

What's New

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 **NORTON ROSE FULBRIGHT**

**The Inflation Reduction Act is a gold mine of opportunity.
Twenty-two weeks in, people are still digging.**

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The government will fund a large share of the cost of new renewable energy facilities. Developers will receive tax credits worth as much as 70% of the project cost. Manufacturers of wind, solar and storage equipment and producers of a long list of minerals will also receive significant subsidies.

Here is how the math works for developers:

- **30% base tax credit**
- **10% for domestic content**
- **10% for energy communities**
- **10% to 20% for LMI**

The tax credits for developers will not start phasing out again until two years past the year greenhouse gas emissions from the US power sector fall at least 75% from 2022 levels. That will not happen before 2034 at the earliest.

Here is how the math works for solar manufacturers:

- **4¢/watt for solar cells**
- **\$12/m² for wafers**
- **\$3/kg for polysilicon**
- **40¢/m² for polymeric backsheets**
- **7¢/watt for solar modules**
- **87¢/kg for torque tubes**
- **\$2.28/kg for structural fasteners**

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First appeared as part of the conference materials for the
18th Annual Renewable Energy Law Institute session
"What's New?"