The Inflation Reduction Act

*Plus the IIJA and the CHIPS & Science Act*

Historic Climate Investments passed by the 117th Congress

Sam Ricketts
For NWEC Fall 2022 Conference
“Ira” Overview

Approximately $380 billion in *projected federal outlays over 10 years
   Coupled with IIJA + CHIPS & Science Act = as much as $500 in climate investments
   *Potential for much larger actual public investment

Projected to help hit ~40% reduction in climate pollution by 2030 (below ‘05 levels)

Key elements: Clean Energy Tax Credits—for businesses, consumers, & non-profits
   New DOE, USDA, EPA Financing Prgms                      Environmental Justice
   Clean & Low-Carbon Manufacturing                      Methane Polluter Fee
   Climate-Smart Ag & Conservation                      State Clean Energy
   Leadership

“Investment-centered” climate policy (i.e. all “carrots,” few “sticks”)
   ➢  Part of new national climate policy paradigm
Infrastructure Investment & Jobs Act (IIJA)

- $60+ billion for clean technology development

- $65 billion for EJ priorities—e.g. Superfund cleanup, Clean Water infrastructure and lead pipe replacement

- New funding for electric school buses and charging infrastructure, plus rail and public transit

CHIPS & Science Act

- $67 billion towards Zero-Carbon Industries

- Boosts DOE funding on clean energy research

- Authorizes creation of 10 Regional Technology Innovation Hubs
Key Climate Investments by Economic Sector

**Electricity**
- Clean Energy ITC/PTC
- DOE Loan Program
- RUS Financing
- EPA GHGRF
- Transmission/Grid Funds* (*in IIJA)

**Transportation**
- EV Tax Credits
- Clean Trucks Investments
- Federal Fleet Procurement
- Electric Bus & Charging*
- Surface Transpo. Funding*

**Buildings**
- Clean Bldgs Tax Credits
- Electric Appliance Rebates
- HOMES rebates
- Green Affordable Housing
- Weatherization Asst Prgm*
Key Investments by Sector

Industry
- Clean Manufacturing
- CCS and Hydrogen*
- Advance Facilities Grants
- Methane Polluter Fee
- Federal Procurement
- *Critical Minerals*

Ag/Forests/Land
- USDA Conservation Programs
- Forest Health Programs
- NOAA Ocean Conservation
- Western Water Resources*
- *Salmon, Estuary Recovery*

Environmental Justice
- EJ & Climate Justice Block Grants
- Greenhouse Gas Reduction Fund
- Pollution Reductions at Ports
- *Clean Water and Lead Pipe Removal*
- *Superfund Cleanup*

Good Jobs
- ITC/PTC tied to Labor Standards
- Tax Credits Promote Domestic Content
New National Climate Policy Paradigm
aka how we got here

“Climate, Jobs & Justice” is the rallying cry
The playbook is “Standards, Investments & Justice”

The ingredients:

- Long-term organizing by climate, environmental justice and labor activists
- State and local leadership towards 100% clean energy
- Scalable lessons from past federal policy—e.g. EISA ‘07, ARRA ‘09
- Clean technology costs ➣ Clean tech industry growth
- The urgent ambition of the movement for a Green New Deal