

Energy Communities IWG 48c Stakeholder Engagement Plan



MESCC
OFFICE OF MANUFACTURING AND ENERGY SUPPLY CHAINS

High-Level Overview

**DRAFT
FOR DISCUSSION PURPOSES ONLY**

December 2023

MESC & Energy Communities IWG

Collaborating to advance the clean energy transition



Office of Manufacturing & Energy Supply Chains (MESC)

- Serves as the frontline of clean energy deployment, accelerating America's transition to a resilient, equitable energy future through **\$20 billion of direct investments in manufacturing capacity and workforce development.**
- Spurs development of secure, resilient, domestic clean energy supply chains and domestic manufacturing
- Supports workforce through programs at universities, community colleges, and trade schools to provide entry-level and mid-level career support.
- Develops and provides the analytical tools that help to inform programs and investments across DOE and the U.S.

Interagency Working Group on Coal & Power Plant Communities and Economic Revitalization

- Created to break down barriers energy communities face when accessing federal resources to support economic revitalization
- Place-based approach to target federal engagement and investment to the most hard-hit coal and power plant communities
- Committed to:
 - Creating good-paying jobs
 - Remediating environmental damage
 - Supporting energy workers
 - Spurring economic revitalization

What is 48C?

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What

- Investment tax credit (ITC) expanded by IRA with \$10 billion for (1) clean energy manufacturing & recycling, (2) critical materials, and (3) industrial GHG emissions reduction projects
- Projects receive 30% ITC (or 6% if prevailing wage and apprenticeship requirements not met)
- At least 40% of the total \$10 billion will be allocated to projects in communities with closed coal plants known as “energy communities”

Eligible Entities

- Clean energy manufacturers & recyclers; critical materials processors, refiners, & recyclers; industrial facilities planning GHG emissions reduction projects

Why

- 48C will play a critical role in creating high-quality jobs, reducing industrial emissions, and increasing domestic production of critical clean energy products and materials

Legend

- Scope defined by ARRA in 2009
- Scope added by IRA

Clean Energy Manufacturing and Recycling

- Re-equip, expand, or establish Industrial or manufacturing facility for production or recycling of clean energy and energy efficiency technologies

Critical Materials Processing, Refining, and Recycling

- Re-equip, expand, or establish an industrial facility to process, refine, or recycle critical materials (50 USGS minerals + DOE critical materials)

Industrial GHG Emissions Reductions

- Re-equips industrial or manufacturing facility to reduce greenhouse gas emissions by at least 20%

Section 48C(e) Energy Communities Census Tracts



OF THE
\$10 billion
IN TAX CREDITS TO BE ALLOCATED,

AT LEAST

\$4 billion

MUST GO TO QUALIFYING PROJECTS
IN ENERGY COMMUNITIES.

48C energy communities include:

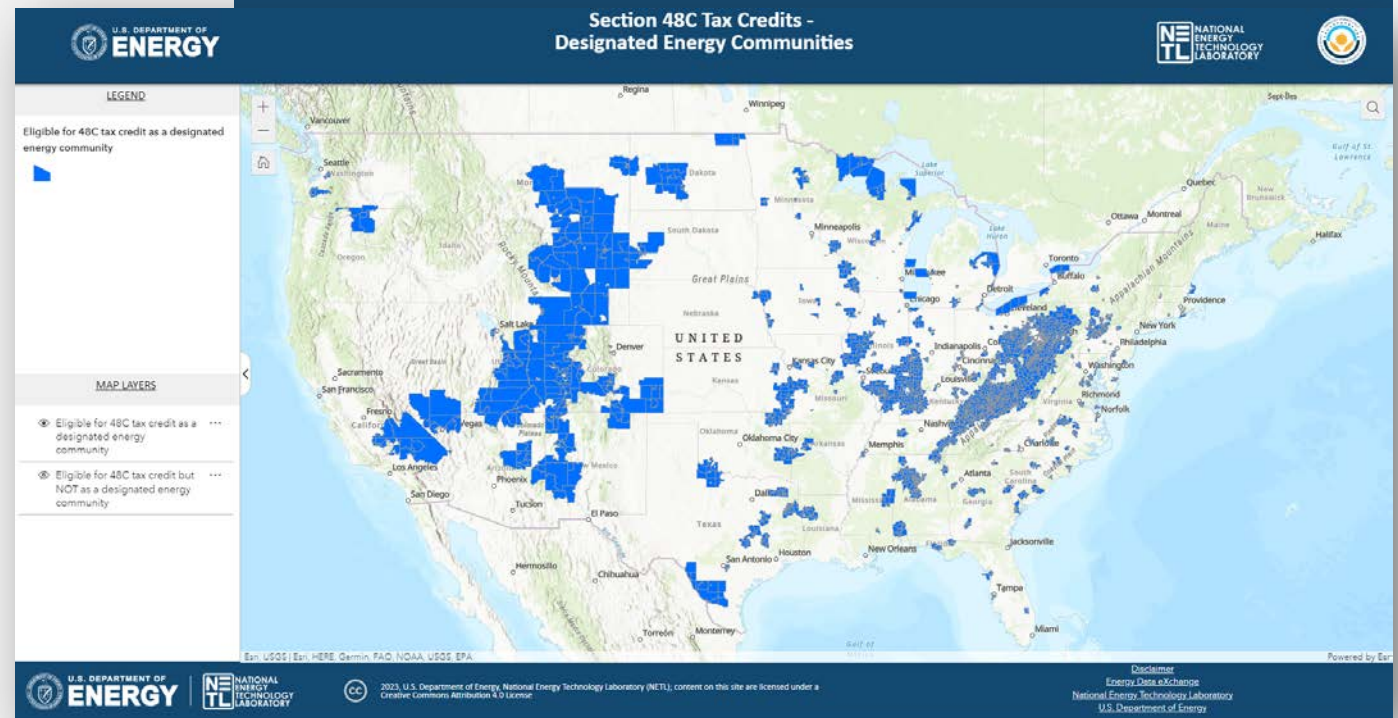
Census tracts with coal mines that
have closed since **December 31, 1999**

Census tracts with coal power plants that
have closed since **December 31, 2009**

Census tracts immediately adjacent
to either of the above

**More information can be found in section 6 of
Notice 2023-44**

Energy communities have knowledge, infrastructure, resources, and know-how to play a leading role in the move to a clean energy economy.



Technical Review Criteria for Round 1 Allocations



Eligible 48C(e) applications will be evaluated by DOE against technical review criteria reflecting **four major priorities**:



Criterion 1: Commercial Viability



Criterion 2: Greenhouse Gas Emissions Impacts



Criterion 3: Strengthening U.S. Supply Chains and Domestic Manufacturing for a Net-Zero Economy



Criterion 4: Workforce and Community Engagement

DOE will evaluate applications using category-specific technical review criteria, including **whether the project addresses specific energy supply chain and manufacturing priority areas, as well as overarching program policy factors** identified by Notice 2023-44.

In determining allocation recommendations, DOE will also consider whether the proposed project is located in § 48C(e) Energy Communities Census Tracts, detailed in Appendix C of Notice 2023-44. In Round 1, **DOE anticipates recommending ~\$1.6 billion in § 48C credits to energy community projects.**

Initial Objectives for Engagement

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MESC is partnering with the Energy Communities IWG in an effort to help ensure DOE receives **high-quality applications** for the **second round** of allocations.

- Stakeholder engagement activities will include:
 - High-touch engagement with private sector & energy community stakeholders
 - Regional Workshops
 - Federal & External Partner Events
 - Mapping tool allowing communities to identify promising sites
 - Media Outreach



Building to a Successful Second Round of Concept Papers

Phase I: Listen, Learn, & Activate

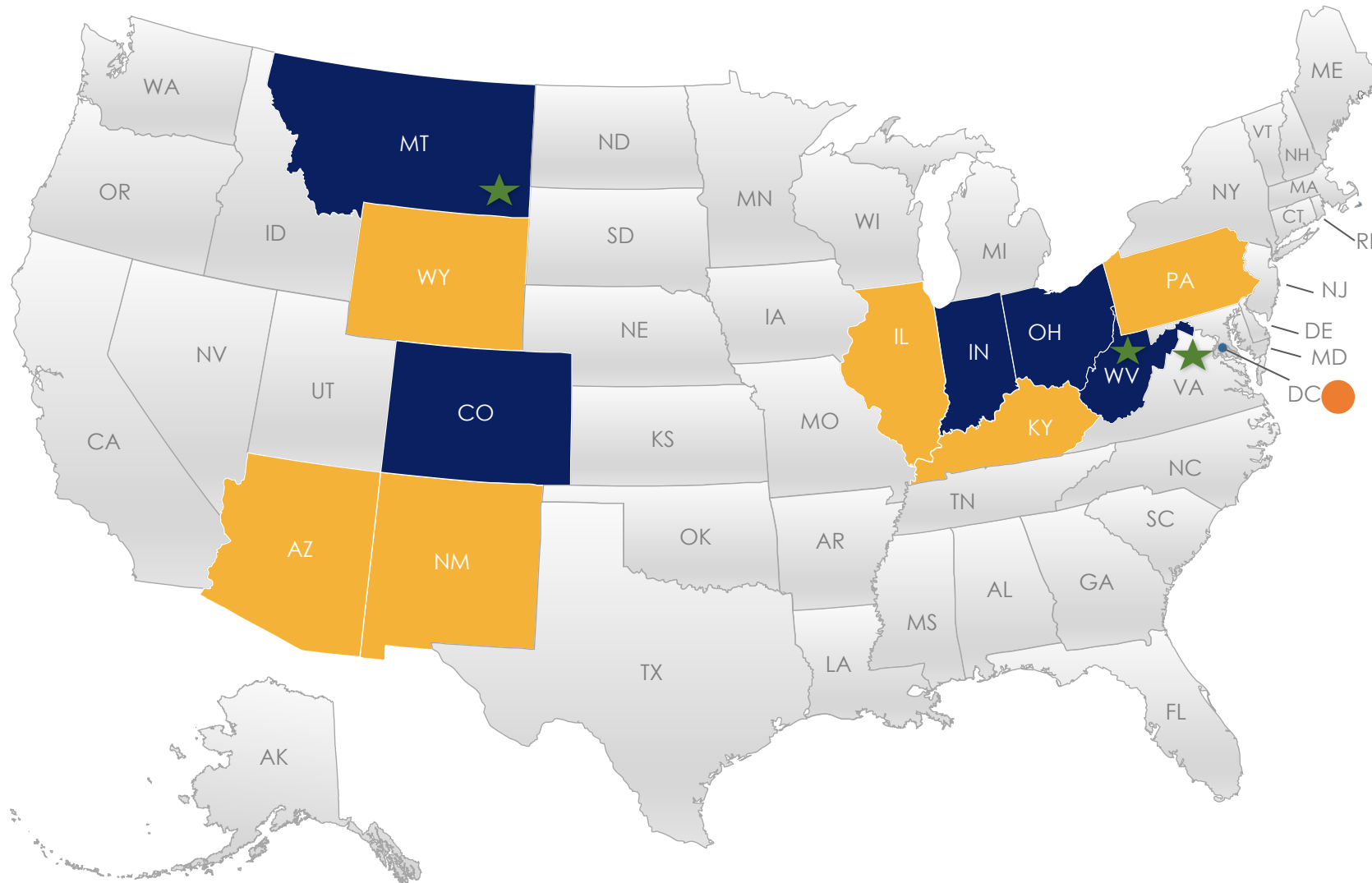
- High-touch engagement with private sector & energy community stakeholders

Phase II: Engage & Catalyze

- Regional workshops & events in energy communities

| Nov | Dec | Jan | Feb | Mar | Apr | May |
|---------------------------|-----|-----|-------------------|-----|-----|-----|
| Listen, Learn, & Activate | | | | | | |
| | | | Engage & Catalyze | | | |

Geographic Focus



■ Targets for 48C Regional Events

- Colorado
- Indiana
- Montana
- Ohio
- West Virginia

■ Engagement via Rapid Response Teams

- Four Corners
- Kentucky
- Illinois
- Pennsylvania
- Wyoming

★ Planned IWG RRTs

- Southeast Montana
- Virginia
- West Virginia

● Other Proposed Events

- IWG Anniversary Event

**pending consultation with partners*

Subject to change

Notice



- All applicants are strongly encouraged to carefully read **IRS Notice 2023-44** and **IRS Notice 2023-18** and adhere to the stated submission requirements.
- The Notice is the controlling document, and applicants should rely on the Notice language and seek clarification by submitting a question.

The Section 48C Tax Credits - Designated Energy Communities mapping tool is available here:
<https://arcgis.netl.doe.gov/portal/apps/experiencebuilder/experience/?id=a44704679a4f44a5aac122324eb00914&page=home>

For More Information

Please submit any programmatic questions to
48CQuestions@hq.doe.gov.

Additional information on 48C program, including a
recent webinar, is available at
<http://www.energy.gov/infrastructure/48C>



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