Leaving Money on the Table/Utilities Failing to Leverage the Inflation Reduction Act: Sierra Club Releases Report

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The Sierra Club issued a January 2024 report titled:

Leaving Money on the Table: Utilities Failing to Leverage the Inflation Reduction Act ("Report")

The Report argues that utilities are:

- Failing to incorporate federal clean energy incentives into their future energy plans.
- Missing opportunities to deliver cleaner, more affordable energy.

The focus of the Report are the energy incentives provided by the Inflation Reduction Act ("IRA").

The IRA is argued to be the largest and most significant set of energy and climate programs every enacted by the United States Congress. It includes various renewable energy related incentives.

The Report addresses 50 utilities and states that since the enactment of the IRA:

- 20 percent did not reference the IRA in their primary planning documents.
- 32 percent failed to include the provisions in the law in their models.
- None adequately considered all of IRA credits and opportunities available to reduce the cost of energy and improve their grid.
- 10 percent modeled the tax credit bonuses available from the IRA

The Report argues that even if a utility is not due for a regular planning update, the scale of the investment in the IRA means it should update planning to reflect what is described as "the new landscape." It further argues that the failure to do this in a timely manner (i.e., incorporate provisions of the IRA into their planning) means incentives are forfeited which could lead to higher costs for customers.

The author of the Report is Noah Ver Beek.

The Report can be downloaded here.