United States House of Representatives / United States Senate Washington, D.C. 20515 / Washington, D.C. 20510

April 2025

Dear [Rep./Sen. X],

The undersigned 32 faith-based organizations, collectively representing millions of Americans, urge you to <u>oppose the repeal of clean energy tax credits and direct pay in the forthcoming budget reconciliation process</u>.

Our nation's energy needs are growing rapidly. According to the Department of Energy, the demand from data centers alone will double or triple in the coming decades. This is in addition to expected increases in demand from onshoring more manufacturing and continuing our leadership in the global AI race. To meet this demand and grow our economy without placing an undue financial burden on families and businesses, we must make use of every affordable energy source available—including the cost-effective renewable energy sources supported by these tax credits, especially IRC §48E, 45Y, 45X, 25D, & 25C.

At the same time, research shows that repealing these clean energy incentives would lead to a 10% increase in residential electricity bills on average¹. This would be a heavy burden at any time, but especially now, as economic uncertainty continues and more than a third of American households already struggle to afford their energy costs². As faith communities, we are particularly concerned about policies that could deepen economic hardship for the most vulnerable among us.

Our faith traditions teach us to be responsible stewards of God's creation, and we call on all of our elected leaders to join us in that commitment. Houses of worship across the country have embraced the IRS's new elective pay provision (also known as "direct pay"), which allows qualifying tax-exempt organizations (such as houses of worship) to receive rebates for clean energy and energy efficiency projects. These provisions have empowered congregations to make investments that not only reduce their energy costs but also free up resources to expand the vital spiritual and material services they provide to their communities – services like education, food distribution, child care, and more. Without these credits, many faith institutions will be forced to choose between long-term investments and paying higher electricity bills.

We urge you to stand with people of faith by opposing efforts to repeal these clean energy provisions and the direct pay incentives that are so essential to our houses of worship nationwide. We are ready to work with you to ensure our nation continues moving toward a more just, sustainable, and economically sound energy future.

Faithfully,

¹ <u>https://auroraer.com/media/reform-to-clean-energy-tax-credits/</u>

² <u>https://www.lendingtree.com/personal/energy-bills-study/</u>

Adamah Alliance of Baptists American Friends Service Committee Anabaptist Climate Collaborative Aquarian Minyan Arizona Interfaith Power & Light Bread for the World California Interfaith Power & Light Coalition on the Environment and Jewish Life Congregation Beth Shalom (Bloomington, IN) Creation Care Task Force Congregation of Our Lady of Charity of the Good Shepherd, U.S. Provinces Creation Care Partners. Inc. **Creation Justice Ministries** Franciscan Action Network Friends Committee on National Legislation Iowa Faith & Climate Network Jewish Climate Action Network NYC Jewish Earth Alliance- PA Justice Office, School Sisters of Notre Dame, Central Pacific Province Maryknoll Office for Global Concerns Mennonite Central Committee U.S. Michigan Interfaith Power & Light National Advocacy Center of the Sisters of the Good Shepherd **NETWORK Lobby for Catholic Social Justice** NH Interfaith Power and Light Ohalah, The Association of Rabbis, Cantors and Rabbinic Pastors for Jewish Renewal Reconstructionist Rabbinical Association Sisters of Mercy of the Americas Justice Team Texas Impact United Church of Christ Office of Public Policy & Advocacy Unitarian Universalists for Social Justice Vermont Interfaith Power & Light