

ENERGY STORAGE PROJECT BONUS INCENTIVES



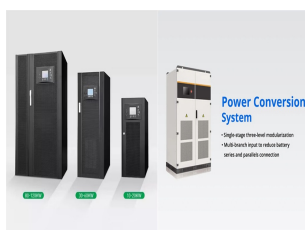
Do energy storage projects qualify for a bonus rate? Energy storage projects (i) not in service prior to Jan. 1, 2022, and (ii) on which construction begins prior to Jan. 29, 2023 (60 days after the IRS issued Notice 2022-61), qualify for the bonus rate regardless of compliance with the prevailing wage and apprenticeship requirements.



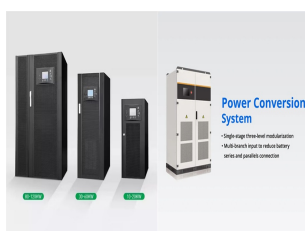
What tax credits are available for energy projects in low-income communities? In addition to the bonus for the Investment Tax Credit for projects in low-income communities, the Inflation Reduction Act: Provides a bonus credit of up to 10 percentage points for qualifying clean energy investments in energy communities.



Do energy storage projects qualify for a new ITC? Energy storage projects placed in service after Dec. 31, 2022, that satisfy a new domestic content requirement will be entitled to a 10% additional ITC (2% for base credit).



What is the ITC rate for energy storage projects? Energy storage installations that begin construction after Dec. 31, 2024, will be entitled to credits under the technology-neutral ITC under new Section 48E (discussed below). The base ITC rate for energy storage projects is 6% and the bonus rate is 30%.

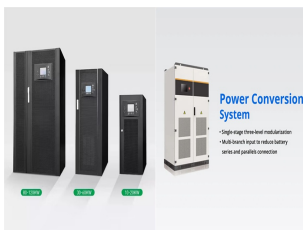


Are energy storage projects exempt from prevailing wage and apprenticeship requirements? Two exemptions from the prevailing wage and apprenticeship requirements exist: Smaller-scale energy storage projects (under 1MW of storage capacity) qualify for the 30% bonus rate regardless of compliance with the prevailing wage and apprenticeship requirements.

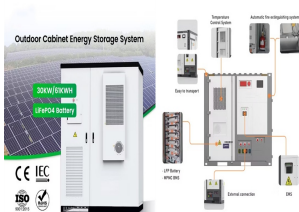
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Can a credit be allowed for energy storage technology under Section 48? Ways and Means Committee Chair Neal stated in a floor statement that "the Committee intends that a credit is allowed for energy storage technology under section 48 regardless of whether it is part of a facility for which a credit under section 45 is or has been allowed." Point of sale for PTC projects.



The Energy Community Tax Credit Bonus applies a bonus of up to 10% for projects, facilities, and technologies located in energy communities. Skip to content. processing, transport, or storage of coal, oil, or natural gas (the fossil fuel employment (FFE) threshold) and have an unemployment rate for 2023 that is equal to or greater than the



Bonus incentive credits. Qualifying energy projects that also meet other specific criteria may be eligible for additional tax credit amounts (also known as bonuses). Check back for details on these bonuses. Low-income communities (updated Aug. 10, 2023) Energy communities PDF (added April 4, 2023) Prevailing wage & apprenticeship (updated Aug



Eligible battery energy storage systems must be between 50???5,000 kW in rated capacity and can be installed as grid connected or load following at the facilities of Con Edison customers in good standing. An additional bonus???equal to 5% of the total incentive???is available for projects installed and operational prior to May 1, 2025



Qualifying technologies are limited to battery energy storage systems approved for use in NYC by all relevant authorities having jurisdiction. Thermal energy storage systems, zinc storage systems, and vehicle-to-grid technologies are not eligible. Is there a bonus incentive for projects that can perform by May 1, 2025? Yes. Systems that are

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Modified and extended under IRA to include energy storage, qualified biogas, microgrid controllers, linear generators & dynamic/electrochromic glass, and interconnection property (qualifies for direct IRA incentives) 3. Regulated Market Options Prevailing Wage & Apprenticeship Bonus qualifies projects for 5x bonus multiplier times the base;



New York City Solar and Energy Storage Property Tax Abatement provides a property tax abatement for building owners in New York City who install energy storage or solar energy systems . The annual abatement for energy storage systems is generally equal to the lesser of 10% of the energy storage system's costs or \$62,500 . The



The Department of the Treasury and IRS issued new guidance on the energy community bonus credit on March 22, 2024. Notice 2024-30 modifies guidance set forth in previously released Notice 2023-29, clarified by Notice 2023-45, and refines the criteria for qualifying as an energy community and accessing corresponding bonus credit ???



The Inflation Reduction Act of 2022 (IRA) enacted a wide range of legislation intended to further a variety of policy goals, including decarbonization, energy and resource security, environmental justice, and good-paying job creation. It did so by providing economic subsidies in the form of lucrative tax credits that could then be monetized through either direct ???

APPLICATION SCENARIOS



storage projects and interconnection property placed in service after December 31, 2022 would count as qualifying facilities eligible for the tax credit. Energy storage projects would now ???

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Alternative energy technologies that are eligible for incentives include solar, energy storage, ground source heat pumps, geothermal, combined heat and power (CHP), electrochromic (dynamic) glass, and more.

*assume project cost of \$200,000: Value of Bonus: Net cost of system after bonus (with base credit) Net cost of system after bonuses



Qualified Low-Income Residential Building Project or Economic Benefit Project +20%: N/A +20%: N/A *The ITC amount is a percentage of the total qualifying project cost basis. For projects >1MW AC, Domestic Content and Energy Community adders ???



Inflation Reduction Act domestic content bonus impact on procurement. allowing for standalone energy storage projects to qualify for Investment Tax Credits (ITC) up to 30%. It also provides incentives to source US-based domestic manufacturing for an additional 10% bonus credit provided that the developer can, with support from their supply



Given New York's upcoming energy storage incentives, we are moving in that direction, with the New York State Department of Public Service (DPS) and New York State Energy Research and Development Authority (NYSERDA) already a step ahead. 10% bonus tax credit adder for clean energy projects located in "energy" and "low-income



Release Date: 3/7/2023 Download PDF. HONOLULU, March. 7, 2023 ??? Hawaiian Electric solar customers who participate in the company's Battery Bonus energy storage incentive program will benefit from several new program refinements developed with input from the solar industry.. Battery Bonus pays monthly bill credits and a one-time cash incentive to residential and ???

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Certain ITC projects may be eligible for bonus credits if they meet certain environmental justice criteria. Energy storage is eligible if "connected to" the solar or wind project. The requirements are: see The Database of State Incentives for Renewables & Efficiency (DSIRE)'s database of all U.S. renewable energy incentives and programs



??? Energy storage devices (if charged by a renewable energy system more than 75% of the time)7 Other Incentives and the ITC For current information on incentives, including incentive-specific contact information, see the Database of State Incentives for Renewables and Efficiency (DSIRE) at Electric Utility and State



The Inflation Reduction Act of 2022 (the "IRA"), signed into law on August 16, 2022, is already causing shock waves in the renewables industry and energy transition space. Specifically, the IRA includes significant tax credit incentives for a variety of renewable energy resources that could revolutionize the tax landscape and pace of investment in energy transition.



In this blog, we will look at California battery storage incentives and the SGIP rebate scheme to help you with the growing energy demands. California Battery Storage Incentives. The Self-Generation Incentive Program (SGIP) is a California Public Utilities Commission (CPUC) initiative that provides rebates for installing energy storage

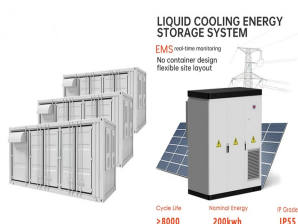


80% of eligible project costs. Eligibility. To be eligible for our energy storage incentive (ESI), customers must meet the following criteria: Be on a general service or irrigation rate under the Electric Tariff. Plan to install a new battery. Batteries that have already been purchased

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Modeling Solar and Storage Projects in Hawaii . With the overlay of incentive programs available, accurately and efficiently modeling solar + storage projects in Hawaii can be difficult. Energy Toolbase has a team of market experts ready to answer questions and help navigate through any project challenges.



The Electric Homes program will incentivize all-electric residential new construction and energy storage measures to reduce construction costs. Our team can help participants to maximize funding by layering additional statewide and local program incentives.



Battery Bonus Cash Incentive to Add Energy Storage to an Existing or New Rooftop Solar System What: The operational date of a project's conditionally approved battery storage system needs to occur on or before December 31, 2024. Otherwise, the Company will void the conditional approval to install and will not owe the customer any



The new incentives for energy systems that provide summer on-peak demand reduction are \$2,600 per kilowatt for thermal storage and \$2,100 per kilowatt for battery storage systems, with bonus



This article will cover the two major federal tax incentives available for energy storage systems (ESS); Modified Accelerated Cost Recovery System (MACRS) and the Investment Tax Credit (ITC). The federal solar investment tax credit is a deduction representing 30% of the cost of installing a solar electric system. (MACRS) paired with bonus

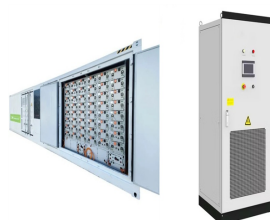
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The domestic content bonus credit is an additional incentive credit available under the investment tax credit and production tax credit for businesses and other entities that invest in a qualified clean or renewable energy facility, energy project, or ???



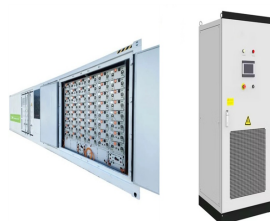
Energy storage project bonuses are calculated based on several key factors, including 1. These incentives often benchmark against energy storage performance, with payments calibrated according to energy output levels, storage efficiency, and adherence to operational guidelines set forth by regulatory bodies.



The bonus is a 10% tax credit adder for solar, wind, and battery energy storage developers that install projects using U.S.-made components, adding to the 30% base investment tax credit. The domestic content bonus applies to facilities and projects built using the required amounts of domestically produced steel, iron and manufactured products.

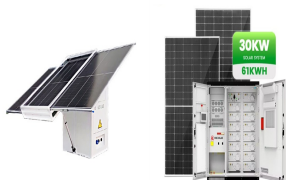


What is energy storage? Energy storage is one of the fastest-growing parts of the energy sector. The Energy Information Administration (EIA) forecasts that the capacity of utility-scale energy storage will double in 2024 to 30 GW, from 15 GW at the end of 2023, and exceed 40 GW by the end of 2025. Energy storage projects help support grid reliability, ???



The Inflation Reduction Act modifies and extends the clean energy Investment Tax Credit to provide up to a 30% credit for qualifying investments in wind, solar, energy storage, and other renewable energy projects that meet prevailing wage standards and employ a ???

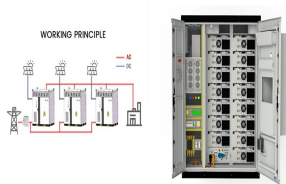
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Standalone battery storage projects do not qualify for an ITC in the US yet
Image: Vistra Energy. Investment tax credit (ITC) incentives for energy storage have been included in the US House of Representatives' chief tax-writing committee, along with extensions to the solar ITC and reintroduction of a solar production tax credit (PTC).



Energy storage installations that begin construction after Dec. 31, 2024, will be entitled to credits under the technology-neutral ITC under new Section 48E (discussed below). ???



Bonus 10% 7.5% 5% 0% Energy Community Bonus 10% 7.5% 5% 0% s
b) Base Credit 30% 26% 6% 6% 4.5% 3% 0% Domestic Content Bonus
2% 1.5% 1% 0% Energy Community Bonus 2% 1.5% 1% 0% Low-) <5
MW projects in LMI communities or Indian land 10% 10% 10% 10%
Qualified low-income residential building project/Qualified low-income
economic