



New Resiliency Tax Credit Would Incentivize Construction of High Voltage Transmission Infrastructure to Bring Additional Clean Energy Onto the Grid and Create 650,000 Jobs

The Resiliency Tax Credit Act (S. [___]/H.R. [___]), introduced by Senator Martin Heinrich (D-NM) and Representative Steven Horsford (D-NV) would provide a targeted 30% investment tax credit to support investments in large-scale transmission projects to provide consumers with low-cost, and reliable electricity. This targeted approach would incentivize regionally-significant projects while avoiding incentives for smaller local transmission projects or routine asset replacements.

According to the American Council on Renewable Energy, a 30% investment tax credit for transmission projects would add 30,000 megawatts of renewable energy capacity to the grid, create over 650,000 good-paying clean energy jobs, deploy more than \$15 billion in private capital investment for transmission projects, and provide consumers with \$2.3 billion in energy cost savings.

Investments in New Transmission Projects, Modifications to Existing Transmission Projects, Interconnection, Subcomponents, and Grid Enhancing Technology Would Qualify for the Resiliency Tax Credit

Overhead, underground, or offshore transmission projects that would qualify for the resiliency tax credit are:

- **New Transmission:** Projects that are (1) not less than 750 megawatts and 345 kilovolts in capacity; or (2) not less than 100 kilovolts and include an advanced transmission conductor.
- **Modifications to Existing Transmission:** Projects that increase transmission capacity by at least 500 megawatts.
- **Transmission Property Used for Interconnection or Generator Tie-Lines:** Projects that are not less than 230 kilovolts in capacity and used as generator interconnection tie-lines for interconnecting new generation or for network upgrades.
- **Subcomponents:** Investments in certain subcomponents necessary for the operation of new or modified transmission facilities.
- **Grid-Enhancing Technology:** Investments in grid-enhancing technology on new and existing transmission facilities for increasing the capacity or line rating.

To qualify, new or modified transmission projects must cross not less than two states, the Outer Continental Shelf, or 175 miles and also serve a national critical function. Two or more transmission projects that are co-located in the same or adjacent right of way and have, in the aggregate, not less than 1000 megawatts in capacity can also qualify for the credit.

Resiliency Tax Credit Would Provide Long-Term Certainty to Invest in a 21st Century Grid

The Resiliency Tax Credit Act would provide a 10-year tax credit. Starting in 2024, all qualifying transmission projects that are placed in service would qualify for the credit and any qualifying project that starts construction before the end of 2033 could claim the credit. Further, taxpayers would be able to monetize the credit under the Inflation Reduction Act's new tax-credit transferability provisions.