

CEBA FACTSHEET ON BUILD BACK BETTER ACT ENERGY PROVISIONS

September 17, 2021

At the beginning of 2021, [CEBA called on the Federal government](#) to set “strong and specific national policies to accelerate the transition to a zero-carbon power sector and expand access to clean energy for customers.” In July, CEBA [stated support](#) for “a well-designed, customer-centric Clean Energy Standard (CES) that decarbonizes the grid for all, empowers customers to lead the clean energy transition and leverages markets for clean energy.”

Today, CEBA applauds the House Energy and Commerce and Ways and Means committees for advancing provisions on clean energy incentives and innovation, transmission planning and expansion, organized wholesale market expansion, and a clean electricity payment program to drive clean energy deployment nationwide for all customers.

CEBA looks forward to partnering with Congress, the Administration, and key federal agencies to ensure these provisions unleash the innovative power of American companies and other energy customers to accelerate grid decarbonization.

American businesses have voluntarily championed clean energy for more than a decade, including contracting for 42 GW of new, utility-scale wind and solar. In 2020, announced new-build corporate renewable energy contracts was equivalent to 41%¹ of all new wind and solar capacity installed last year. These customers have become one of the primary drivers of clean energy deployment by pushing the industry to accelerate clean energy adoption, creating new, innovative contracting structures, pushing the boundaries of clean energy leadership into round-the-clock clean energy procurement, and playing a significant role in decarbonizing the power grid for all customers. These ambitious customers recognize the importance of tackling emissions in the power sector. Given the commercial and industrial sector is responsible for more than half of all energy

consumption, it is critical that energy customers continue to play an active role in achieving ambitious national clean electricity goals.

CEBA believes that both market-based and policy-driven approaches are needed to achieve the fastest and most cost-effective, resilient, and equitable approaches to decarbonize the grid for all while unlocking the potential of energy customers to accelerate the transition:

- **[Unlocking competitive, organized wholesale markets is key to decarbonizing the grid for all](#)** in a faster and more cost-effective manner. Organized markets are the most effective mechanism for reaching a least-cost, customer-centric transition to clean energy. They provide a technology-agnostic, level playing field to integrate clean and innovative technologies while allowing energy customers to identify clean energy procurement strategies that support company ambition.
- **[Achieving a vision of a decarbonized grid for all customers requires ambitious federal action](#)**. CEBA applauds efforts from the Biden Administration and Congressional leaders to reach a nationwide average of 80 percent clean electricity by 2030. These federal efforts directly target much needed emissions reductions in the power sector and move beyond the actions of individual customers and utilities to drive emissions reductions at scale.

[Recent research](#) from the Clean Energy Buyers Institute demonstrates that the dual policy and regulatory frameworks of a strong clean energy standard, supported by [organized wholesale markets](#) and [transmission](#) expansion, will drive the fastest, least-cost carbon free energy deployment.

CEBA specifically applauds provisions within the Build Back Better Act as crucial to CEBA's vision for power sector decarbonization, including but not limited to:

ORGANIZED MARKETS

Underpinning the decarbonization transition with least-cost clean energy technologies everywhere

A new \$100 million program is created within DOE's Office of Electricity to administer grants to states to provide technical assistance to form, expand, or improve an organized wholesale electricity market, including assistance for:

1. Market governance
2. Planning and policy
3. Regulatory development

TRANSMISSION

Creating a clean, resilient, interconnected, least-cost power grid

DOE is permitted to provide grants and direct loans up to \$8 billion for new and upgraded transmission lines for eligible projects that support: (1) a more robust and resilient electric grid and (2) the integration of a clean energy facility into the electric grid.

The department has \$800 million available to provide two-year grants to siting authorities, such as support to states, local, and tribal governmental entities who are considering transmission lines with a minimum 275 kV rating to:

- Study and analyze the transmission line's impacts (e.g., environmental, reliability, cultural, historical, market, cost)
- Examine alternate siting corridors
- Host and facilitate settlement meetings with stakeholders
- Participate in regulatory proceedings at FERC or in other jurisdictions

In addition, DOE has \$100 million available to convene stakeholders (e.g., states, developers) to conduct planning, modeling, and analysis for interregional and offshore wind transmission lines as part of planning a macrogrid.

CLEAN ENERGY INCENTIVES

Scaling clean energy generation, storage, and transmission

Highlights include:

- There is a new 30% investment tax credit (ITC) for regionally significant transmission for qualifying property with minimum capacity requirements and cost recovery
- ITC was created or extended for: solar, geothermal, offshore wind, and energy storage with a 100% direct pay option through the end of 2031. Production tax credit (PTC) also extended at 30%, all through 2031 with phase-downs
- There is a new clean hydrogen PTC

CLEAN TECH INNOVATION

Scaling clean energy technologies for the future

DOE is permitted to make commitments to guarantee loans up to \$30 billion for eligible clean technology projects. The funding will provide critical support for clean energy technologies during the commercial deployment stage. An additional \$700 million is available through September 2031 for the cost of guarantees for renewable or energy efficient systems and manufacturing or distributed energy generation, transmission, and distribution.

CLEAN ELECTRICITY PERFORMANCE PROGRAM

Decarbonizing the grid for all

Bold federal action to rapidly increase decarbonization of the power grid for all customers is necessary and should recognize the efforts of ambitious energy customers by enhancing opportunities through the voluntary market. The voluntary market should continue to play the role it has for the last decade, as an additional accelerant and innovator for decarbonization to happen faster and cheaper. Until the grid is 100 percent clean, there's always room for more speed, ambition, and innovation. Customers can and should lead.

As the Clean Energy Performance Program (CEPP) moves through Congress and toward a potential rulemaking at DOE, we look forward to partnering with the Department and other stakeholders to ensure voluntary clean energy markets are preserved and accelerated.