

General Session

Demystifying Incentives in the Inflation Reduction Act

Moderator

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Poll Question:

How familiar are you with the IRA?

- a) Does that have something to do with my 401(k) plan?
- b) I know it was passed last year.
- c) I refer all questions to the tax credit folks in my firm.
- d) I read the instructions to Forms 3468, 8936-A and 8911 in my spare time.

Agenda

- Introduction to Inflation Reduction Act
- Expanding Access to Tax Credits – Elective Pay (Direct Pay)
- Types of Tax Credits Most Relevant to governmental entities and nonprofits
 - Investment Tax Credits, Clean Commercial Vehicles and EV Charging Station Tax Credits
- Factors that Impact applicability, eligibility and value of Tax Credits
- IRA Changes How Tax Credits are Calculated
- Key Goals of the IRA achieved through Multipliers/Adders to Tax Credits
- Credit Multiplier/Adders
 - Labor Requirements
 - Domestic Content Requirements
 - Energy Communities
 - Low-Income Communities
- Determining Tax Credit Value
- How to Apply for Direct Payment
- Grants & Loans

The Inflation Reduction Act of 2022 (IRA)

Based on the Build Back Better framework

- Passed by the House in November 2021
- Passed by the Senate in August 2022 after months of negotiations by Senate Democrats and Senator Joe Manchin
- Signed into law on August 16, 2022, by President Biden
- **728 pages long**
- **More than half a billion dollars expected to be allocated for energy and climate initiatives**
- **Tax credit provisions were wholly spared from debt ceiling negotiations**

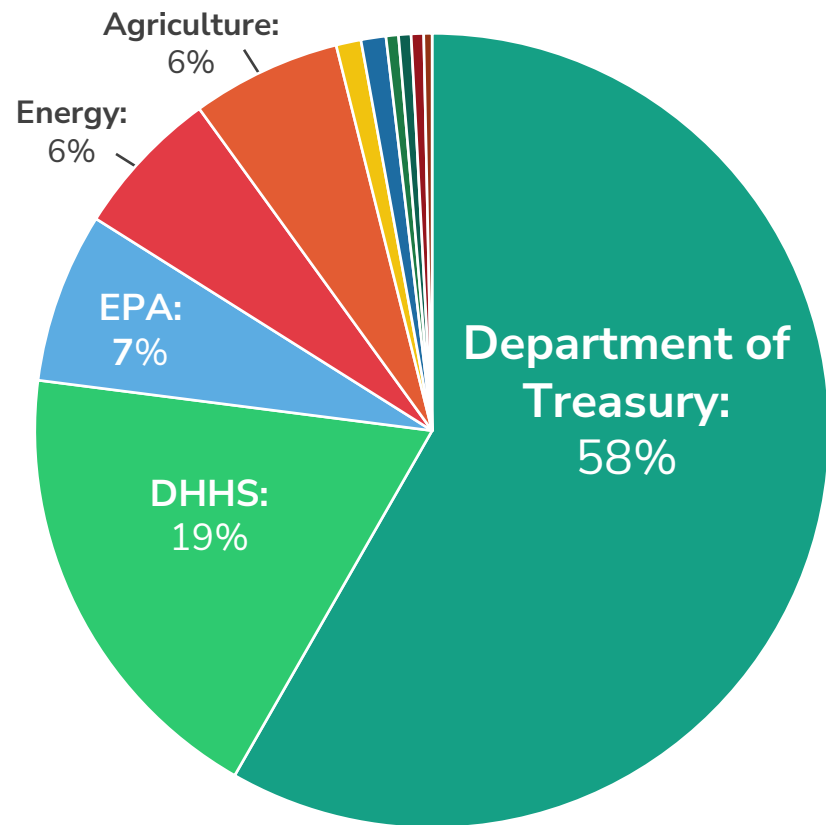


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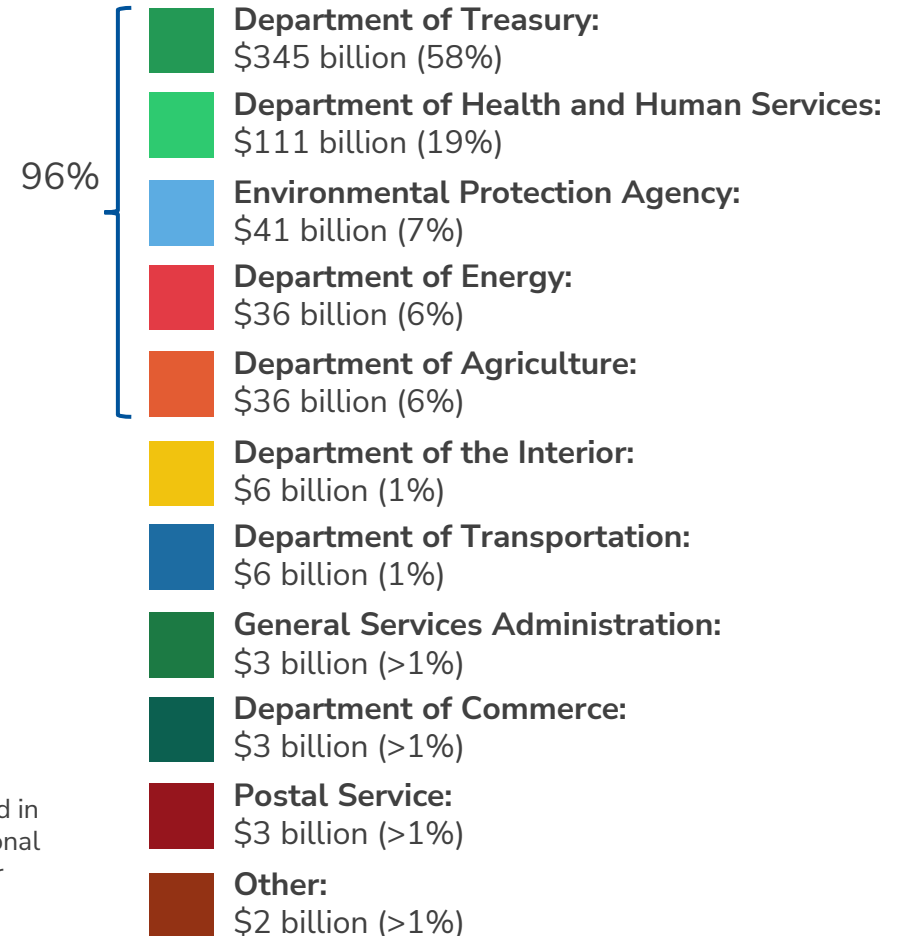
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IRA Investments by Government Agency



Total: \$592 billion



Five U.S. government agencies account for 96% of the Inflation Reduction Act funding.

Note: This exhibit reflects analysis of the appropriation figures contained in the Inflation Reduction Act, as well as those reported by the Congressional Budget Office and Joint Committee on Taxation. This analysis may differ from other analyses due to differences in methodology.

Source: Inflation Reduction Act of 2022, H.R. 5376, 117th Cong. (2021–22); McKinsey analysis.

Goal of IRA: Expand Access to Tax Credits Across Sectors

- Historically structured as a direct offset to federal tax liability. Only taxable entities benefitted from tax credits.
- **IRA expands universe of entities that benefit from Tax Credits:**
 - **Section 6417** – “Elective Payment of Applicable Credits” – state and local governments, not-for-profits, tribes and others can elect to receive cash payment of tax credit directly from the federal government (“Elective Pay” or “Direct Pay”)
 - **Section 6418** – “Transfer of Certain Tax Credits” – holder of tax credit can sell credits to another taxpayer for cash (“Transferability”)
- **Now Many Tax Credits can be utilized 3 ways:**
 - Directly to offset tax liability
 - Received as a direct payment to state and local governments, not-for-profits, tribes and others
 - Sold/transferred to unrelated party
 - Makes tax incentive available to start-ups with little to no income undertaking capital investment, manufacturing, production activities that qualify under IRA
- **Goal of IRA is to expand accessibility of tax incentives across all sectors:**
 - Governmental Entities
 - Non-profit
 - Start-Ups
 - Consumer

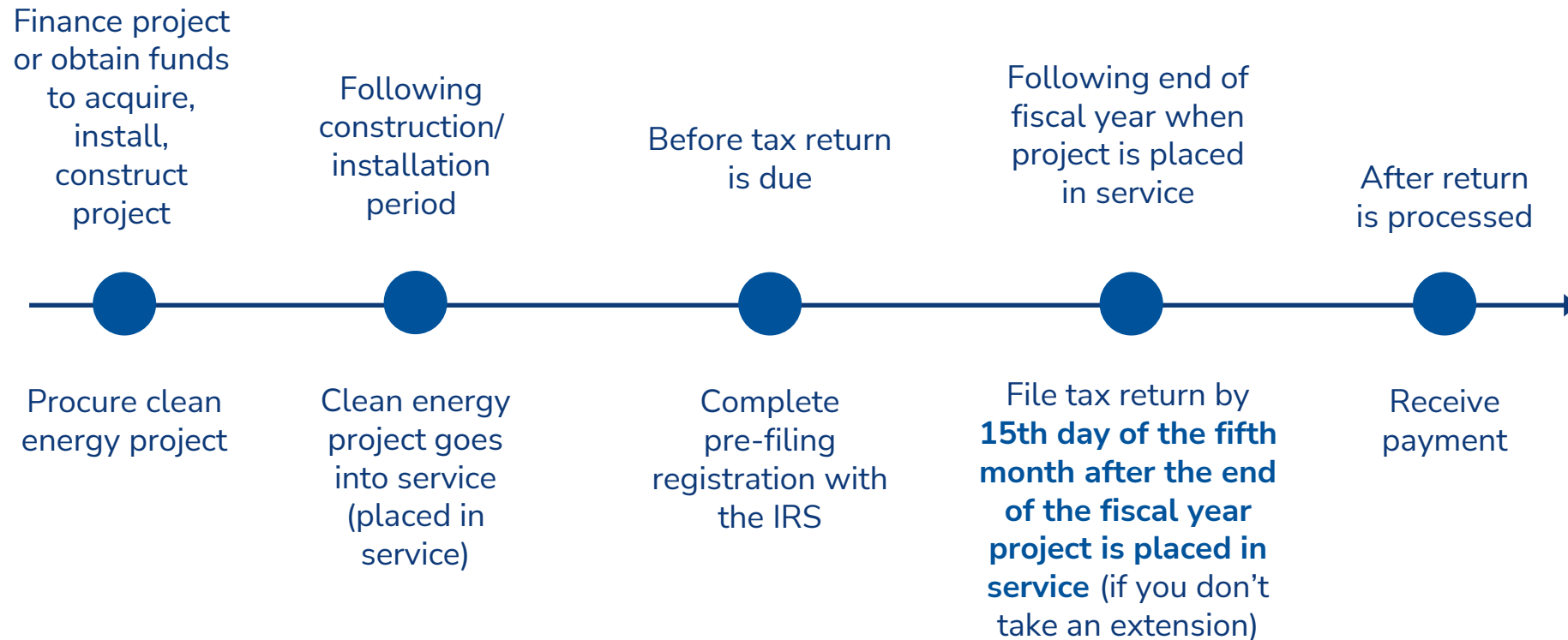
What Is Elective Pay?

- **Section 6417 of the Tax Code** allows tax-exempt entities to receive cash payments from federal government for clean energy and climate investments established under the IRA through a direct payment of tax credit
- Available for “applicable entities”
 - Tax-exempt organizations under § 501(a), including § 501(c) and § 501(d) organizations
 - Any State or political subdivision thereof
 - The Tennessee Valley Authority
 - Indian tribal governments
 - Any Alaska Native Corporation
 - District of Columbia and U.S. territories or political subdivision thereof
 - Agencies and instrumentalities of state, local, tribal, and territorial governments
 - Cooperatives furnishing electricity in rural areas
- Tax-exempt entities eligible for direct **pay cannot sell or transfer tax** credits under Section 6418 of Tax Code



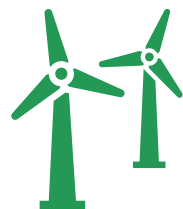
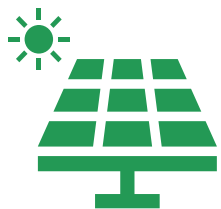
Timing of Funds for Clean Energy Project

Applicable Entity will apply for and receive the direct payment *after the facility is (financed,) procured, installed and actually placed in service.* If financing the facility, Applicable Entity may want to negotiate a one-time prepayment of facility in the expected amount of the direct payment.



What Tax Credits Are Available for Direct Pay?

- 12 tax credits total eligible for elective pay
- Tax credits most relevant to governmental entities and nonprofits are:
 - § 45W Qualified Commercial Vehicle Tax Credit
 - Electric school buses, electric vans
 - § 30C Alternative Fuel Refueling Property Credit
 - EV charging station
 - § 48 Investment Tax Credit for Energy Property
 - Solar, wind, ground source heat pump, battery storage, thermal energy storage (TES), combined heat and power (co-gen), geothermal, biomass, waste energy recovery property



Solar Projects

Equipment which uses solar energy to generate electricity, to heat or cool (or provide hot water for use in) a structure, or to provide solar process heat



A 2.2 MW solar array at the Old Midville solar project in Millen, Georgia. This image was taken on the first full day of energy being generated into the grid.

Photo credit:
<https://www.rawpixel.com/image/3322811/free-photo-image-solar-panels-cc0-creative-commons>

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Solar Projects

The 592 kW PV solar energy system on the Dr. Martin Luther King, Jr. School in Cambridge, MA, includes 1,599 Sunprime bifacial modules, which are high-performing solar panels that absorb direct sunlight on the front along with reflected and diffused sunlight on the back.

Photo credit: Tschoder,
https://commons.wikimedia.org/wiki/Category:Solar_panels_in_the_United_States#/media/File:MLK_Project.jpg

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Qualified Small Wind
project with nameplate
capacity of not more
than 100 kilowatts.



Photo credit:
https://commons.wikimedia.org/wiki/File:Hull_1_wind_turbine_13477190_of24ca0d5b_b.jpg

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Battery storage with nameplate capacity of not less than 5 kilowatt hours



An energy storage system is installed in Schweitzer Engineering Laboratories, on Northeast Hopkins Court, Pullman, WA. The 4 MWh project consists of two 2 MWh strings. Each string consists of five 20-foot shipping containers, four of which hold a DC battery and one of which holds the power conversion system. Each DC battery container consists of two tanks, one with Anolyte and one with Catholyte, three cell stacks and the plumbing connecting the tanks to the stacks.

Photo credit: UniEnergy Technologies,
https://commons.wikimedia.org/wiki/File:1_MW_4_MWh_Turner_Energy_Storage_Project_in_Pullman,_WA.jpg

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Thermal Energy Storage (TES)

Photo credit: U.S. Navy by Quentin Bowen, NAVFAC Southeast Engineering Technician/Released, [https://commons.wikimedia.org/wiki/File:Thermal_Storage_Tanks_\(9806162026\).jpg](https://commons.wikimedia.org/wiki/File:Thermal_Storage_Tanks_(9806162026).jpg)



Thermal storage tanks were installed as part of an energy conservation construction project for US Naval Submarine Base Kings Bay. The project called for the installation of two solar photovoltaic powered aerators for NSB Kings Bay's Waterfront Waste Water Treatment Plant. A solar thermal heating system was also installed to augment existing immersion resistance heaters supporting several diesel emergency power generators. The improvements are expected to provide an estimated annual electric savings of 424,000 kilowatt-hours.

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Thermal Energy Storage (TES)

Photo credit: Steve Jurvetson ,
[https://commons.wikimedia.org/wiki/File:Thermal_Storage_Tanks_\(980616_2026\).jpg](https://commons.wikimedia.org/wiki/File:Thermal_Storage_Tanks_(980616_2026).jpg)

These three heat recovery chillers (HRC) are huge, custom-built so each of them has a 2,500 tons cooling capacity and produces 40M BTUs of heat/hr for the hot water loops. In aggregate, the system you see here could heat and cool 30,000 average homes. HRCs have never been done at this scale before (600T is the prior record).



Big Pipes at Stanford's New Central Energy Facility

By shifting from a cogen plant, Stanford achieved a 68% reduction in greenhouse gas emissions and a 67% reduction in water use (saving 127 million gallons in the first year). 90% of the campus' heating needs are met by waste heat recovery. The facility cost \$300M, about \$30-40M more than a comparable cogen facility, and it is expected to save an incremental \$300M in energy costs over its lifetime.

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Ground Source Heat Pumps - Equipment which uses the ground or ground water as a thermal energy source to heat a structure or as a thermal energy sink to cool a structure



Photo credit: Green Energy Futures
Leigh Bond shows the large geothermal heat pump in the mechanical room of the 29-unit Brentwood Apartments in Edmonton.

Photo David Dodge, Green Energy Futures

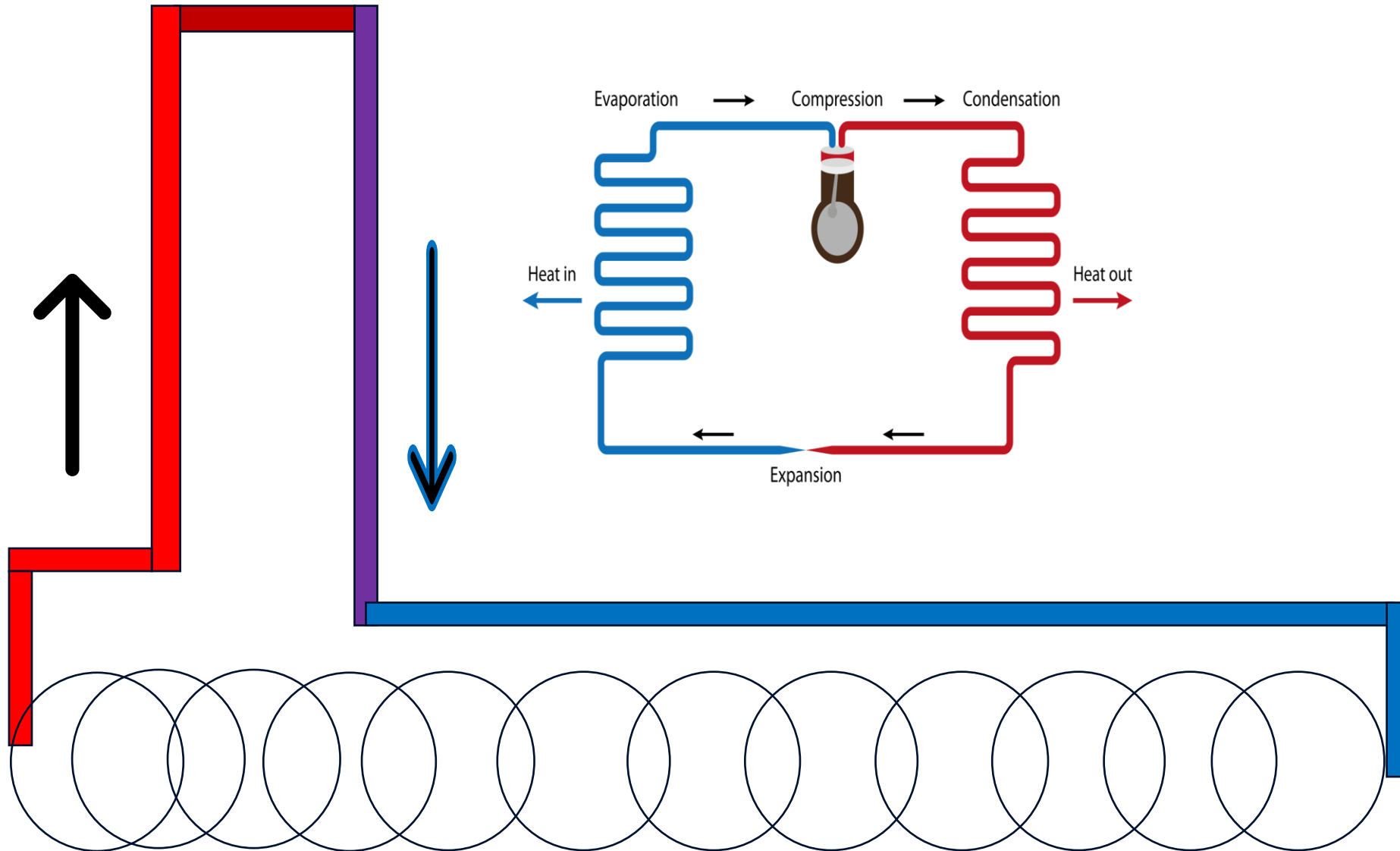
Geothermal with Leigh Bond, Threshold Energy
Brentwood Apartments, Edmonton
Geothermal, Solar Thermal, Solar PV, Net Zero ready apartment building

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Ground/Geothermal Source Heat Pump



Ground Source Heat Pumps - Equipment which uses the ground or ground water as a thermal energy source to heat a structure or as a thermal energy sink to cool a structure

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Photos credit: Courtesy of Ameresco



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Not Just for Heat – Heat Pumps Provide Cooling Too!

- Heat pumps *redistribute* heat that's already present in the environment. Transferring heat energy does not require as much electricity as producing it. In this way heat pumps can provide both *energy-efficient heating and cooling*.
- Heat pumps work in all climates as an extremely energy-efficient alternative to conventional HVAC systems, furnaces and air conditioners.
- So how and why are heat pumps so efficient at heating and cooling?
 - The biggest reason: Heat pumps don't produce heat at all. Instead, they redistribute heat that's already present in the environment. In the winter, a heat pump extracts heat from the outside environment and moves it indoors. In the summer, the process is reversed: The heat pump takes heat from indoors and moves it outside.
- **IRA includes an investment tax credit for ground source heat pumps that commences construction before January 1, 2035.**
- IRA includes a consumer tax credit of \$2,000 for residential heat pumps.



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Combined Heat & Power Project (CHP or Co-Gen)

Photo credit: Courtesy of Baker Tilly



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Upgrading Energy Systems – Benefits of Co-GEN aka Combined Heat and Power (CHP) Property

- Combined heat and power (CHP) systems provide on-site electric power, heating, and cooling from a single or blended fuel source. This power generation technology is also called **cogeneration, and increases system efficiencies and lowers fuel consumption and costs**
- Common CHP equipment typically uses natural gas to generate electricity and steam and includes reciprocating engines, microturbines, fuel cells, steam turbines, and gas turbines.
- To be eligible for the ITC the CHP system must use the same energy source for the simultaneous or sequential generation of electrical power, mechanical shaft power, or both, in combination with the generation of steam or other forms of useful thermal energy (including heating and cooling applications) and produce:
 - at least 20 percent of its total useful energy in the form of thermal energy which is not used to produce electrical or mechanical power (or combination thereof), and
 - at least 20 percent of its total useful energy in the form of electrical or mechanical power (or combination thereof),
 - and the energy efficiency percentage must exceed 60 percent, and
 - **Construction must begin before January 1, 2025**



Electricity

Steam/
Hot Water/
Cooling



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Fuel cell power plant with (i) a nameplate capacity of at least 0.5 kilowatt (1 kilowatt in the case of a fuel cell power plant with a linear generator assembly) of electricity using an electrochemical or electromechanical process, and (ii) an electricity-only generation efficiency greater than 30 percent

Photo credit:
https://commons.wikimedia.org/wiki/File:UTC_Power_Stationary.jpg



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Microgrid Controllers: For independent microgrids capable of generating not less than 4 kilowatts and not greater than 20 megawatts of electricity

Photo credit:
<https://microgridnews.com/selecting-a-smart-microgrid-controller-comap/>



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Biogas Project - Converts biomass into a gas which (I) consists of not less than 52 percent methane by volume, or (II) is concentrated by such system into a gas which consists of not less than 52 percent methane, and captures such gas for sale or productive use, and not for disposal via combustion.

Photo of Biogas Plant at largest municipal wastewater system in Maricopa County, AZ: Photo credit: Courtesy of Ameresco



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Biogas Project – Compressor & Cleaning

Photo credit: Courtesy of Baker Tilly



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A stationary microturbine power plant which has a nameplate capacity of less than 2,000 kilowatts, and has an electricity-only generation efficiency of not less than 26 percent at International Standard Organization conditions

Photo credit: Capstone Turbine Corp. and <https://www.powermag.com/microturbine-technology-matures/> and <https://www.intechopen.com/chapters/45114>



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Waste Energy Recovery Property

Generates electricity solely from heat from buildings or equipment if the primary purpose of such building or equipment is not the generation of electricity and does not have capacity in excess of 50 megawatts.

Photo credit:
<https://www.swri.org/industry/advanced-power-systems/waste-heat-recovery-research>



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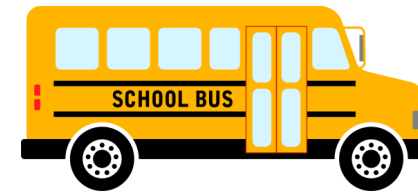
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Geothermal Energy - Equipment used to produce, distribute, or use energy derived from a geothermal deposit, up to (but not including) the electrical



Qualified Commercial Clean Vehicles – Section 45W (NEW)



- New clean vehicle tax credit for qualified commercial clean vehicles placed in service after January 1, 2023 and acquired before January 1, 2033. Applies to vehicles acquired after December 31, 2022, through December 31, 2032.
- **Eligible Recipients:** Businesses that acquire motor vehicles or mobile machinery for use or lease; tax-exempt entities that acquire them for use.
- **Direct Pay Eligibility:** Yes, for states, political subdivisions, tax-exempt organizations (other than co-ops described in Sec. 521), and Indian Tribal governments.
- Tax Credit equal to lesser of:
 - 15% of the vehicle’s basis/cost to purchaser (30% for vehicles not powered by a gasoline or diesel engine) or
 - The “incremental cost” of the vehicle over the cost of a comparable vehicle powered solely by a gasoline or diesel engine
- Credit is capped at \$7,500 for vehicles with gross vehicle weight ratings < 14,000 lb. or \$40,000 for heavier vehicles

Qualified Commercial Clean Vehicles – Section 45W (NEW) (continued)



- Vehicle must be acquired for use or lease by the taxpayer, and not for resale
- Must be manufactured for use on public streets, roads, and highways or be “mobile machinery” as defined in Sec. 4053(8)
- Must have battery capacity of not less than 15 KWh and be charged by an external electricity source (7 KWh if gross vehicle weight rating is less than 14,000 lb.)
- Qualified fuel cell vehicles are also eligible (as defined in Sec. 30B(b)(3))
- Must be depreciable property
- Only vehicles made by qualified manufacturers, who have written agreements with and provide periodic reports to Treasury and is either:
 - Motor vehicle under title II of the Clean Air Act and is primarily used on roads
 - Mobile machinery per IRC 4053(8)
- And is either:
 - Propelled by electric motor with battery capacity \geq 15 KWh (7 KWh if vehicle has GVWR < 14,000 lb.) that can be recharged by an external source, or
 - Qualified fuel cell motor vehicle (IRC 30B(b)(3))
- IRS will issue guidance, including how to determine incremental cost of a qualified commercial clean vehicle

Grants for Low- and No-Emission Buses

On June 26, 2023, the Federal Transit Administration (FTA) announced \$1.69 billion in FY23 Low- and No-Emission and Grants for Buses and Bus Facilities project selections supporting 130 projects for people and communities in 46 states and territories.

The Low or No Emission competitive program provides funding to state and local governmental authorities for the purchase or lease of zero-emission and low-emission transit buses as well as acquisition, construction, and leasing of required supporting facilities



<https://www.transit.dot.gov/lowno>

See list of awards for 2023 at <https://www.transit.dot.gov/funding/grants/fy23-fta-bus-and-low-and-no-emission-grant-awards>

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Alternative Fuel Vehicle Refueling Property Credit (i.e., “Charging Station” Credit) – Section 30C

- Tax credit for **alternative fuel vehicle refueling and charging property in low-income urban and any non-urban areas**

- **Alternative fuels include electricity, ethanol, natural gas, hydrogen, biodiesel, and others.**



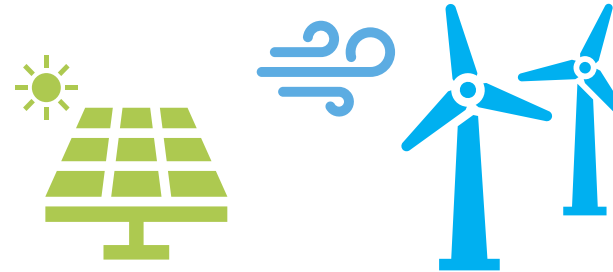
- **Period of Availability:** January 1, 2023-December 31, 2032
- Extended and modified to include prevailing wage and registered apprenticeship requirements for businesses claiming the credit. Adds bidirectional charging equipment, charging equipment for 2- and 3-wheel electric vehicles. **Limited to low-income urban and any non-urban areas.**
- **Base Credit Amount:** 6% of the cost, limited to a \$100,000 credit per item of depreciable property
- **Bonus Credit Amount:** 30% credit for projects meeting prevailing wage and registered apprenticeship requirements (subject to \$100,000 limitation per item of depreciable property)
- **Direct Pay Eligibility:** Yes, for tax-exempt organizations; states; political subdivisions; the Tennessee Valley Authority; Indian Tribal governments; Alaska Native Corporations; and rural electricity co-ops.

Investment Tax Credit (ITC) vs Production Tax Credit (PTC)

- Owners installing credit eligible energy facilities will have a choice between electing to use ITC or PTC.

Considerations:

- Amount of credit – one time vs periodic
 - Risk of sequestration for direct-pay
- Placed in service date
- Off-takers (or net metering if PTC under 45Y)



ITCs

- One time credit for the year placed in service, based on credit percentage x facility cost
- Calculated as % of cost (6%/2% or 30%/10%)
- Eligible for multiplier/bonus/adders
- Tax-exempt financing “haircut”
- Vests 20% over 5 years; subject to recapture

PTCs

- Annual tax credit based on credit amount (\$x) x output/year for x years
- Calculated based on KWh of electricity produced and sold to third parties
- Eligible for multiplier/bonus/adders
- Tax-exempt financing “haircut”
- Not subject to recapture

Comparison of Section 48 versus Section 48E for Certain Facilities

		Section 48	Section 48E
Solar	Equipment which uses solar energy to generate electricity, to heat or cool (or provide hot water for use in) a structure, or to provide solar process heat	Must start construction before 1/1/25	✓
Small Wind	Qualified small wind energy property with nameplate capacity of not more than 100 kilowatts.	Must start construction before 1/1/25	✓
Energy Storage Technology	Battery storage with nameplate capacity of not less than 5 kilowatt hours or Thermal energy storage	Must start construction before 1/1/25	✓
Ground Source Heat Pump	Equipment which uses the ground or ground water as a thermal energy source to heat a structure or as a thermal energy sink to cool a structure	Must start construction before January 1, 2035	N/A
Microgrid controllers	For independent microgrids capable of generating not less than 4 kilowatts and not greater than 20 megawatts of electricity	Must start construction before 1/1/25	? or ✓
Waste Energy Recovery Property	Generates electricity solely from heat from buildings or equipment if the primary purpose of such building or equipment is not the generation of electricity and does not have capacity in excess of 50 megawatts.	Must start construction before 1/1/25	✓
Geothermal	Equipment used to produce, distribute, or use energy derived from a geothermal deposit, up to (but not including) the electrical transmission stage	Must start construction before 1/1/25	✓
Fiber optic solar lighting	Equipment which uses solar energy to illuminate the inside of a structure using fiber-optic distributed sunlight	Must start construction before 1/1/25	?

Comparison of Section 48 versus Section 48E for Certain Facilities

		Section 48	Section 48E
Fuel Cell	Fuel cell power plant with (i) a nameplate capacity of at least 0.5 kilowatt (1 kilowatt in the case of a fuel cell power plant with a linear generator assembly) of electricity using an electrochemical or electromechanical process, and (ii) an electricity-only generation efficiency greater than 30 percent	Must start construction before 1/1/25	✓ or ?
Combined Heat & Power (CHP)	A system which uses the same energy source for the simultaneous or sequential generation of electrical power, mechanical shaft power, or both, in combination with the generation of steam or other forms of useful thermal energy (including heating and cooling applications), and which produces-- (I) at least 20 percent of its total useful energy in the form of thermal energy which is not used to produce electrical or mechanical power (or combination thereof), and (II) at least 20 percent of its total useful energy in the form of electrical or mechanical power (or combination thereof); and for which the energy efficiency percentage of which exceeds 60 percent	Must start construction before 1/1/25	N/A
Biogas	Converts biomass into a gas which (I) consists of not less than 52 percent methane by volume, or (II) is concentrated by such system into a gas which consists of not less than 52 percent methane, and captures such gas for sale or productive use, and not for disposal via combustion.	Must start construction before 1/1/25	??
Electrochromic Glass	Electrochromic glass which uses electricity to change its light transmittance properties in order to heat or cool a structure	Must start construction before 1/1/25	N/A
Microturbines	A stationary microturbine power plant which has a nameplate capacity of less than 2,000 kilowatts, and has an electricity-only generation efficiency of not less than 26 percent at International Standard Organization conditions	Must start construction before 1/1/25	?? or N/A

Section 48E – Transition to Zero Greenhouse Gas Emissions Rate Technology

- In 2025, ITC (Section 48) and PTC (Section 45) will switch to Sections 48E and 45Y, respectively
- Instead of having a list of qualified technologies, tax credit will be based on “greenhouse gas emissions rate” in order to subsidize technologies with greenhouse gas emissions rates not greater than zero and to pick up new technologies not currently enumerated in Section 48 and 45
 - Rate will be expressed as grams of CO₂e per KWh
 - IRS will publish tables showing rate for different types of facilities
- **Qualified facility:**
 - A facility used for generation of *electricity*
 - Placed in service after 12/31/24
 - **Greenhouse gas emissions rate not greater than zero – Likely excludes CHP. What about biogas, microturbines etc.?**
- **Energy Storage Technology**
 - Battery storage with nameplate capacity of not less than 5 kilowatt hours
 - Thermal energy storage

Tax Credit is an Entitlement Regime

- Generally speaking, the tax credit regime is an entitlement regime. If a facility meets the requirements for eligibility then the governmental entity or nonprofit is entitled to elect the direct payment and does not need to apply for a specific allocation or volume cap from federal government.
- Multipliers/Bonus/Adders to Tax Credits
 - Labor: Prevailing Wage & Apprenticeship
 - Domestic Content
 - Energy Communities
 - Low-Income Communities – *Must apply for allocation*

Factors that Impact Applicability, Eligibility and Value of Tax Credits

- Tax credit applicability, eligibility and value can differ significantly depending on the type of project and other factors
- Potential factors that affect eligibility for and amount of credit:
 - start of construction date
 - placed-in-service date
 - facility type
 - facility size
 - facility location
 - compliance with prevailing wage, apprenticeship and domestic content requirements

IRA Changes How ITC Is Calculated

- Under IRA tax credits have a **base credit** that can be increased if certain requirements are met
- Investment Tax Credits (ITC)
 - **Base credit value (e.g., 6% or 2%)** and if **prevailing wage and apprenticeship requirements** are met – a **5X multiplier** of the base credit is earned (30% or 10%). **If facility is less than 1 MW, 5x multiplier is automatic**
- **3 potential bonus adders (ITC) to certain base credits available**
 - **Domestic content** – get an additional **10% or 2%**
 - Reduced to 2% if capacity is 1 MW or more and prevailing wage/apprenticeship requirements not met)
 - **Energy community** – get an additional **10% or 2%** for **brownfields, coal, oil, natural gas communities, or areas with decommissioned coal-fired power plants or coal mines**
 - Reduced to 2% if capacity is 1 MW or more and prevailing wage/apprenticeship requirements not met)
 - **Environmental justice** – **Low-Income Communities, Housing Projects, Tribal Land**
 - get an additional **10%** for low-income community or Tribal land **or 20%** for certain low-income housing buildings or certain projects with households below poverty level/income levels
 - **limited to solar and wind ITC < 5 MW**
 - must apply for and receive an allocation

4 Key Goals of the Inflation Reduction Act Achieved through Multipliers/Adders to Tax Credits

Create More Middle Class Jobs

Credit Multiplier for meeting Davis-Bacon Prevailing Wage Requirements & Department of Labor Apprenticeship program requirements

Compete with China: Increase Domestic Manufacturing

Credit Adder for meeting Domestic Content Requirements (and direct-pay phaseout)

Help Communities historically tied to coal, oil or natural gas

Credit Adder for investments in “Energy Communities” (brownfields, coal, oil or natural gas, or areas with decommissioned coal-fired power plants or coal mines)

Environmental Justice

ITC Credit Adder for investments that reduce pollution with solar or wind in low-income communities, Tribal land, or certain low-income housing/low-income projects

Multipliers & Bonuses That May Boost Amount of Tax Credit

Prevailing Wage and Apprenticeship Requirements	For various tax credits created or modified by IRA, the base credit amount is increased by five times for projects that meet certain requirements (i.e. paying prevailing wages and registered apprenticeship programs). Facility less than 1 MW does not need to meet labor requirement - 5x multiplier applies automatically for a facility less than 1 MW.
Domestic Content Bonus	<p>Facility that meets domestic content requirements is eligible for up to a 10 percentage point increase to the Investment Tax Credit (48, 48E).</p> <p>For projects or facilities 1 MW or more beginning construction starting in 2024, for recipients of elective pay, the domestic content requirement can also result in a phase-out of the Investment Tax Credit if it is not met. No phaseout of direct payment for facilities less than 1 MW that fail to meet domestic content requirements.</p>
Energy Communities Bonus	Projects located in energy communities (brownfields, closed coal mines or coal-fired power plants, or areas that have significant employment or local tax revenues from fossil fuels and higher than average unemployment) are eligible for an up to 10 percentage point increase in the ITC.
Low Income Communities Bonus Credit Program	<p>IRA provides increased credit of 10 percentage points or 20 percentage points for Investment Tax Credit for solar or wind facilities less than 5 MW located in low-income communities, Indian lands, or federal housing projects, or serving low-income households.</p> <p>You must apply and receive a low-income capacity allocation, and then place your facility in service to claim this bonus.</p>

Q: How big is a solar project that is less than 1 MW?

A: About less than half the size of this project.

Photo of a 2.27MW solar array on Oberlin's campus. The array produces around 3,000,000 kWh per year and/or about 12 percent of the college's electricity usage.

Photo credit:
Oberlin College

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5X Credit Multiplier Part 1 – Labor Requirement: Prevailing Wage Requirement

- **Not required for facilities under 1MW. Still get 5x multiplier without meeting the prevailing wage/labor requirements if the maximum net output of the facility is less than 1 megawatt of electrical (as measured in alternating current) or thermal energy.**
- Wages of mechanics and laborers must be at least equal to DOL's prevailing wages for type of work and locality
- Piggybacks off Department of Labor's Davis-Bacon rules
- Requirement must be met:
 - For ITC – during construction and 5 years after project placed into service
 - For PTC – through the facility's construction and for the 10-year period beginning when facility is placed in service
- Recapture and Correction/Penalties if requirement not met
 - Catch-up payment to worker (with interest) + \$5,000 penalty to IRS per worker
 - Higher penalties for case of “intentional disregard”



5X Credit Multiplier Part 2 – Labor Requirement: Apprenticeship Requirement

- **Not required for facilities under 1MW. Still get 5x multiplier without meeting the apprenticeship/labor requirements if the maximum net output of the facility is less than 1 megawatt of electrical (as measured in alternating current) or thermal energy.**
- **Must make good faith effort to request qualified apprentice from registered (federal/state) program**
- Contractors and subcontractors with more than 4 employees must employ at least one qualified apprentice
- Specified percentage of total labor hours for facility must be performed by a “qualified apprentice”
 - Construction begins in 2022: 10%
 - Construction begins in 2023: 12.5%
 - Construction begins in 2024 or later: 15%
- **Failure is excused if**
 - **Good faith effort to request qualified apprentice from registered program**
 - Correction and Penalty – If the above requirements are not met, the taxpayer can correct such failure by paying to the Treasury \$50 for every labor hour in which the above requirements were not satisfied (x10 multiplier if intentional disregard for requirement)
- Relies on Department of Labor and State Apprenticeship Agencies



10% Bonus/Adder: Domestic Content

- Domestic Content – A facility that meets domestic content minimums is eligible for:
 - 10 percentage point increase in value of the ITC (e.g., an additional 10% for a 30% ITC = 40%). Section 48(a)(12) for ITC; or
 - Reduced to 2% if capacity is 1 MW or more and prevailing wage/apprenticeship requirements not met
- Steel and iron used in facility must be produced in U.S.
- Specified percentage of “*manufactured products*” must be produced in U.S.:
 - 40% for all projects beginning construction *before* 2025,
 - 45% for projects beginning construction in 2025,
 - 50% for projects beginning construction in 2026, and
 - 55% for projects beginning construction after 2026.
- Taxpayer must certify compliance

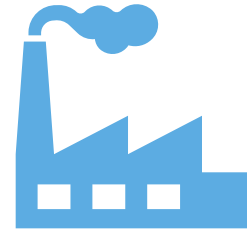


Phaseout of Direct Payment (Section 6417) for Failure to Meet Domestic Content Requirements for Projects that are 1 MW or more

- **Phaseout of direct payment for projects 1 MW or more if there is a failure to meet domestic content requirements**
- Phaseout applies to PTC and ITC under Sections 45, 45Y, 48, 48E
- **Amount of phaseout is based on year in which construction begins:**
 - For 2024, direct pay reduced to 90% of full amount
 - For 2025, percentage is 85%
 - For 2026 and later, percentage is 0%
- *Phaseout does not apply if the maximum net output of the facility is less than 1 megawatt.*
- *Exceptions:* The IRA directs the Treasury to provide exception from phaseout for projects if the inclusion of US-made steel, iron or manufactured products would increase overall construction costs by more than 25%, or the relevant steel, iron or manufactured products are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality. Additional Treasury guidance is expected to clarify these exceptions.

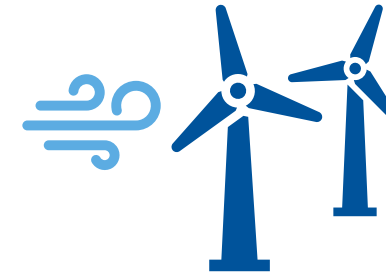
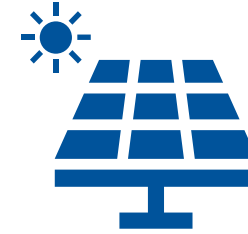
10% Bonus/Adder: Energy Communities

- Energy Communities Bonus
 - 10% adder to tax credit - Section 48(a)(14) for ITC
 - Reduced to 2% if capacity is 1 MW or more *and* prevailing wage/apprenticeship requirements not met
- Energy communities are:
 - Brownfield sites
 - Statistical areas with historical connection (since 2009) to coal, oil and natural gas industries and high unemployment
 - Census tracts where coal mine has closed (since 1999) or coal-fired electric generating unit has been retired (since 2009), and directly adjacent census tracts



Bonus/Adder: Low-Income & Tribal Communities for Small Solar and Wind ITC

- Bonus is 10% or 20%, depending on type of community
- Facility must obtain an allocation of “environmental justice solar and wind capacity limitation” from Treasury Department and DOE
- Capped at 1.8 gigawatts annually for each of 2023 and 2024
- Available for solar and wind projects with capacity of less than 5 MW
- *Must apply for allocation before facility is placed in service but after other requirements are met*
- Bonus is available for facilities
 - In a “low-income community” as defined in Section 45D(e) (10%)
 - On Indian land (10%)
 - Part of a “qualified low-income residential building project” (20%)
 - Part of a “qualified low-income economic benefit project” (20%)
- Section 45D, which defines “low-income community,” provides for the New Markets Tax Credit. The Community Development Financial Institutions Fund has prepared a map of census tracts that qualify for the New Markets Tax Credit (see url below)
 - <https://cimsprodprep.cdfifund.gov/CIMS4/apps/pn-nmtc/index.aspx#?center=-98.212,38.929413&level=4>
- **Not available for PTC**



Definitions of Low-Income Communities

- **“Low-Income Community”** is generally defined (based on NMTC definition) as any population census tract if
 - (A) the poverty rate for such tract is at least 20%, or
 - (B) in the case of a tract located outside a metropolitan area, the median family income for such tract does not exceed 80% of statewide median family income, or in the case of a tract located within a metropolitan area, the median family income for such tract does not exceed 80% of the greater of statewide median family income or the metropolitan area median family income.
- **“Indian Land”** is
 - (A) any land located within the boundaries of an Indian reservation, pueblo, or rancharia;
 - (B) any land not located within the boundaries of an Indian reservation, pueblo, or rancharia, the title to which is held in trust by the United States for the benefit of an Indian tribe or an individual Indian, by an Indian tribe or an individual Indian, subject to restriction against alienation under laws of the United States, or by a dependent Indian community;
 - (C) land that is owned by an Indian tribe and was conveyed by the United States to a Native Corporation pursuant to the Alaska Native Claims Settlement Act (the “ANCSA”), or that was conveyed by the United States to a Native Corporation in exchange for such land;
 - (D) any land located in a census tract in which the majority of residents are Natives (as defined in the ANCSA); and
 - (E) any land located in a census tract in which the majority of residents are persons who are enrolled members of a federally recognized Tribe or village.

Definitions of Low-Income Communities (continued)

- A **“Qualified Low-Income Residential Building Project”** is a residential rental building which participates in certain housing programs administered under government agencies under laws such as:
 - the Violence Against Women Act of 1994,
 - the Housing Act of 1949, and
 - the Native American Housing Assistance and Self-Determination Act of 1996, or
 - such other affordable housing programs as the Secretary may provide.

In order to qualify as a qualified low-income residential building project for the purposes of the ITC, the financial benefits of the electricity produced by the facility must be allocated equitably among the occupants of the dwelling units of the building project.

- A **“Qualified Low-Income Economic Benefit Project”** is a facility if:
 - at least 50% of the financial benefits of the electricity produced by such facility are provided to households with income of
 - (i) less than 200% of the poverty line applicable to a family of the size involved, or
 - (ii) less than 80% of area median gross income.

Determining Tax Credit Value – ITC

Section 48 – ITC: “Base credit” + “Bonus/Adder”

Sample Calculation of “Base credit” + “Bonus/Adder”		Cumulative	Incremental
	Base Tax Credit for ITC	6% (2% for certain property)	
X	5x Multiplier if: <ul style="list-style-type: none"> Labor requirements (<i>i.e.</i>, Prevailing Wage & Apprenticeship) met, or Facility < 1 MW, or Construction began before January 29, 2023 	30% (10% for certain property)	6% times 5
+	Add Domestic Content Bonus of 10% if: <ul style="list-style-type: none"> Domestic Content requirements met Bonus reduced to 2% if capacity is 1 MW or more <u>and</u> Prevailing Wage & Apprenticeship not met 	40%	+10%
+	Add Energy Community Bonus of 10% if: <ul style="list-style-type: none"> Located in Energy Community (<i>i.e.</i>, brownfield, coal, oil or natural gas communities) Bonus reduced to 2% if capacity is 1 MW or more <u>and</u> Prevailing Wage & Apprenticeship not met 	50%	+10%
+	Add Environmental Justice Bonus of 10% or 20% for ITC solar and wind < 5MW: <ul style="list-style-type: none"> Located in low-income community or Tribal land (10%) Located in low-income housing buildings or certain projects with household below poverty low/low-income (20%) 	60% or 70%	+10% or +20%
–	Potential Haircuts, Recapture or Phase-Out		
–	Haircut for use of tax-exempt financing for project	Tax credit reduced by maximum of 15% (the lesser of 15% and percentage of project financed with tax-exempt proceeds)	
–	Vests 20% per year over 5 years	ITC subject to recapture if requirements not met	
–	Potential Phase-Out of Direct-Pay if Domestic Content not met and project is 1MW or more	-10%, -15% or -100% if construction begins in 2024, 2025 or 2026, respectively and domestic content not met	
–	Potential haircut if tax credit plus “Restricted Tax Exempt Amount” exceeds cost	See following slide re “Restricted Tax Exempt Amounts”	

Not all credits apply to all projects

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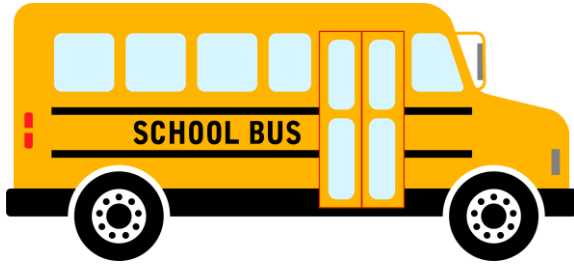
Special Rules: Restricted Grants, Forgivable Loans & Other Tax-Free Income – No Excessive Benefit

- **Grant, forgivable loans & other tax-exempt income can be stacked with a tax credit and help pay for a tax credit property.**
- If the applicable entity receives **a grant, forgivable loan, or other tax-exempt income *for the specific purpose of purchasing, constructing, reconstructing, erecting, or otherwise acquiring the tax credit property* (“Restricted Tax Exempt Amount”)**, and the Restricted Tax Exempt Amount plus the tax credit exceeds the cost of the tax credit property, then the amount of the tax credit is reduced so that the tax credit plus the Restricted Tax Exempt Amount does not exceed the cost of the tax credit property.
- This means if project is funded by grants, forgivable loans or income that is tax-free, the IRS may offset the amount the tax credit to prevent an excessive benefit.
- Free money + tax credit cannot exceed cost of the project:
 - Tax credit will be reduced so that the aggregate of the tax credit plus the other free money equals the cost of the project
 - Federal government is not going to give you more free money (*i.e.*, tax credit) if you already have enough free money to cover the project

Impact of Other Restricted Free Money

- For example, an electric school bus costs \$400,000:
 - A school district receives a tax-free grant in the amount of \$400,000 to purchase an electric school bus. Under IRA, clean commercial vehicles are eligible for a tax credit of up to \$40,000. The tax credit will be reduced by the amount necessary so that the total amount of the tax credit plus the free money equals the cost of the bus. The tax credit is therefore reduced by \$40,000 to zero.
 - A school district receives a tax-free grant in the amount of \$300,000 to purchase an electric school bus. Under IRA, clean commercial vehicles are eligible for a tax credit of up to \$40,000.
 - The school district purchases the bus for \$400,000, using the grant and \$100,000 of the school district's unrestricted funds. Since the amount of the restricted tax-free grant plus the amount of the section 45W credit (\$340,000) is less than the cost of the electric bus, the school district's 45W credit is not reduced.

How Does Other Restricted Free Money Impact Tax Credit?



Each school bus is priced at **\$400,000** meaning that **\$400,000** is the cost basis



\$400,000 Restricted Grant
 ± \$40,000 45W Tax Credit
\$440,000 Exceeds cost basis

\$300,000 Restricted Grant
 + \$100,000 Other unrestricted funds
 ± \$40,000 45W Tax Credit
\$340,000 Less than cost basis

** tax credit reduced to \$0*

** tax credit not reduced*



\$375,000 Restricted Grant
 + \$25,000 Other unrestricted funds
 ± \$40,000 45W Tax Credit
\$415,000 Exceeds cost basis

** tax credit reduced by \$15,000 to \$25,000*

Sequestration Protection – Lessons Learned from BABs

- The IRA provides a mechanism to protect direct payments of tax credits from the same reductions due to sequestration that have applied to Build America Bonds and other direct pay bonds
- The current sequestration rate is 5.7 percent and is scheduled to continue through the end of the Federal government’s 2030 fiscal year
- Specifically, the IRA provides that any direct payment tax credit is automatically increased by 6.0455 percent and this “gross-up” mechanism is intended to result in 100 percent of the direct pay tax credits being paid
- This adjustment is fixed at 6.0455 percent and as long as the sequestration rate is not changed, the gross-up should protect direct payments of tax credits from being impacted by sequestration

Proposed IRS Tax Credit Monetization Regulations

- On June 14, 2023, the IRS released temporary and proposed regulations on the IRA's tax credit monetization provisions (proposed 6417 regulations, proposed 6418 regulations, and proposed CHIPS Act regulations)
- Comments were due by August 14, 2023
- Taxpayers can rely on the proposed regulations for tax years beginning after December 31, 2022, as long as the proposed regulations are followed in their entirety and in a consistent manner

How Does an Applicable Entity Apply for Direct Pay?

- This will be a multi-step process
- **First must register with the IRS on a new online registration portal before making the election**
- If the information provided through the portal is sufficient and verifiable, the IRS will issue a **special registration number**
- Must obtain a separate registration number for each project
- After obtaining a pre-filing registration number, an applicable entity must:
 - **Make the elective pay election on an original tax return Form 990-T**
 - Complete relevant source credit forms and:
 - **IRS Form 3800** and
 - **IRS Form 3468** for ITC <http://www.irs.gov/pub/irs-pdf/i3468.pdf>
 - **IRS Form 8936-A** for Clean Commercial Vehicles <https://www.irs.gov/forms-pubs/about-form-8936-a>
 - **IRS Form 8911 for** Alternative Fuel Vehicle Refueling Property Credit <https://www.irs.gov/forms-pubs/about-form-8911>
 - Provide certain supporting information and calculations
 - Must annually renew registration number and attest
 - Provide updates for changes or new information

Requesting a Special Registration Number

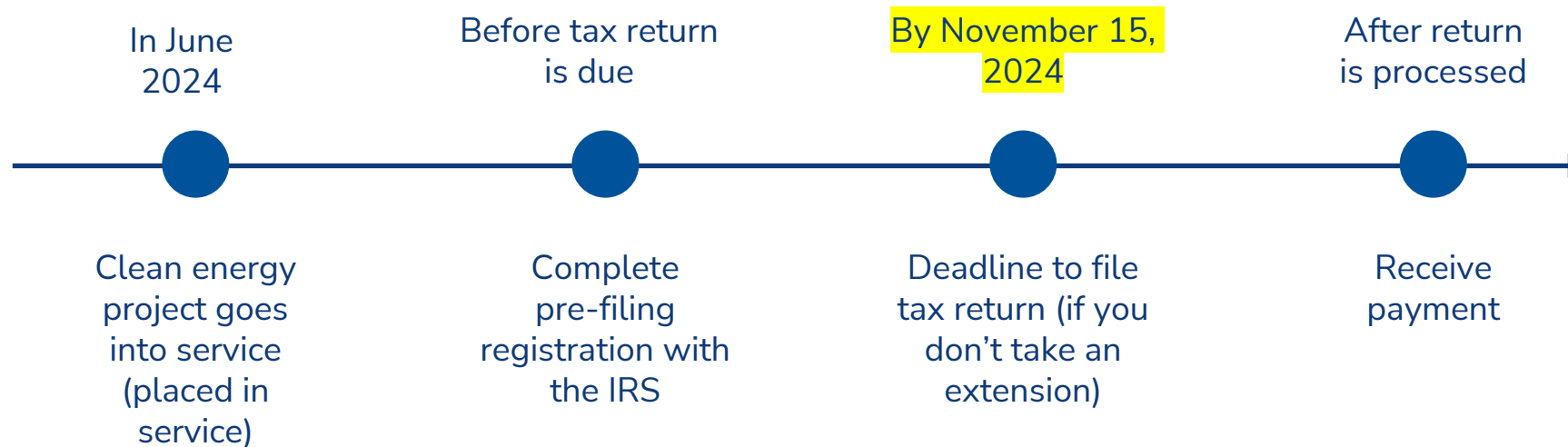
- **Applicable Entity will need to provide:**
 - General information (*e.g.*, applicable entity's name, address, taxpayer identification number, type of entity)
 - Additional information required by the portal
 - Applicable Entity's taxable/fiscal year
 - Type of annual tax returns, if any, normally filed by the applicable entity
 - Type of tax credit
 - List of projects for which the applicable entity intends to make a direct pay or a transfer election
 - Contact person for the applicable entity
- **For each project, further information may be required, such as:**
 - Type of project
 - Physical location of project
 - Documentation relating to the construction, reconstruction or acquisition of the project (such as operating permits, deeds or other evidence of ownership, etc.)
 - Beginning of construction and placed in service dates
 - Sources of funds used to acquire the project
 - Other information the taxpayer believes will be helpful for the IRS
- Applicable Entity will need to sign a penalties of perjury statement

Deadline to Make Direct Pay Election on Tax Return

- If the Applicable Entity (e.g. a 501(c)(3)) *is required* to file an annual federal income tax return, the election must be made no later than the due date (including extensions) for tax return for the taxable year in which the election is made
- If the Applicable Entity is not required to file annual tax return (e.g., governmental entity) the direct-pay election must be made no later than the due date (including extensions) that would apply if the entity were required to file an annual federal income tax return under the rules for tax returns of tax-exempt organizations (generally, the **15th day of the fifth month after the end of the tax-exempt organization's taxable year**)
- No late filing relief for a late direct pay election

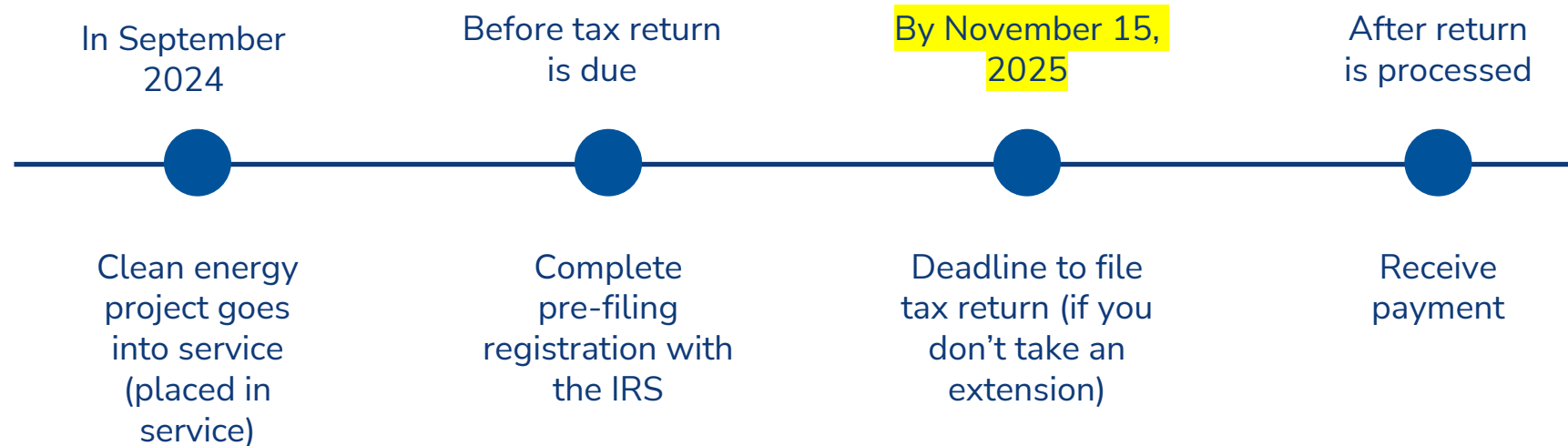
Example Timeline: Local Government's Fiscal Year Ends June 30

- A local government that makes a clean energy investment that qualifies for the investment tax credit can file an annual tax return (via Form 990-T) with the IRS to claim elective pay for the full value of the investment tax credit, as long as it meets all of the requirements, including a pre-filing registration requirement
- As the local government would not owe other federal income tax, the IRS would then make a refund (direct) payment in the amount of the credit to the local government



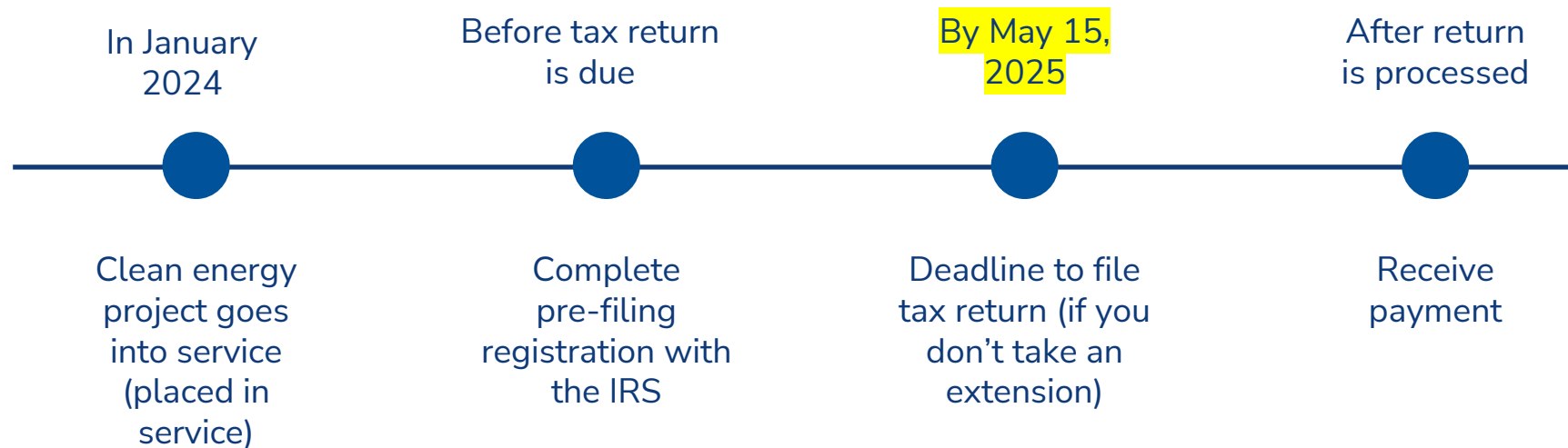
Example Timeline: Local Government's Fiscal Year Ends June 30

- A local government that makes a clean energy investment that qualifies for the investment tax credit can file an annual tax return (via Form 990-T) with the IRS to claim elective pay for the full value of the investment tax credit, as long as it meets all of the requirements, including a pre-filing registration requirement
- As the local government would not owe other federal income tax, the IRS would then make a refund (direct) payment in the amount of the credit to the local government



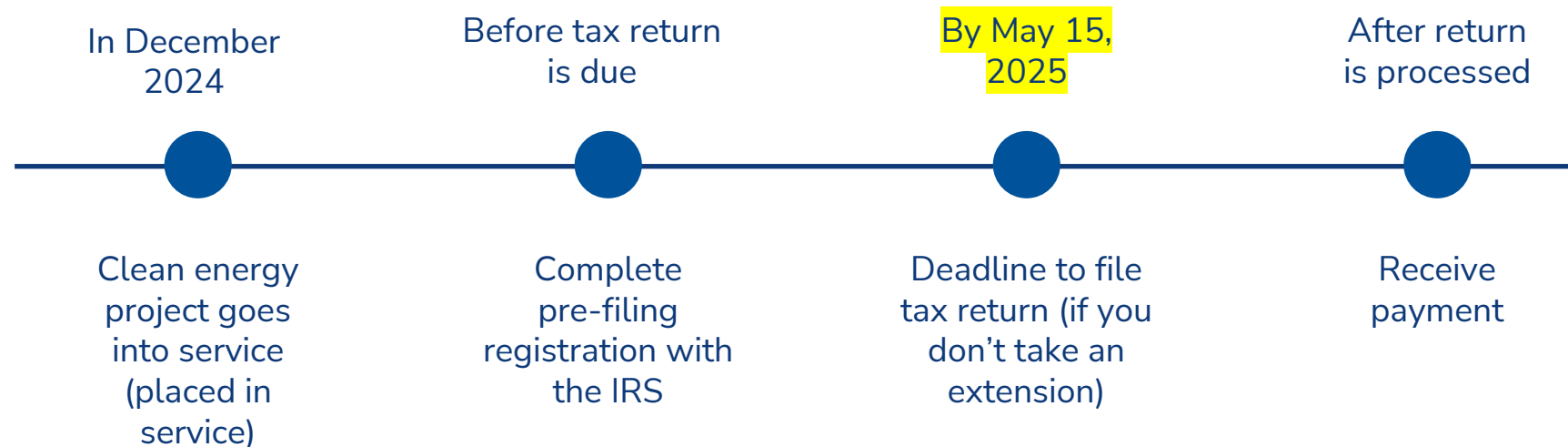
Example Timeline: Local Government's Fiscal Year Ends December 31

- A local government that makes a clean energy investment that qualifies for the investment tax credit can file an annual tax return (via Form 990-T) with the IRS to claim elective pay for the full value of the investment tax credit, as long as it meets all of the requirements, including a pre-filing registration requirement
- As the local government would not owe other federal income tax, the IRS would then make a refund (direct) payment in the amount of the credit to the local government



Example Timeline: Local Government's Fiscal Year Ends December 31

- A local government that makes a clean energy investment that qualifies for the investment tax credit can file an annual tax return (via Form 990-T) with the IRS to claim elective pay for the full value of the investment tax credit, as long as it meets all of the requirements, including a pre-filing registration requirement
- As the local government would not owe other federal income tax, the IRS would then make a refund (direct) payment in the amount of the credit to the local government



Loans and Loan Guarantees

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Department of Energy Loan Guarantees for Energy Infrastructure Reinvestment (NEW)

- **Funding Description:** To guarantee loans for projects that retool, repower, repurpose, or replace energy infrastructure that has ceased operations or that enable operating energy infrastructure to avoid, reduce, utilize, or sequester air pollutants or anthropogenic emissions of greenhouse gases. Potential projects could include **repurposing shuttered fossil energy facilities for clean energy production, retooling infrastructure from power plants that have ceased operations for new clean energy uses, or updating operating energy infrastructure with emissions control technologies, including carbon capture, utilization, and storage (CCUS).**
- **Funding Amount:** \$5 billion to remain available through September 30, 2026. IRA places a total cap on loan guarantees of up to \$250 billion and appropriates \$5 billion in credit subsidy to support these loans under Sec. 1706 of the Energy Policy Act of 2005
- **Eligible Recipients:** Program design and rulemaking is underway to refine definition of eligible recipients. Anticipated: States, Counties, Cities/Townships, Special Districts, Tribal Governments (federally recognized), Tribal Governments (other than federally recognized), Independent School Districts, Public Higher-Ed Institutions, Private Higher-Ed Institutions, Public Housing Authorities, Indian Housing Authorities, Nonprofits with 501(c)(3) status, Nonprofits without 501(c)(3) status, Small Businesses, Businesses (other than small businesses)
- **Tribal Eligibility:** Yes

Grants, Rebates, Loans & Other Federal Funding

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Other Infrastructure Grants

Agency	Program Name & Purpose	Amount
<p>Department of Transportation</p> <p>Competitive Grant Program</p>	<p>Neighborhood Access and Equity Grant Program</p> <p><i>Eligible Recipients:</i> (1) A state, unit of local government, political subdivision of a state, MPO, or U.S. territory; (2) Federally recognized Indian Tribe; (3) A special purpose district or public authority with a transportation function; or (4) A non-profit organization or institution of higher education that partners with an eligible entity described above to compete for grants for planning and capacity building activities in disadvantaged or underserved communities.</p> <p>To award competitive grants for context-sensitive projects that improve walkability and safety and provide affordable transportation access; to mitigate or remediate negative impacts on the human or natural environment in disadvantaged communities from a surface transportation facility; and for planning and capacity building activities in disadvantaged or underserved communities.</p> <p>Grants to implement context-sensitive projects that improve walkability and safety and provide affordable transportation access; mitigate or remediate negative impacts on the human or natural environment from a surface transportation facility in a disadvantaged or underserved community; and to implement planning and capacity building activities in disadvantaged or underserved communities. Other eligible activities include the provision of guidance, technical assistance, templates, training, or tools to facilitate efficient and effective contracting, design, and project delivery by units of local government; and subgrants to units of local governments to build capacity to assume responsibilities to deliver surface transportation projects. Funds cannot be used to add capacity for single-occupant passenger vehicles. Of the \$3.205 billion appropriated, \$1.262 billion is reserved for economically disadvantaged communities, and \$50 million is reserved for technical assistance.</p> <p><i>Cost Share Requirements:</i> The federal share shall not be more than 80%, unless the project is in a disadvantaged community.</p>	<p>\$3,205,000,000</p> <p>Available until September 30, 2026.</p>
<p>Department of the Interior</p> <p>Grants, Contracts, or Financial Assistance Agreements</p>	<p>Domestic Water Supply Projects: To provide domestic water supplies to disadvantaged communities or households that do not have reliable access to domestic water supplies.</p> <p>To provide up to 100 percent of the cost of planning, design, or construction of water projects with the primary purpose of providing domestic water supplies to communities or households without reliable access to domestic water supplies in a Reclamation state or territory.</p> <p><i>Eligible Recipients:</i> Disadvantaged communities in states covered by the Bureau of Reclamation.</p>	<p>\$550,000,000</p> <p>To remain available through September 30, 2031.</p>
<p>Department of the Interior</p> <p>Grants, Contracts, or Financial Assistance Agreements</p>	<p>Drought Mitigation: To complete short-term bridging actions and longer-term durable actions to protect the Colorado River and the 40 million people it serves as well as other basins experiencing a comparable level of long-term drought, such as the Sacramento-San Joaquin, Klamath, and Rio Grande Basins.</p> <p>To provide funding for projects ensuring that (1) conserved water will benefit basins experiencing long-term drought and (2) the conserved water is not diverted for consumptive use for a period of time or in perpetuity based on certain criteria.</p> <p><i>Eligible Recipients:</i> Public Entities and Indian Tribes</p>	<p>\$4,000,000,000</p> <p>To remain available through September 30, 2026.</p>
<p>Department of the Interior</p> <p>Grants or Cooperative Agreements, including but not limited to PL 93-638 agreements.</p>	<p>Emergency Drought Relief for Tribes: To fund projects designed to mitigate near-term drought impacts for Indian Tribes that are affected by the operation of a Bureau of Reclamation water project, including direct financial assistance to address drinking water shortages and to mitigate the loss of Tribal resources.</p>	<p>\$12,500,000</p> <p>To remain available through September 30, 2026.</p>

Climate Resilience Grants

Agency	Program Name & Purpose	Amount
Department of Agriculture	<p>Urban and Community Forestry Assistance Program</p> <p>To provide grants through the Urban and Community Forestry Assistance Program for tree planting and related activities.</p> <p><i>Eligible Recipients:</i> A state agency, a local governmental entity, an agency or governmental entity of the District of Columbia, an agency or governmental entity of an insular area (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)), an Indian Tribe, or a nonprofit organization.</p> <p><i>Tribal Eligibility:</i> Yes</p> <p><i>Eligible Uses:</i> Tree planting and related activities</p> <p><i>Cost Share Requirements:</i> 50%, but any non-federal cost-share requirement otherwise applicable to projects carried out under this section may be waived at the discretion of the Secretary.</p>	<p>\$1,500,000,000</p> <p>To remain available until September 30, 2031.</p>
Department of Commerce	<p>Investing in Coastal Communities and Climate Resilience</p> <p>To provide direct federal spending, contracts, grants, cooperative agreements, or technical assistance to support coastal resilience, coastal communities, and conservation, restoration, and protection of coastal and marine habitat and resources, including fisheries. Conservation, restoration, and protection of coastal and marine habitats and resources, including fisheries, to enable coastal communities to prepare for extreme storms and other changing climate conditions, and for projects that support natural resources that sustain coastal and marine resource dependent communities, and for related administrative expenses.</p> <p><i>Eligible Recipients:</i> Coastal states (as defined in the Coastal Zone Management Act), the District of Columbia, Tribal governments, nonprofit organizations, local governments, and institutions of higher education.</p> <p><i>Tribal Eligibility:</i> Yes</p>	<p>\$2,600,000,000</p> <p>To remain available until September 30, 2026.</p>
Department of the Interior	<p>Native Hawaiian Climate Resilience: To provide Direct Federal Spending, Grants, Contracts and/or Cooperative Agreements to develop and implement a new Native Hawaiian Climate Resilience Program that helps the Native Hawaiian Community cope with the effects of climate change by taking actions that maintain the integrity and identity of the Native Hawaiian Community while also building the capacity for adaptation, learning, and transformation. Eligible uses may include climate change communication, education, and research; environmental hazard analysis; natural and cultural resource management and protection; socio-cultural communication, education, and research; adaptation planning; sustainability technical assistance; and access to related federal/state/county programs.</p>	<p>\$25,000,000</p> <p>To remain available through September 30, 2031.</p>
Department of the Interior	<p>Tribal Climate Resilience: To provide Direct Federal Spending, Grants, Contracts, or Financial Assistance Agreements to support climate resilience planning to help sustain Tribal ecosystems and natural and cultural resources, economies, infrastructure, human health, and safety through habitat restoration and adaptation activities, community directed relocation, and other activities.</p>	<p>\$225,000,000</p> <p>To remain available until September 30, 2031</p>

Questions?

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