



CREATING GOOD JOBS, A CLEAN ENVIRONMENT, AND A FAIR AND THRIVING ECONOMY

**BlueGreen Alliance**

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**Docket: [REG-107423-23](#)**

**Response to Notice of Proposed Rulemaking (NPRM) for the section 45X  
Advanced Manufacturing Production Credit**

The BlueGreen Alliance (BGA) unites the nation's labor unions and environmental organizations to solve today's environmental challenges in ways that create and maintain quality jobs and build a stronger, fairer economy. Our partnership is firm in its belief that we don't have to choose between good jobs and a clean environment—we can and must have both. The 45X Advanced Manufacturing Production Tax Credit provides the largest ever investment in U.S. manufacturing of clean energy technologies. These investments are core to our mission to link climate action with good union jobs and to counter the racial and income inequality fed by manufacturing job losses. 45X is critical to the Inflation Reduction Act's larger strategy to reduce industrial emissions and pollution, re-shore clean technology supply chains, support good manufacturing jobs, and spur U.S. global competitiveness. We appreciate the opportunity to respond to the U.S. Department of the Treasury's (Treasury) recently published NPRM for the 45X Advanced Manufacturing Production Credit.

Implementation of 45X is essential to supporting the domestic manufacturing revitalization needed to address climate change; supporting and creating good union jobs; and advancing racial, economic, and environmental justice. BGA commends the proposed rule as critical for growing domestic manufacturing for solar, wind, batteries, and aluminum. The rule would make domestically manufactured goods in the sectors included competitive with imports. Since passage of the Inflation Reduction Act, the 45X credit has been responsible for billions of dollars of announcements for new clean energy manufacturing facilities.<sup>i</sup> Finalizing the proposed rule is the next step to ensuring these announcements lead to sustained investments in the solar, wind, battery, and aluminum processing sectors.

## Definition of Primary Aluminum

In previous comments on 45X, BGA asked Treasury to clarify that domestic primary aluminum production was eligible to receive the credit. Aluminum is a primary material in solar panels, electric vehicles, and other rapidly expanding clean technologies. New research projects that by 2035, aluminum demand from U.S. solar power alone will significantly exceed current U.S. aluminum production for all end uses.<sup>ii</sup> However, as demand for aluminum soars, U.S. production has precipitously fallen. Most U.S. aluminum smelters have shuttered since the 1990s, leaving only five in operation today. As a result, workers have lost good-paying jobs and U.S. aluminum has been replaced by more polluting production overseas. Aluminum production in China—now the source of most of the world’s aluminum—is about 65% more emissions-intensive than in the United States.<sup>iii</sup>

We support the proposed clarification in the NPRM that commercial grade aluminum that is 99.7% aluminum by mass would qualify for the credit. This clarification provides domestic producers with the confidence they need to invest in their facilities and ensure the United States has a stable supply of primary aluminum moving forward. It will help manufacturers by offsetting production costs, which in turn could lead certain idled U.S. aluminum smelters to restart operations. A revitalized U.S. aluminum industry is critical to meet our climate, jobs, and national security goals.

## Conclusion

The Inflation Reduction Act presents a once-in-a-generation opportunity to dramatically reduce greenhouse emissions—as well as toxic air, water, and land pollution—while providing good union jobs in the clean economy and driving growth in U.S. manufacturing. Thank you for the Treasury’s work implementing the tax credits included within the legislation.

## ENDNOTES

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<sup>i</sup> The White House, Investing in America.

<https://www.whitehouse.gov/invest/>

<sup>ii</sup> Dartmouth College, Effects of Renewable Energy Provisions of the Inflation Reduction Act on Technology Costs, Materials Demand, and Labor, June 12, 2023. [https://www.bluegreenalliance.org/wp-content/uploads/2023/06/Working-Paper\\_6-12-23.pdf](https://www.bluegreenalliance.org/wp-content/uploads/2023/06/Working-Paper_6-12-23.pdf)

<sup>iii</sup> BlueGreen Alliance, Aluminum, Revitalized: Strengthening the Backbone of our Economy, June 27, 2023. <https://www.bluegreenalliance.org/wp-content/uploads/2023/06/Aluminum-Revitalized-vFinal.pdf>