ENACTED PROGRAMS CHAMPIONED BY CHAIRMAN MANCHIN TO SUPPORT NEW ENERGY STORAGE PROJECTS IN WEST VIRGINIA

The Inflation Reduction Act of 2022

» Incentivizes new energy storage projects.

• Grid-scale energy storage projects are eligible for an investment tax credit (ITC) equal to 30% of the investment in a new energy storage property. These tax credits include a 10-percentage point bonus for facilities sited in certain energy communities, including those that have been home to coal plants.

• Residential energy storage systems are eligible for a clean energy tax credit for the purchase and installation cost of residential battery energy storage technology equal to 30 percent of the value, up to $600.

» Manufacturers of energy storage technologies are eligible for the following credits:

• *48C Advanced Energy Manufacturing Investment Credit:* Manufacturers must apply to DOE for this credit, which provides up to a 30% investment tax credit to re-equip, expand, or establish facilities that are used to manufacture energy equipment. This credit includes a $4 billion carve out for use in communities where coal mines have closed or coal power plants have retired.

• *45X Advanced Manufacturing Production Credit:* Manufacturers of critical minerals, batteries, and battery components are eligible for this new production tax credit. Credit rates vary depending on the component.

» Boosts DOE Loan Authorities.

• Unlocked up to $40 billion in Department of Energy (DOE) Title 17 Loan Guarantee Program guarantees for large-scale energy projects that use innovative technology to reduce, avoid, or sequester greenhouse gas emissions, including energy storage projects.

• Provided $3 billion to leverage as much as $20 billion in direct loans through the DOE Advanced Technology Vehicle Manufacturing (ATVM) Loan Program to build new facilities or retool facilities in the United States for the manufacturing of eligible vehicles or components including vehicle batteries.

Infrastructure, Investment, and Jobs Act of 2021

» Funds energy storage demonstration and pilot projects. Provided $355 million for three energy storage demonstration projects and a separate pilot grant program available to states, utilities, and private companies to undertake energy storage demonstration projects.

» Manufacturing opportunities in coal communities. Provided $750 million in DOE grants available for small- and medium-sized businesses to manufacture clean energy technologies, including battery components used in energy storage systems, in coal communities.

» Clean Energy on Mine Lands. Authorized $500 million for clean energy projects, including energy storage projects, on current and former mine land to demonstrate the technical and economic viability of those projects.

» New battery processing and battery manufacturing grant programs.

- o Battery Material Processing Grant Program – Provided $3 billion for domestic processing of critical minerals, the construction of new commercial-scale battery material processing facilities and retrofit or retooling of existing facilities for battery material processing.
- o Battery Manufacturing and Recycling Grant Program – Provided $3 billion for battery component manufacturing and recycling demonstration projects, construction of new commercial-scale facilities, and retrofit or retooling of existing facilities for battery component manufacturing.

Energy Act of 2020

» Establishment of new demonstration and pilot projects. Provided significant new authorities for energy storage research, development, demonstration, and deployment, particularly focusing on long-duration energy storage demonstrations and pilot programs.

» Technical Assistance and grants to rural electric cooperatives and public utilities. Established an energy storage and microgrid grant and technical assistance program at the Department of Energy for rural electric cooperatives and public utilities to assist with designing and demonstrating energy storage and microgrid projects that use energy from renewable energy sources.

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