



The Inflation Reduction Act

Funding and Utility Action

NASUCA 2022 Annual Meeting
November 14, 2022

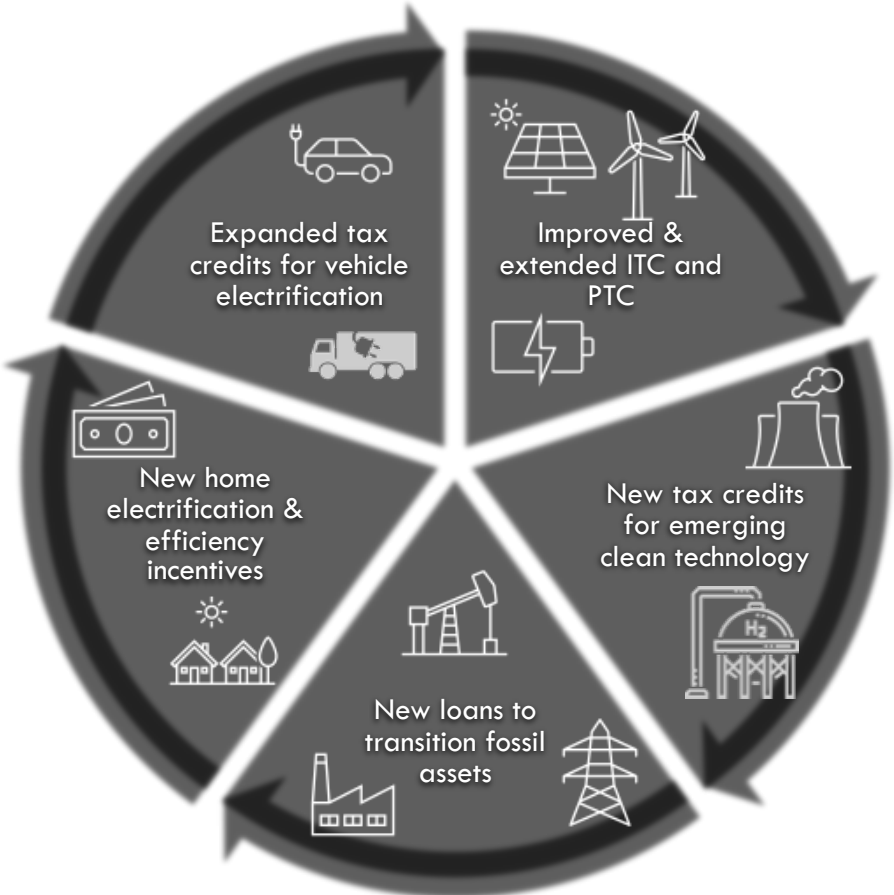


What Utility Regulators Need to Know about the Inflation Reduction Act

How to Ensure the Biggest Boon to the Energy
System in US History Supports Affordable, Reliable
Electric Service

Jessie Ciulla, Gennelle Wilson, and Rachel Gold

Utilities and their regulators are in the driver's seat to capture the unparalleled opportunities of the IRA



Absent utility and regulatory action, we risk missing out on expected benefits for ratepayers and communities



Utilities will need to move quickly to take advantage of fast-expiring provisions



Potential benefits for all ratepayers, in addition to customers taking advantage of tax credits, programs



Invite and support communities and underserved groups to maximize benefits in the transition

Major impacts of the IRA on electric utility regulation



§1706 in Depth: Energy Infrastructure Reinvestment

Project must meet 1 of 2 requirements

- Retool, repower, repurpose, or replace energy infrastructure that has ceased operations;
- OR
- Enable operating energy infrastructure to avoid, reduce, utilize or sequester air pollutants or GHGs



“Energy Infrastructure” definition

A facility, and associated equipment, used for:

- The generation or transmission of electricity;
- OR
- The production, processing, and delivery of fossil fuels and their derivatives

Example projects allowed under EIR



Power-sector transition

- Coal retirements
- Site remediation
- Clean energy & transmission
- Pipeline conversion



Economic development

- Community solar
- Clean manufacturing
- Data centers
- Community-directed economic growth



Economy-wide transition

- EV charging infrastructure
- Fleet electrification
- Gas station redevelopment
- Industrial process decarbonization



Customer savings

- Securitization
- Heat pump conversion
- Low-cost clean energy
- Maximize tax credit benefits