ISE SUMMER 2025 NEWSLETTER

Stay educated on how **our energy future** is changing

An abundance of sustainable energy news has occurred so far this summer. Here are the topics covered in this newsletter to help you stay up to date:

- A comparison of the sustainable energy policies under Trump’s OBBBA (2025) versus Biden’s IRA (2022)
- New England residential solar accomplishments.
- Empire Wind: Updates on New York’s controversial offshore wind farm.

How Clean Energy Policy In The U.S. Is Changing

A battle of the bills:

Biden's Inflation Reduction Act (IRA) vs. Trump's One Big Beautiful Bill Act (OBBBA)

empirewind.com/2025/05/20/

Tax credits:

Investment (ITC): Individuals or corporations receive a % of their investment in sustainable energy tech as a credit towards their federal tax return.

epa.gov/green-power-markets

Production (PTC): Electricity produced by renewable sources earns a credit towards the federal tax return.

(2022) Biden's IRA

A clean energy tech-neutral approach increased the ITC from 10% to 30%, and the PTC to $0.0275/kWh (2023 value).

Additional tax credits for low-income communities.
Gradual tax credit phase-out beginning in 2032.

(2025) Trump's OBBBA

Wind and solar tax credits will be eliminated by 2028. Tax credits for batteries, nuclear, and geothermal energy survive.

To qualify for the existing credits, planned wind and solar projects must begin construction by July 4th, 2026.

Investments, loans, and grants:

(2022) Biden's IRA

Created the Foreign Entities of Concern (**FEOC**) provision to regulate the foreign ownership and sourcing for EVs.

As of Dec 2024, over $450 billion in clean energy investments had been made by private companies.

Bidenwhitehouse.archives.gov/invest/

As of Dec 2024, over $100 billion in federal dollars have been given as grants for clean energy.

V. Volcovici, Reuters, 2024

(2025) Trump's OBBBA

Expanded the FEOC to restrict the eligibility for remaining clean energy tax credits for projects or manufacturers that source certain critical components or minerals from a FEOC.

Latham & Watkins, Insights, July 8 2025

FEOCs: China, Russia, North Korea, Iran.

The clean energy tech that will be severely impacted:

Solar panels, batteries, electrolyzers, and EVs

Battle of the bills: Summary

Trump's *energy dominance* policy is aimed at supporting domestic energy sources (including natural gas and oil) and mitigating the supply chain reliance on other countries, particularly China.

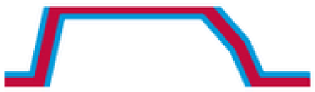
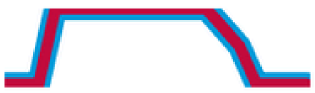
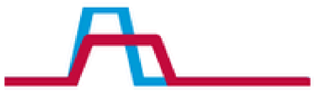
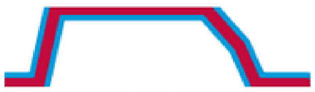
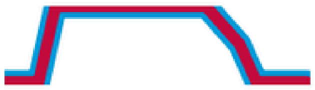
Biden's energy policy increased tax and investment incentives for a wide range of clean energy technologies. Material and supply chain sourcing was less of a priority.

Key impacts on you

Your electricity bill is predicted to **increase** (see the interactive image attached below)

Residential solar and electric vehicle purchases will get **more expensive after 2026.**

Battle of the bills: Summary

Technology	IRA Incentives (2022-2025) vs OBBBA Policy Changes (2025 onward)	
Solar & Wind		• 48E and 45Y credits available until 2033 • Phased out after 2027[1]; sourcing rules tightened (FEOC)
Green Hydrogen		• 45V credit available until 2033 • Phased out by 2028
Electric Vehicles		• 30D, 25E, and 45W credits for EVs; 30C for charging infrastructure • Phased out by 2026 (30D/25E/45W by Oct 2025, 30C by Jul 2026)
Manufacturing		• 45X and 28C credits support clean tech supply chain • 45X phased out after 2027 (wind) and 2028 (solar/storage); 48C compromised by sourcing rules
Carbon Capture		• 45Q credit available until 2033 • Preserved; EOR provisions enhanced
Energy Storage		• 48E credit available until 2033 • Preserved in full
Biofuels		• 45Z credit available until 2027 • Extended to 2029; feedstock sourcing rules tightened; capped SAF
Geothermal		• 48E and 45Y credits available until 2033 • Preserved in full
Nuclear		• ITC/PTC for new, 45U for existing plants available until 2033 • Preserved in full; fuel sourcing rules apply after 2028
Oil, Gas		• No support • Gains tax breaks, public land access, and regulatory rollbacks

The above figure was created by the Columbia Business School Climate Knowledge Initiative. I encourage you to check out the full presentation:

https://business.columbia.edu/sites/default/files-efs/imce-uploads/CKI/Documents/CKI%20OBBBA-250715.pdf

State-level progress in sustainable energy

Improved Grid Reliability

Thanks to the current solar power in New England, the AC stayed on during the hottest week so far this year. On June 24th, the power grid reached 28.5 GW of demand, with up to 22% of the power being used at any time in New England being from behind-the-meter solar.

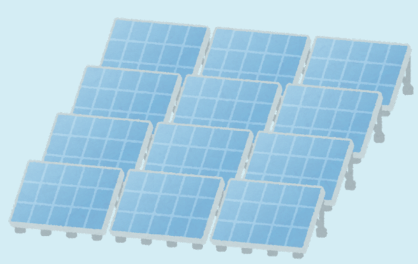
Acadia Center Grid Action Report

New York Offshore Wind Farm Project Persists

The stop-work order issued in April by the federal government against the Empire offshore wind farm has been lifted. The initial approval for operations and construction of Empire Wind occured duringTrump's first term in 2017. Empire is roughly 30% complete, aiming to provide about 2.1 GW of energy to NY, powering over 500,000 homes.

Empire Wind Press Release-05/20/2025

ABC News: What to know about Empire Wind, the wind farm now allowed to resume construction



Links to learn more

Canary Media: Free daily, weekly, monthly newsletters on the clean energy transition.

CANARY MEDIA

Clean energy journalism for a cooler tomorrow

The Energy Gang Podcast: A Wood Mackensie bi-weekly podcast of current stories and developments in energy and clean tech.