



ACP-CA commends Gov. Newsom for signing SB 302

Legislation lowers electricity costs, spurs clean energy development

SACRAMENTO — American Clean Power-California commends Gov. Gavin Newsom for signing legislation Wednesday to lower electricity costs and spur clean energy development by unlocking federal tax benefits.

Senate Bill 302, from Sen. Steve Padilla (D-San Diego), aligns California's tax code with provisions in the Inflation Reduction Act that enable clean energy companies to take full advantage of the IRA's clean energy tax credits.

The IRA allows companies to monetize the credits by selling them to large investors. The IRA designates this option tax-free, but California has been taxing those transactions because it hasn't conformed its state tax code to the federal code.

SB 302 conforms the state code to the federal code, extending the same benefits to projects in California that are available in 45 other states.

The change will save millions of dollars on large-scale clean energy projects, and cheaper projects result in lower electricity prices for consumers.

"Abundant and affordable clean energy is the cornerstone of California's economic future" said American Clean Power-California Executive Director Alex Jackson. "Gov. Newsom's signature on SB 302 ensures California takes full advantage of federal incentives to build at scale while keeping costs low."

SB 302 takes effect Jan. 1, 2026, and remains in effect through 2030.

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.

