



**ACP-California proposes energy emergency order to maximize expiring federal tax credits, save money on electric bills**

SACRAMENTO — American Clean Power-California is calling on state regulators to speed up clean energy contracting to capture expiring federal tax credits, potentially saving ratepayers billions of dollars on projects that will be needed to meet surging demand.

ACP-CA filed a [motion](#) with the California Public Utilities Commission on July 21 to direct utilities to procure new solar and wind power before federal Inflation Reduction Act credits are phased out under President Donald Trump's megabill starting next year.

California can save between \$400 and \$650 million per gigawatt of new solar or wind that meets the megabill's deadlines, according to ACP-CA's analysis. The bill requires projects to start construction by July 2026 or be placed in service by the end of 2027 to qualify for tax credits worth 30% or more of project costs. Those savings translate to lower electricity prices.

"With these federal tax credits being cut short, California ratepayers stand to lose hundreds of millions — if not billions — of dollars if we don't move fast," said ACP-CA director Alex Jackson. "This is a limited-time opportunity to reduce costs on future power bills while investing in the clean energy needed to meet rising demand."

ACP-CA is calling for the purchasing order alongside [proposals to speed up permitting and approvals](#) for projects already in California's clean energy queue, including California Environmental Quality Act reforms and improvements to the opt-in certification program created in Assembly Bill 205, one of Gov. Gavin Newsom's marquee streamlining laws.

Recent warnings of a potential generation shortfall in 2030 underscore how urgent it is for California to build faster. In a [CPUC filing](#) this month, Pacific Gas and Electric Company estimated California could need an extra 10 to 12 gigawatts of new power to make sure it can fully charge its battery fleet in five years.

Southern California Edison [estimated](#) California would need to roughly double the 23 gigawatts of solar online in the California Independent System Operator system in two and a half years to meet greenhouse gas reduction targets.

Without additional procurement, California risks a less reliable power supply, higher prices and a tighter market for new generation, CAISO warned in [another filing](#).

ACP-CA's acceleration proposals have precedent in California. Former Gov. Arnold Schwarzenegger signed [Senate Bill 34](#) in March 2010 to clear roadblocks for energy projects to break ground by the end of that year in order to take advantage of American Recovery and Reinvestment Act grants.

The CPUC also issued emergency procurement orders in the wake of 2020's rolling blackouts to speed up generation and storage to replace decommissioned gas plants.

*The American Clean Power Association is the leading voice of today's multi-tech clean energy industry, representing energy storage, wind, utility-scale solar, clean hydrogen, and transmission companies. ACP is committed to meeting America's energy and national security goals and building our economy with fast-growing, low-cost, and reliable domestic power. Learn more at [cleanpower.org](https://cleanpower.org).*