



Analysis on Senate Bill Text

On June 27, the Senate introduced a new excise tax, as part of their updated bill text for reconciliation, that would increase taxes on clean energy businesses by an additional \$4-7 billion by 2036. (Page 558 of bill)

- The Senate bill introduced a new and unprecedented tax on energy, which applies to any solar or wind project that starts construction following the enactment of the bill through 2036.
 - The tax is applied to projects even if they don't claim the solar or wind energy tax credits, and even after the tax credits expire.
 - The tax is applied if the products and components used in the project exceed a specified threshold of content from non-compliant entities.
- The tax has not been fully evaluated for its impact on energy consumer prices and business investments until now.

According to ACP analysis of the updated Senate bill:

- 1. Electricity costs for consumers and businesses will rise by 8-10%**
 - Some states could potentially see an increase close to 20%.
- 2. A significant loss of potential new energy capacity will directly impact the ability to meet skyrocketing demand.**
 - 300 GW less wind and solar will be built as we anticipate demand to surge 35-50% by 2040.
- 3. Hundreds of thousands of jobs and billions of potential capital investment will vanish.**
 - 300,000 fewer jobs per year.
 - \$450 billion of lost capital investment.
- 4. Data center and AI companies will look overseas to find more reliable and affordable power sources, ceding the digital race to China.**
 - Woodmac estimates there is 134 GW of proposed data centers across the U.S.
- 5. The impacts we anticipate from this bill to the fastest-growing sectors of our energy industry are vast and will hit communities across the United States, but will especially hit hard in rural communities who would have been the greatest beneficiaries of clean energy investment.**

Additional ACP resources

- **ACP Clean Energy Manufacturing Report:** Contributes \$18 billion to GDP, spurs \$33 billion in domestic spending annually, supports 122,000 American jobs
- **ACP 2025 Q1 Market Report:** Clean Power Pipeline Grows to \$328 Billion, with 184 GW Primed for Deployment
- **ACP 2024 Annual Market Report:** Clean Energy Contracts with Fortune 500 Companies Surge in 2024
- **Demand Growth Report:** U.S. electricity demand will surge by 35-50% between 2024 and 2040