

Infrastructure Investment & Jobs Act 2021 (IIJA) and Inflation Reduction Act 2022 (IRA)

Power Summit

10/5/2023

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Policy Alphabet Soup?



BUILD BACK BETTER PLAN

\$5.0 Trillion in Grants/Tax Credits Proposed



American Families Plan
\$0.8 Trillion



American Jobs Plan
\$2.3 Trillion



American Rescue Plan
Covid Stimulus Package
\$1.9 Trillion

APPROVED

Aug 2022
Inflation Reduction Act
\$0.5 Trillion



Infrastructure Investment and Jobs Act
\$1.8 Trillion
Bipartisan Infrastructure Bill (HR3684)

Nov. 2021 IIJA ~ \$1.2 Trillion

Highway Trust Fund

Inland Waterways

Other Dedicated Tax Bases & Fees

\$650 Billion Existing Funding



IIJA Reconciliation Bill
\$550 Billion New 5 Year Funding

APPROVED

\$266 B – Core Infrastructure

\$73 B – Power Related

\$32 B – Competitive Grants

IIJA & IRA

- **IIJA Overview**

- Multi-faceted infrastructure improvement program for core U.S. assets....

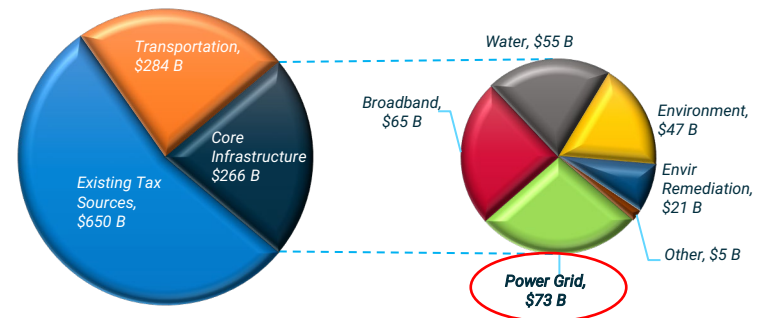
- 300+ Areas of interest
- \$ Trillions in 5-year spend
- Combination new & existing programs
- \$73 Billion power grid

- **IRA Overview**

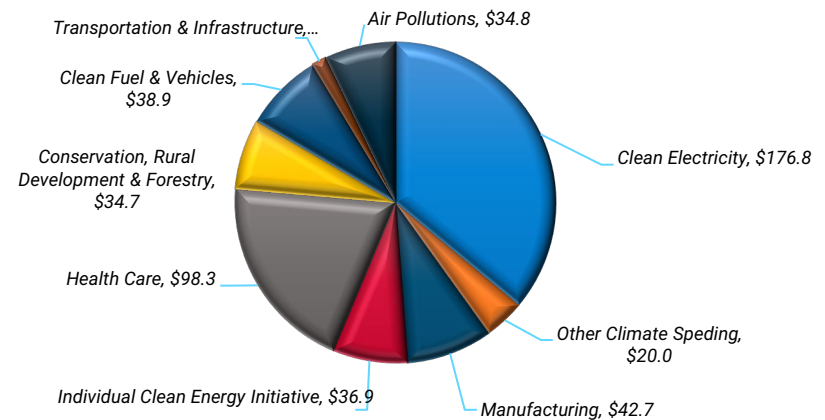
- Wide ranging infrastructure, health & social programs

- \$ Billions over 10-year spend
- Matching grants & tax rebates/credits
- \$392 Billion climate & energy areas

\$1.2 Trillion

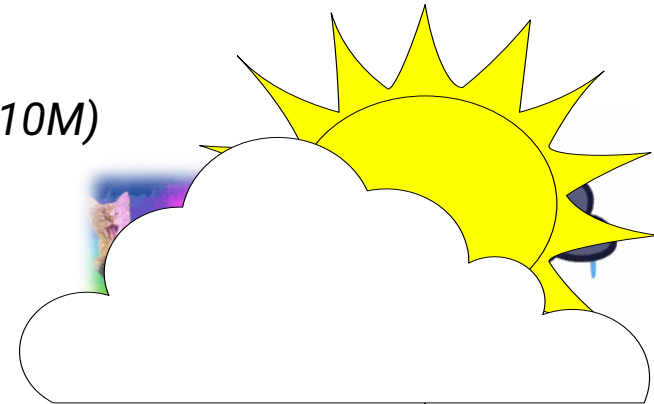


\$ 490 Billion



LES IIJA Project Portfolio Process

- **Cross-Functional Team:** Power Supply; Customer Service; Technical Services; Energy Delivery
- **Team tasks:**
 - How can LES best leverage this opportunity, if at all?
 - What are potential project scope?
 - Present Executive Team with options
- **Project screening methods at OOM analysis**
 - Idea costing estimate in Millions (<\$1M, \$1M-10M, >\$10M)
 - Classification by tiers
 - Already happening / Easy to do
 - Improves project viability
 - Not currently viable
 - Considered
 - Project origins
 - Organizational impact (Dept., multiple dept.'s, business unit etc.)
 - Organizational mission alignment and metrics
- **Presented 31 projects**
- **Note: Most (nearly all) grants require minimum matching investment**



Projects may be applicable to more than one area....

11132-Rural surface transportation grant program.

11401-Grants for charging and fueling infrastructure.

40101-Preventing outages and enhancing the resilience of the electric grid.

40102-Hazard mitigation using disaster assistance.

40103-Electric grid reliability and resilience research, development, and demonstration.

40107-Deployment of technologies to enhance grid flexibility.

40121-Enhancing grid security through public-private partnerships.

40124-Rural and municipal utility advanced cybersecurity grant and technical assistance program.

40125-Enhanced grid security.

40308-Carbon removal.

40541-Grants for energy efficiency improvements and renewable energy improvements at public school facilities.

40551-Weatherization assistance program.

40552-Energy Efficiency and Conservation Block Grant Program.

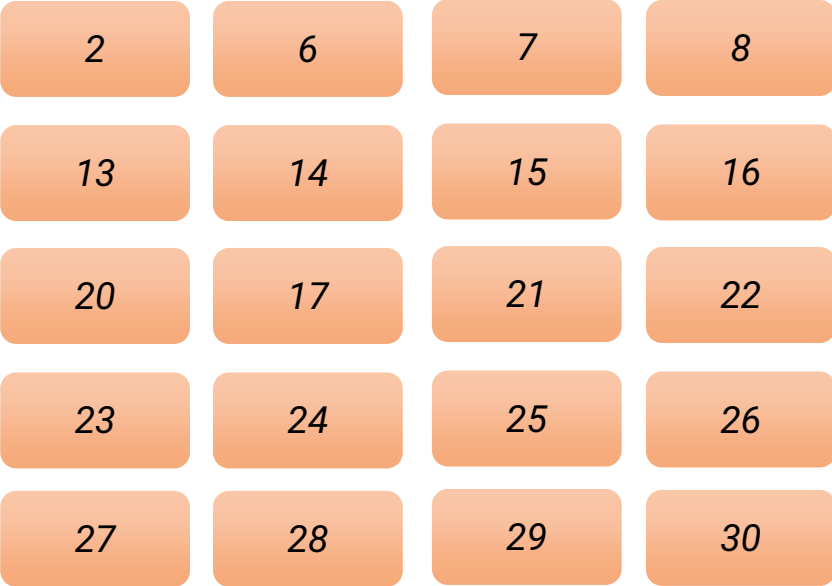
40553-Survey, analysis, and report on employment and demographics in the energy, energy efficiency, and motor vehicle sectors of the United States.

41001-Energy storage demonstration projects.

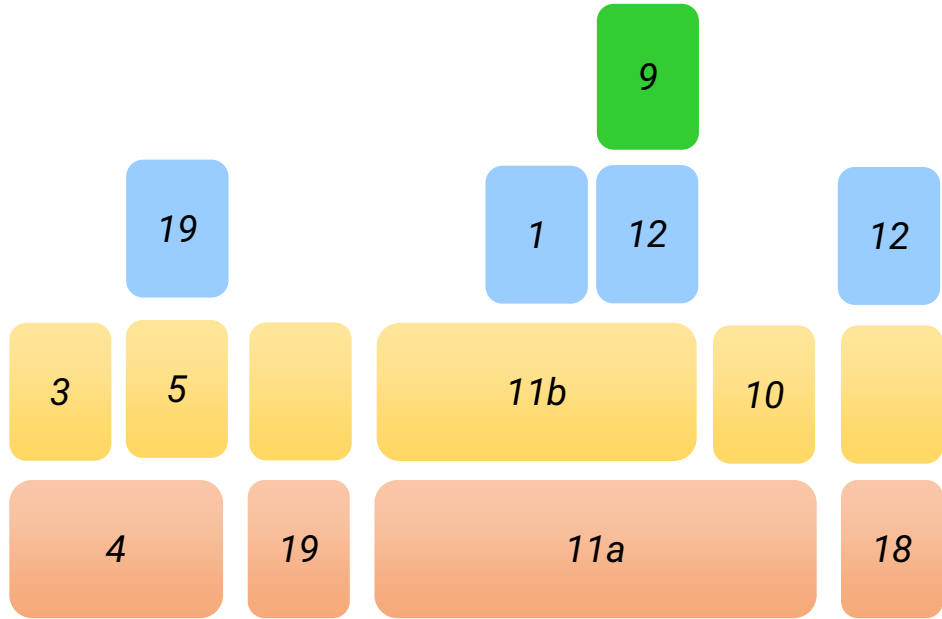
41004-Carbon capture demonstration and pilot programs.

Strategic Building Blocks Exercise

31



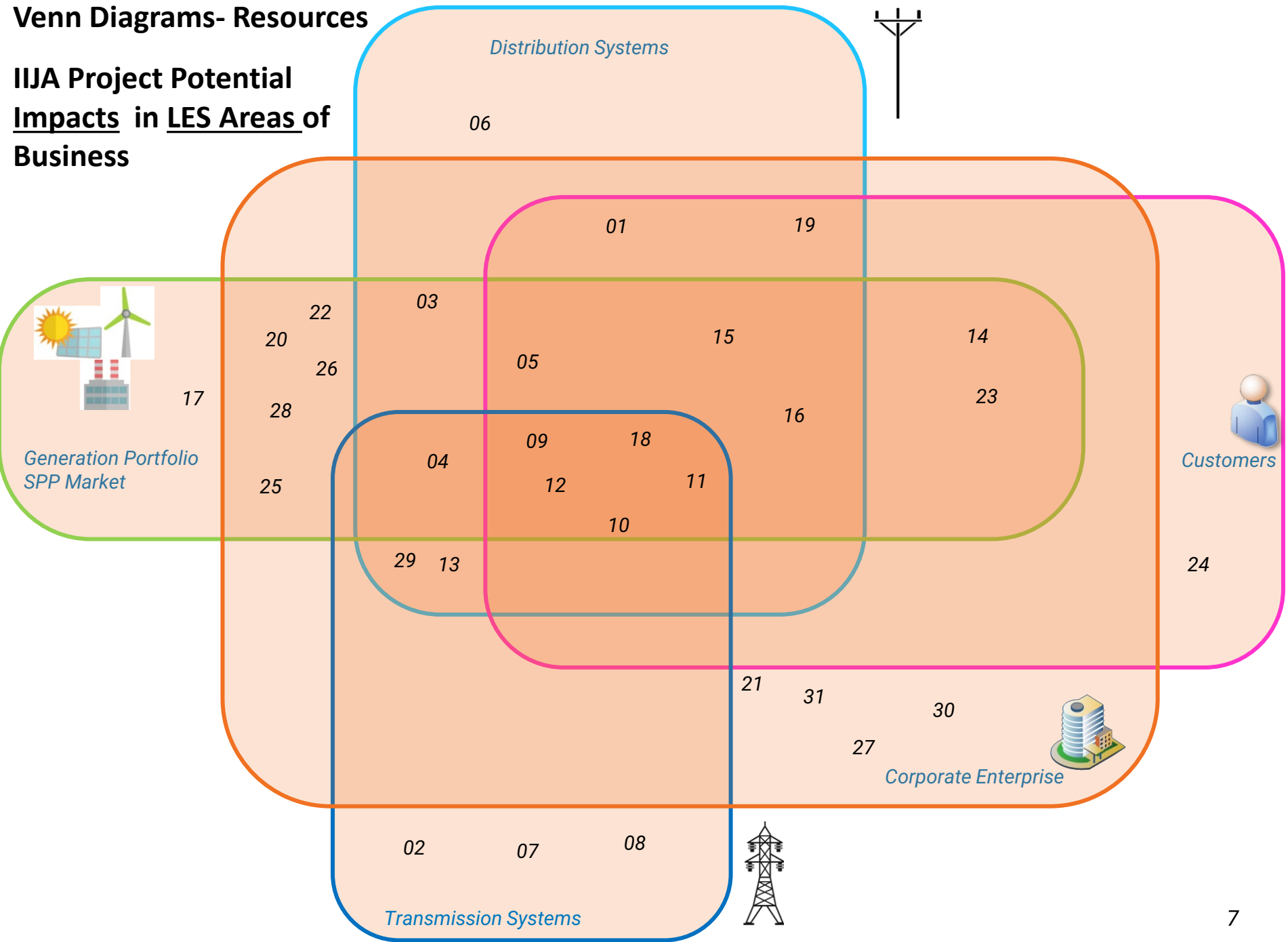
Independent Projects



Dependent Projects

Venn Diagrams- Resources

IIJA Project Potential Impacts in LES Areas of Business



Inflation Reduction Act Promotional Initiatives

- ***Included information about Residential Energy Efficiency (25C) tax credits for qualifying measures in utility's Sustainable Energy Program (SEP)***
 - *Air Source Heat Pumps & Air Conditioners*
 - *Heat Pump Water Heaters*
 - *Insulation*
- ***Conducted an IRA tax credit webinar for customers and LES staff in late March***
- ***Other Inflation Reduction Act promotional initiatives***
 - *Provided information to SEP participating trade allies*
 - *Promoted EV Vehicle Tax Credits and Residential Clean Energy Tax Credits (25D)*

Going Forward

- **Monitor grant administration IIJA/IRA roll-out**
 - *Federal Department determines ground rules*
 - *NDEE Grid Resiliency Grant*
 - *Prepare...Deadlines could be short*
- **Participate in industry activities (training, workshops, “listserve”, etc.)**
- **Engage other community governmental partners for synergy opportunities**
- **Educate Rate-Payers on “Customer-facing” opportunities**
- **Examine Clean Energy provisions and opportunities related to Investment Tax Credits (ITC) / Production Tax Credit (PTC)**
- **Solar for All Program**
- **Clarify infrastructure projects scope**



Questions?