In the face of rapidly rising baseload electricity needs, we strongly urge Congress to reinstate biomass eligibility for the Production Tax Credit and Investment Tax Credit."

Ray Long, President and CEO, American Council on Renewable Energy

"There are many critical economic issues Congress needs to tackle in the tax bill, and one of them is how we're going to generate the massive amount of new electricity we need to support U.S. national security, technological leadership, and economic prosperity. Stable tax policy will allow the clean energy sector to continue delivering new affordable, reliable, and secure domestic electricity and creating new manufacturing jobs."

Sarah Hill-Nelson, CEO, Bowersock Mills Power Company

"Our multi-generational, family-held hydropower project was able to triple its capacity, increase our staff and strengthen their benefits, and ensure continued baseload production into the next century through the power of the PTC/ITC. The economic impact of our expansion stretched far beyond our company, as it required regional engineering and construction companies in order to complete this long-anticipated project. We have aspirations to take on another project which would be directly impacted by the availability of the PTC/ITC."

Jon Sohn, Vice President, Government Relations, Regulatory, and Environmental Policy, Capital Power "Businesses want certainty to invest in the energy expansion. Tax credits for an all-of-the-above energy system accelerate investment in the balanced solutions needed for a reliable, affordable, and lower-carbon future."

Madelyn Morrison, Director of Government Affairs, Carbon Capture Coalition

"Energy projects are the heartbeat of American innovation. The Carbon Capture Coalition is proud to join this impressive list of energy and environment sector stakeholders and business leaders to demonstrate the strong and wide-ranging support for tax credits that support American energy technology innovation, including for the full suite of carbon management technologies. The federal Section 45Q tax credit has a critical impact on the viability of a multitude of American industries, from agriculture and heavy industry to oil and gas. These sectors rely on the certainty 45Q provides to plan investments, hire workers, and obtain construction materials, among other critical business decisions. We are at an important inflection point as the global demand for energy continues to skyrocket, and we stand ready to work with Congress to ensure tax credits like 45Q continue to remain strong policy mechanisms for the development and deployment of these essential technologies."

Jon Power, President, CleanCapital

"Clean energy tax credits are foundational to America's energy dominance future. They provide the certainty needed for continued investment in solar and energy storage – industries that are driving down energy costs for American families, creating hundreds of thousands of jobs, and are helping to reshore American domestic manufacturing. These bipartisan incentives are essential to our energy security and economic growth, locally and nationally. Now is not the time to disrupt this progress."

Sandra Purohit, Director of Federal Advocacy, E2

"A strong American economy requires more made-in-America energy to compete with the rest of the world. These taxes credits are building exactly that. Raising taxes on clean energy, by weakening the credits, could kill hundreds of thousands of jobs in counties across the country while telling companies looking to invest to build their new manufacturing plants and factories overseas instead of here. Rolling back America's clean energy leadership means we roll back our ability to compete and leaves U.S. businesses, workers, and consumers dependent on other countries, like China. Now is not the time for Congress to inject uncertainty and pull the rug out from under the market by raising taxes."

Scott Ringlein, Founder and Chief Strategy Officer, Energy Alliance Group

"Preserving the energy tax credits is the right thing to do and it's just good business, keeping millions employed and supporting small businesses. As a clean energy project developer, access to and utilization of these tax credits is the pathway to adopting clean energy technologies and reducing our clients' energy expenses."

Kimberly R. Cowman, Vice President, National Director of Engineering, Leo A Daly

"The federal energy tax credits bring significant benefit to our clients through long-term energy savings that impact their bottom line over the long term. They provide a level of resiliency to unknown energy cost fluctuations that allow a greater focus to our clients' core missions which include healthcare, nonprofit missions, and many others. We are proud to show our support as signatories toward the continued funding of these critical incentives that spur development and support economic growth across industries."

Bob Hinkle, CEO and President, Metrus Energy

"These existing tax incentives help U.S. businesses stay competitive. Their outsized return on investment includes saving energy, bolstering operational resiliency, and health, safety, and productivity gains that result from sustainable energy infrastructure upgrades. What's not to love?"

Dr. Timothy Unruh, Executive Director, National Association of Energy Service Companies

"Our members – Energy Service Companies – work with public institutions that are long overdue for infrastructure upgrades. Their budgets are tight, and their systems are old. That's where tax incentives like 179D and the ITC really help. They bring projects within reach. And when you combine them with third-party financing, you can get major improvements done without asking more from taxpayers. It's a smart way to strengthen local communities and the buildings we all depend on."

Spencer Pederson, Senior Vice President of Public Affairs, National Electrical Manufacturers Association (NEMA)

"NEMA's recently published grid reliability study demonstrates that surging growth in electricity demand will be driven by data centers, e-mobility, and AI in the coming decades. Meeting this demand requires advancing key policies, including tax certainty that will incentivize investment and bolster the electrical manufacturing sector to create a reliable grid. NEMA looks forward to continuing our work to ensure Congress protects essential energy tax credits that will propel American manufacturing and energy security."

Jim Newman, Consultant, Newman Consulting Group LLC

"As a small business specializing in energy-efficient heating and air conditioning systems and better indoor air quality in buildings, we strongly urge Congress to defend clean energy tax credits, which empower business owners to reduce emissions, lower operating costs, and invest in upgrades that save them money, support small businesses, strengthen the economy, and drive our nation toward a more sustainable and resilient future."

Curt Rich, President and CEO, North American Insulation Manufacturers Association

"Preserving the 25C tax incentive for homeowners looking to lower their energy bills is essential. Energy efficiency is one of the rare issues that enjoys broad, bipartisan support across America. Ending this credit now, when so many Americans are already burdened by inflation, would be a serious mistake."

Zane McDonald, Executive Director, Open Hydrogen Initiative

"The clean hydrogen economy represents one of the most promising frontiers for U.S. energy leadership, but its success hinges on stable, long-term tax policy. 45V is a powerful tool to unlock private investment – preserving these credits with integrity will drive innovation, attract capital, and ensure that America can maintain energy leadership and economic competitiveness."

Geoffrey Dietz, Senior Director of Federal Government Affairs, RNG Coalition

"The energy tax credits are critical to accelerating renewable natural gas (RNG) development by providing the industry value chain with important business certainty to advance projects. The growth of RNG and its markets can advance U.S. energy security, reliability, and affordability. That growth leads to job creation and local investment across the United States, particularly in rural communities and in support of American dairy farmers. RNG Coalition strongly encourages Congress to preserve and protect these important incentives."

Paul Lau, CEO and General Manager, Sacramento Municipal Utility District

"As a community-owned, not-for-profit electric utility, SMUD proudly serves over 1.5 million people who rely on us every day for safe, reliable, and affordable electricity. We urge Congress to protect the Inflation Reduction Act's energy tax credits — including direct pay for public utilities like SMUD — to

power critical investments that strengthen, stabilize, and secure our nation's grid. These tax credits directly lower costs for our customers, accelerate energy production deployment, and support the economic vitality of Sacramento's families, businesses, and essential services."

Jeannie Salo, Chief Public Policy Officer, Schneider Electric North America

"The path to advancing America's energy goals and making an immediate impact is to act fast. For our part, Schneider Electric recently announced a planned investment of over \$700 million in the United States, supporting the country's focus on powering AI growth, boosting domestic manufacturing, and strengthening energy security. As energy demand rises and the energy landscape continues to evolve, pro-growth tax policies – like existing energy tax credits – are critical to the continued buildout of a strong, resilient U.S. supply chain."

Abigail Ross Hopper, President and CEO, Solar Energy Industries Association

"Solar can be built faster and cheaper than any energy technology, and it's clear that we can't meet our nation's energy challenges or President Trump's energy vision without a robust American solar and storage industry. Clean energy tax credits have given U.S. solar companies the certainty they need to move forward with \$70 billion in annual investments. As a result, the U.S. solar industry supports over 280,000 American workers and delivers reliable energy to over 40 million homes. Lawmakers need to understand what's at stake for their local economies and their constituents."

Joel Link, President of Development, Tenaska

"Clean energy tax credits are crucial to securing America's energy future. They provide the essential certainty needed to accelerate investment across critical industries. Failure to act risks undermining our economic momentum, threatens U.S. energy security, and weakens our leadership in the global clean energy economy. Preserving these tax credits is essential for sustaining economic growth, encouraging innovation, and building a more reliable, affordable and independent energy system. Congress must protect these policies and safeguard the significant progress already underway."

Elizabeth Beardsley, Senior Policy Counsel, U.S. Green Building Council

"These tax incentives were designed to boost investment in American energy production and energy efficiency, and they are working. They are expanding our options for meeting increasing electricity demand and helping ease price pressure – as well as reducing stress on the grid. Retaining these common-sense incentives will add stability at a time when the economy is facing too much uncertainty."

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The **Business Council for Sustainable Energy (BCSE)** is a coalition of companies and trade associations that deploy clean energy and decarbonization solutions, with a sector focus on energy efficiency, natural gas, and renewable energy. The coalition advocates at the federal level for policies that advance the deployment of a broad portfolio of clean energy technologies. Established in 1992, BCSE members include investor-owned utilities, public power, independent power producers, project developers, technology providers, equipment manufacturers, environmental and energy market service companies, and more. For more information on BCSE, please visit bcse.org. For the latest industry data, download the Sustainable Energy in America Factbook.

The **Clean Energy Business Network (CEBN)** is the small business voice for the clean energy economy, working to enhance opportunities for clean energy providers through policy support, market and technology education, and business development assistance. For more information, please visit <u>cebn.org</u>.