

IRA Fact Sheet

Background & IRA Overview

On August 16, 2022, the Biden Administration signed the Inflation Reduction Act (IRA) into law – touted as the most comprehensive climate bill in US history. **The IRA is primarily a tax bill. Of the promised \$369 billion in climate investments, \$270 billion will come in the form of tax credits.** The federal government must implement critical changes to its business-as-usual model to stop the incinerator lobby and other special interests from cashing in on a new pool of taxpayer money.

Threats & False Solutions 🗙

Federal agencies such as the Department of the Treasury (Treasury), the Department of Energy (DOE), and the Environmental Protection Agency (EPA) can either categorize incineration as the dirty, expensive, polluting process it is or bolster industry's claims that incineration produces sustainable energy. If industry succeeds in propping up incinerators for 20 years, they will produce 637.7 million tonnes of climate-change-inducing CO2e emissions and further exacerbate toxic pollution and environmental racism.

IRA Breakdown & Opportunities for the Incinerator Lobby 🔅

Renewable Fuel Standard (RFS)



The Renewable Fuel Standard (RFS) program, mandates the use of renewable fuels to replace petroleum-based transportation fuel. While the EPA has tabled recent industry-backed proposals to include waste-to-energy, preventing future approval depends on public pressure on the Biden Administration. The combination of new incinerator subsidies and EV incentives is concerning, potentially linking clean transport with dirty energy at the expense of frontline and fenceline communities.

Sustainable Aviation Fuel (SAF)



The Sustainable Aviation Fuel Tax Credit (SAF) poses an urgent environmental justice concern. The credit increases in value for lower lifecycle emissions fuels. Industry is pushing for favorable credits for incinerators in disguise, like "pyrolysis," "chemical or advanced recycling," and "plastic-to-fuel," but these processes don't decarbonize air travel. **President Biden and the Treasury must ensure plastic-derived fuels are ineligible for these tax credits.**

Call to Action

Treasury Engagement

If Treasury determines this most costly and polluting form of energy is zero emission, it will set an appallingly low bar within the IRA that will exacerbate rather than address the climate crisis, perpetuating and compounding the issues we currently face, and permanently scarring the Biden Administration legacy.

State-level Renewable Portfolio Standards (RPS)

29 states, the District of Columbia, and 4 US territories have an RPS which determines what technologies qualify as renewable, among other things. **Two-thirds of US incinerators are located in the 26 US states and territories that include incineration in their renewable energy portfolio**!



In 2018, incinerators earned \$41-44 million in subsidies as "renewable energy."

DOE Energy Infrastructure Reinvestment (EIR) Program allocates \$250 billion for repurposing or upgrading energy infrastructure to mitigate air pollutants or greenhouse gases. This includes reactivating dormant operations and enhancing active infrastructure. For program details and application instructions, visit Energy.gov. Those applying are advised to request a no-cost pre-application consultation with a DOE Loan Programs Office representative.

IRA Lending Subsidies

Environmental justice, frontline, and fenceline groups should consider applying to IRA lending programs. **The IRA offers billions of dollars for projects specifically meant to drive reinvestment in low-wealth and environmental justice communities.** Programs provide an opportunity to fund proven zero waste solutions that push back against false solutions, like incineration.

The Greenhouse Gas Reduction Fund (GGRF)

The Greenhouse Gas Reduction Fund (GGRF) is a \$27 billion investment program with the goals of reducing emissions, benefiting disadvantaged communities, and attracting private capital for emission-reducing projects.²

- The National Clean Investment Fund will provide grants to 2-3 national nonprofit clean financing institutions³ for accessible clean technology project financing.⁴ Application deadline: October 12, 2023, 11:59 PM (Eastern Time) via <u>Grants.gov</u>.
- The Clean Communities Investment Accelerator awards grants to 2-7 hub nonprofits, enabling local lenders in disadvantaged areas to finance clean technology projects and boost community development.⁵ Application deadline: October 12, 2023, 11:59 PM (Eastern Time) via <u>Grants.gov</u>.

<u>USDA Empowering Rural America (New ERA) Program</u> provides \$9.7 billion for projects aiding rural Americans in adopting clean, affordable, and reliable energy, ultimately enhancing health outcomes and reducing energy expenses in rural communities.⁶ To learn more about the program and how to apply, visit <u>USDA.gov</u>. Individuals interested in applying should submit a Letter of Interest (LOI) by September 15, 2023.

- 1 https://www.no-burn.org/wp-content/uploads/2023/06/Waste-Incinerators-Undermine-Clean-Energy-Goals.pdf
- 2 https://www.epa.gov/greenhouse-gas-reduction-fund/about-greenhouse-gas-reduction-fund
- ³ A non-profit designed to provide capital, leverage private capital, and provide other forms of financial assistance for the rapid deployment of low- and zero-emisson products, technologies, and services.
- ⁴ <u>https://www.epa.gov/greenhouse-gas-reduction-fund/national-clean-investment-fund</u>
- ⁵ <u>https://www.epa.gov/greenhouse-gas-reduction-fund/clean-communities-investment-accelerator</u>
- ⁶ <u>https://www.rd.usda.gov/programs-services/electric-programs/empowering-rural-america-new-era-program</u>

To learn more, visit our <u>blog</u>.