

April 2, 2025

The Honorable Mike Johnson
Speaker of the House
United States House of Representatives
Washington, DC 20515

The Honorable John Thune
Majority Leader
United States Senate
Washington, DC 20510

Dear Speaker Johnson and Senator Majority Leader Thune,

As organizations working to promote a thriving manufacturing sector, we write to express our support for two critical industrial incentives: the 48C Advanced Energy Project Tax Credit and the Industrial Demonstrations Program (IDP). These federal programs help manufacturers develop and deploy breakthrough technologies and advance the administration's goals of unleashing American innovation and improving grid reliability. Collectively, our organizations represent hundreds of companies that are powering a renaissance in American manufacturing and creating thousands of new jobs across the country.

The Department of the Treasury and the Internal Revenue Service recently announced allocations of \$10 billion in 48C tax credits to spur innovation in clean energy manufacturing and critical materials. These credits will support a range of projects, including the production of large hydrogen electrolyzers in Minnesota, electrical grid components in Texas, and specialized parts for nuclear reactors in Virginia. By bolstering domestic manufacturing of components for vital industries like hydrogen, nuclear energy, electrical transmission, and critical minerals, the 48C program enhances American energy security, strengthens our electricity grids, and makes American manufacturers more competitive.

American manufacturers receiving Industrial Demonstrations Program (IDP) grants are poised to deploy the transformative technologies supported by the 48C program. The thirty IDP recipients will employ a range of strategies and technologies, including electrification, carbon capture, and advanced recycling to modernize their operations. By demonstrating the viability of innovative technologies on a commercial scale, the projects will transform production methods in heavy industries such as steel and cement, and in the chemical, pulp and paper, and food manufacturing sectors. Grantees must match federal funding, and in most cases, private investment has far exceeded the federal grant amount. The IDP program is expected to generate more than \$20 billion in investments in communities across the country.

The enthusiasm for 48C and IDP was overwhelming: manufacturers requested tens of billions of dollars in 48C tax credits and \$60 billion in IDP grants. This level of oversubscription is a testament to American manufacturers' desire to enhance their competitiveness and improve their communities. Given the strong support from manufacturers across the industrial spectrum, it is imperative that the Department of Energy fulfills the congressional intent of the Industrial Demonstration Program to ensure the continued vitality of this sector.

48C and IDP are fueling innovation across the industrial sector. These incentives are encouraging manufacturers and private financiers to make unprecedented investments in American communities. The benefits are clear: American companies are better equipped to compete internationally, American workers have increased access to well-paid jobs that enable them to support their families, and the United States is less reliant on other countries for energy and critical minerals.

We appreciate your leadership and look forward to working with you to protect and enhance these vital industrial incentives.

Sincerely,



Copied to:

House Ways & Means Committee
House Energy & Commerce Committee
Senate Finance Committee
Senate Environment & Public Works Committee
Senate Energy & Natural Resources Committee