

# New stimulus bill includes \$35.2 billion for new energy initiatives

Jonathan Shieber @jshieber / 3:49 PM EST • December 21, 2020

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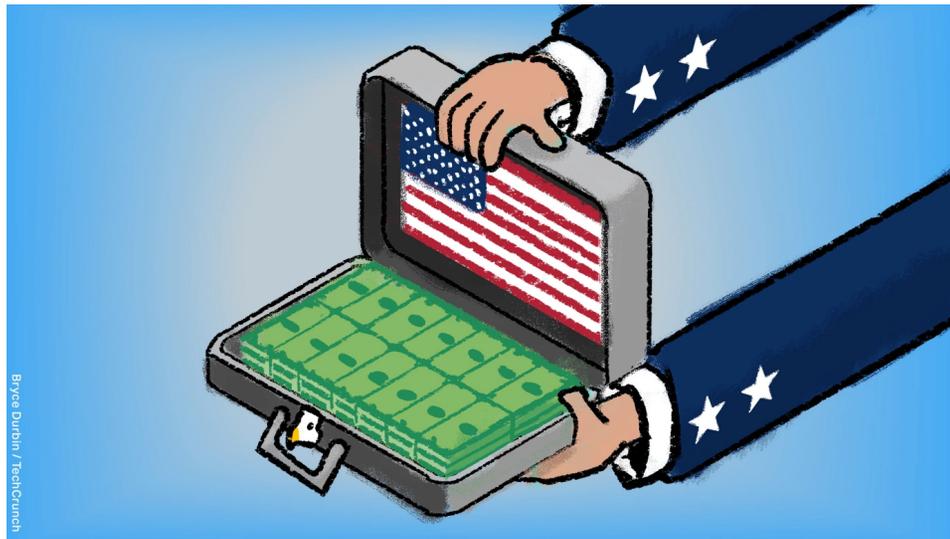


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The new economic stimulus proposal that has been approved by Congress includes roughly \$35.2 billion for energy initiatives, according to summary documents seen by TechCrunch.

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“This is probably the biggest energy bill we’ve seen in a decade,” said policy analyst [Dr. Leah Stokes](#), an Assistant Professor at the Bren School of Environmental Science & Management at the University of California, Santa Barbara.

The spending is split between the Energy Act of 2020 and the Energy for the Environment Act, and both include new money for big technology initiatives.

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“[The Energy Act of 2020] is a bipartisan, bicameral energy innovation package that authorizes over \$35 billion in RD&D activities across DOE’s portfolio and strengthens or creates programs crucial to advancing new technologies into the market,” a summary document for the legislation reads.

Included in the spending package is more than \$4.1 billion for new technology initiatives.

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The biggest winners are photovoltaics, new transportation technologies and energy-efficiency technologies.



**Dr. Leah Stokes**  
@leahstokes

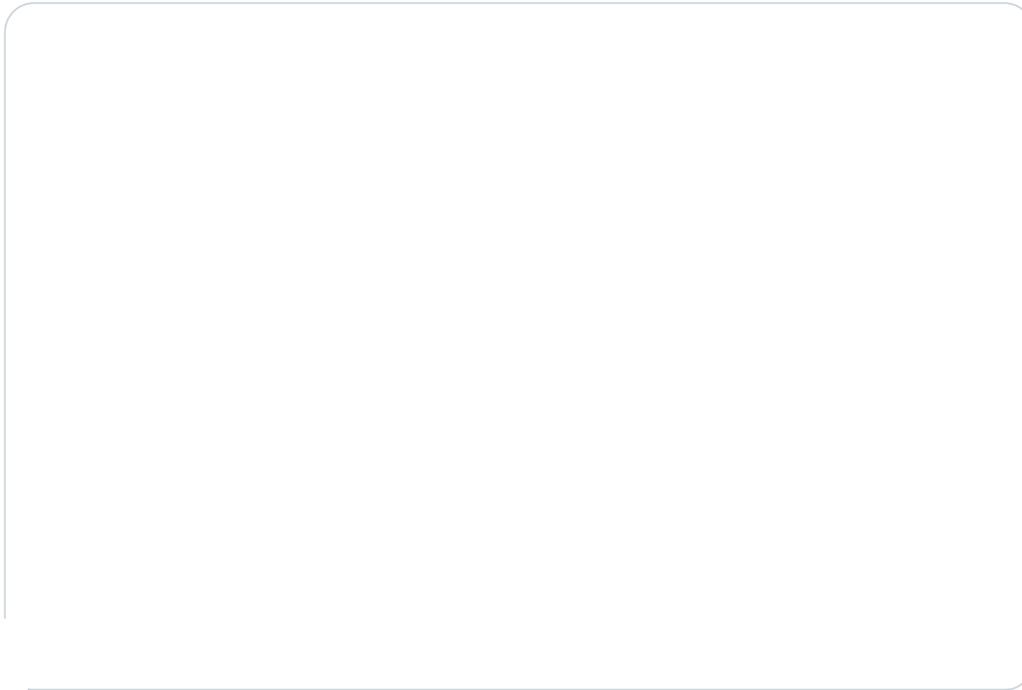


We have an energy bill with some climate flourishes, folks! Hopefully passed and signed into law soon. What's in the stimulus bill?

- Energy Policy Act
- Energy for the Environment Title

Text here: [rules.house.gov/bill/116/hr-13...](https://rules.house.gov/bill/116/hr-13...)

Now, I'll break down key provisions in this THREAD...



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There's \$1.5 billion for new solar technologies including modules, concentrating solar technology, new photovoltaic technologies and initiatives to expand solar manufacturing and recycling technologies. And \$2.6 billion set aside for transportation technologies. Finally, energy-efficiency and weatherization programs are continuing to be supported through a \$1.7 billion reauthorization of the Weatherization Assistance Program.

Energy-grid technologies get a \$3.44 billion boost through \$1.08 billion in support for short-term, long-term, seasonal and transportation energy storage technologies and \$2.36 billion for smart utility and energy distribution technologies.

Another \$625 million is dedicated to new research, development and commercialization for both onshore and offshore wind technologies. And \$850 million is being set aside for geothermal technology development and \$933 million for marine energy and hydropower tech. Finally, there's \$160 million earmarked for hydropower generator upgrades, and upgrades to existing federal infrastructure

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through \$180 million earmarked to the Federal Energy Management Program.

In an attempt to ensure that the money and innovation is used in the industries where decarbonization is the most technically challenging, there's a \$500 million pot for stakeholders in industries like iron, steel, aluminum, cement and chemicals as well as transportation businesses like shipping, aviation and long-distance transport that are looking to decarbonize.

By making these critical investments now, the Energy Act of 2020 will help “reduce our nation’s greenhouse gas emissions, bring good-paying jobs back to the United States, and allow us to export these technologies to growing markets abroad for years to come,” the summary report reads.

If the next generation of technologies that already have broad commercial support is one area getting a boost, then another big pool of money is going to support the commercialization of technologies whose viability has yet to be demonstrated at commercial scale.

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These include carbon capture utilization and storage technologies that are getting a \$6.2 billion boost for roll out at industrial and energy sites. Congress is also approving a \$447 million research and development program for large-scale commercial carbon dioxide removal projects — with a \$100 million carve out grant for direct air capture competition at facilities that capture at least 50,000 metric tons of carbon dioxide annually.

Nuclear technologies are also getting their day in the sun thanks to \$6.6 billion in funding for the modernization of existing nuclear power plants and the development of advanced reactors. And, the nascent fusion industry can add another \$4.7 billion to their calculus for available capital thanks to a carve out for basic and applied research investments.

All of this spending also comes with money to ensure that emerging technologies aren't left out. There's a \$2.9 billion allocation to [ARPA-E](#),<sup>i</sup> the energy advanced research arm of the government whose structure is similar to the DARPA program that was responsible for the development of the internet. And, taking a page from the NASA playbook that commercialized a number of technologies, the Office of

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Technology Transitions, which promotes national lab partnerships, is being codified and supporting the kind of milestone-based projects that have been effectively used by the Air Force and the Department of Defense broadly.

To cap it off, the new energy bill includes a directive to the Department of the Interior to target the generation of 25 gigawatts of solar, wind and geothermal production on public lands by 2025.

“My understanding of it is that they’re trying to look at what the federal government has done for solar and wind and see how we can do that for other technologies,” Stokes said.

For her, what’s in other portions of the stimulus are equally important from a climate perspective. There’s a commitment to phase out hydrofluorocarbons, a huge contributor to global warming and climate change by 2035. Phasing out the use of these chemicals globally in refrigeration and other applications could reduce warming by half a degree centigrade (which is a big deal).

Stokes took issue with the duration of some of the tax credits, whose extensions were relatively short, and the absence of a tax credit for electric vehicles. “The tax credits

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for EVs are a consumer-facing benefit that are absolutely critical to adoption,” Stokes said. “That was a massive equalizer between EVs and combustion engine cars.”

For all of the good news for climate activists baked into this portion of the stimulus, Stokes warns that no one concerned about global climate change should break out the bubbly.

“This package is not going to solve the climate crisis full-stop,” Stokes said. “Next year if the Republicans are in control there’s going to be a new chairman and he’s not going to be as generous... We have to learn to celebrate the wins and give credit but recognize what’s missing. Which is a lot.”

## Conversation 2 Comments

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**Dave Rinebolt**



22 December, 2020

The House passed this bill in pieces starting back in 2019 with bipartisan support. The House also passed it in the prior Congress.

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Senator Murkowski couldn't get a floor vote this fall because McConnell didn't want a bipartisan bill to pass. That's why it got slipped into the Omnibus Appropriations/Covid-19 package.

Reply  4  2

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**Jason Lundbloom** 

21 December, 2020

So before the election, Pelosi stalled this bill as hard as she could because she wanted trillions in spending. Now that the election is over, she oks a \$900 billion stimulus bill!?!? Hmmmm..... who called that long ago? And TC rejoices now. We got to blame Trump, somehow, for Pelosi's House not passing stimulus before the election. Now that that's settled... back to politics and pats on the back as usual. The big, equally radiused jerk continues on as regularly scheduled before that 4 year hiatus. *(Edited)*

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