



**Request for Comments on Prevailing Wage, Apprenticeship, Domestic  
Content, and  
Energy Communities Requirements Under the Act Commonly Known as  
the Inflation  
Reduction Act of 2022**

**Notice 2022-51**

11-4-2022

To whom it may concern:

Cooperative Energy Futures (CEF) is pleased to be able to submit comments to the Internal Revenue Service regarding Notice 2022-51 (Request for Comments on Prevailing Wage, Apprenticeship, Domestic Content, and Energy Communities Requirements Under the Act Commonly Known as the Inflation Reduction Act of 2022).

CEF is a member-owned, Minneapolis-based, clean energy cooperative with over 1,100 members. We focus on providing local, clean energy to historically disadvantaged communities while saving these communities money and building wealth through member equity and dividends and building personal agency through community engagement and participation. We currently have 8 operating Community Solar Gardens (6.7 MWs) in Minnesota and are in the process of building and subscribing 6 more Community Solar Gardens (7.3 MWs) for a total of about 14MWs. CEF is also working with several low-income housing providers to develop solar systems on top of approximately 12 low-income multi-family housing complexes for a total of about 300 kW. We are also heavily engaged in the national movement for Energy Democracy/Energy Justice and are founding members of the People's Solar Energy Fund, which provides technical assistance, predevelopment loans, and helps find construction and debt loans for other community owned/benefitting solar projects. Through this work, CEF has garnered extensive experience in engaging low-income households, dealing with the bureaucratic red-tape that comes with subscribing low-income households, and dealing with the dynamics of the Minnesota State Community Solar Program.

**.05 Increased Credit Amount for Qualified Facility With Maximum Net Output of  
Less than 1 Megawatt**

*Section 45(b)(6)(A) provides for an increased credit amount in the case of any qualified facility that satisfies the requirements of § 45(b)(6)(B). One way that a qualified facility can satisfy the requirements of § 45(b)(6)(B) is if it is a facility with a maximum net output of less than 1 megawatt (as measured in alternating current). Similarly, § 48(a)(9)(A) provides for an increased credit amount in the case of any energy project that satisfies the requirements of § 48(a)(9)(B), and one way that an energy project can satisfy the requirements of § 48(a)(9)(B) is if it is a project with a maximum net output of less than 1 megawatt of electrical (as measured in alternating current) or thermal energy. Sections 45Y(a)(2)(B) and 48E(a)(2)(A) also provide similar rules. Does the determination of when a facility or project will be considered to have a maximum net output of less than 1 megawatt need further clarification? If so, what should be clarified?*



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**Response:**

Treasury and the IRS should clarify that nameplate ratings and Power Factor settings on inverters can be used to qualify the project. Because inverters tend to be made in certain size categories and nameplate size combinations slightly under 1MW may not be easily available, CEF believes that the IRS should provide definitive guidance that either of the following two

methods are acceptable for demonstrating maximum net output of less than 1 megawatt of electrical (as measured in alternating current) or thermal energy:

1. Total nameplate capacity of project inverters/transformers being less than 1MW AC
2. Power Factor settings on inverters/transformers that when in combination with the nameplate capacity would result in maximum power output of under 1MW AC. In this scenario, the Power Factor listed in the application should match the approved Power Factor in Utility Interconnection applications/agreements and the applicant should provide actual Power Factor settings as verified during commissioning.

Sincerely,

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