Little Rock Rogers Jonesboro Austin **MitchellWilliamsLaw.com**

Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C.



Walter Wright, Jr. wwright@mwlaw.com (501) 688.8839

Investment Tax Credit Energy Storage Technology: Renewable Energy Organizations November 26th Letter Supporting Federal Energy Storage Tax Incentive and Deployment Act

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Several renewable energy related trade associations/organizations submitted a November 26th letter to leaders of the United States House of Representatives and Senate asking that they support legislation clarifying that:

... the investment tax credit (ITC) in Section 48 and 25 of the tax code includes energy storage as an eligible technology.

The letter was submitted to:

- Paul D. Ryan, Speaker of the House
- Mitch McConnell, Majority Leader, U.S. Senate
- Nancy Pelosi, Minority Leader, U.S. House of Representatives
- Charles Schumer, Minority Leader, U.S. Senate

The organizations that cosigned the letter included:

- Energy Storage Association
- Citizens for Responsible Energy Solutions
- Clearpath Action
- Solar Energy Industries Association
- American Wind Energy Association
- National Electrical Manufacturers Association
- National Hydropower Association
- Advanced Energy Economy

The letter asks for support of the Energy Storage Tax Incentive and Development Act (H.R. 4649/S.1868).

The organizations claim that the legislation "would ensure a level playing field for energy storage to compete with all other energy resources made eligible for the ITC."

They further contend that:

- energy source systems are critical to modernization of the electric grid
- the National Governors Association has underscored the multiple benefits of energy storage:

- to save utilities, businesses, and households money
- enhance grid reliability and resilience
- energy source systems help any generation resource connected to the grid (i.e., coal, gas, nuclear, wind, solar, hydropower)
- the industry supports over 90,000 jobs and has room to grow

Concern is expressed that in the absence of "clear statutory rules" energy storage members face continuing uncertainty from Internal Revenue Service guidance about the eligibility of such equipment for Section 48 and 25 tax credits when paired with ITC-eligible resources.

A copy of the letter can be found <u>here.</u>