

November 1, 2022



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Internal Revenue Service
CC:PA: LPD:PR (Notice 2022-47 and Notice 2022-50)
Room 5203
P.O. Box 7604, Ben Franklin Station
Washington, DC 20044

RE: Request for Comment on Regulatory Implementation of the Inflation Reduction Act and Notice 2022 – 49, Notice 2022 – 50, and Notice 2022 – 51.

Standard Solar Inc. (SSI) respectfully submits these comments to the U.S. Department of Treasury (“Treasury”) and the Internal Revenue Service (the “IRS”) regarding the recently enacted Inflation Reduction Act (“IRA”) and pursuant to Notice 2022 – 49, Notice 2022 – 50, and Notice 2022 – 51. SSI is a national leader in the development, funding and long-term ownership and operation of commercial and community solar assets. Our intent in providing written comment is to highlight potentially ambiguous concepts and provide suggestions to help ensure the rules regulating the Inflation Reduction Act are implemented in a clear and practicable manner. Thank you for considering our comments.

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I: [Notice 2022 – 49](#)

A. Section § 48(e) and § 48E(h)

With respect to the Treasury and the IRS seeking guidance to determine what methods exist to certify that a project is being built in an Energy Community, or qualifies as a Low-Income Economic Benefit Projects. Please refer to our suggestions below.

Given the broad qualifications of an Energy Community, SSI seeks clarification on the requirements defined in §13101 (G)(11)(B). Specifically, SSI requests that Treasury provide a methodology to determine employment related to the extraction, processing, transport, or storage of coal, oil, or natural gas in a metropolitan or non-metropolitan area.

SSI suggests that the Treasury and IRS give deference to state definitions for qualified Low-Income Economic Benefit Projects if there is program at the state level where projects meet eligibility.

III: [Notice 2022 – 51](#)

A. Section § 2 Apprenticeship Requirement

With respect to the Treasury and IRS seeking guidance on the factors considered in administering and complying with the “good faith effort” exception, please refer to our suggestion below.

SSI proposes that the Treasury and the IRS should adopt similar language to the domestic content requirements in §13101 (G)(10)(D)(i)(I) that states an “increase to the overall costs of construction of qualified facilities by more than 25 percent” permits an exemption from the domestic content requirement. For example, if the use of apprentice labor increases the project cost by [x]%, the developer should be exempt from meeting the Apprenticeship Requirement.

SSI furthermore suggests adopting language consistent with §13101 (G)(10)(D)(i)(II) providing an exemption to the apprenticeship program if there is not “sufficient and reasonably available quantities or satisfactory quality.” of apprentices to meet the standard. If there are not sufficient and reasonable available quantities or satisfactory quality apprentices available, developers should be exempt from meeting Apprenticeship Requirement.

B. Section § 3 Domestic Content Requirement

With respect to the Treasury and IRS seeking guidance on what constitutes domestic manufacturing as well as what requirements are needed to receive the 10% ITC adder for domestic content, please see our comment below.

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SSI requests that the Treasury and IRS publish a step-by-step methodology that will be used to determine what constitutes domestic manufacturing. Specifically, clarifying the steps required to be eligible for the 10% ITC adder. Does equipment that is assembled in the US using foreign-sourced components qualify? Is there a maximum portion of components that can be foreign-sourced? How is the allowable foreign-sourced portion calculated? E.g., as a proportion to the value of the equipment sold?

Regarding the exceptions located in §13101 (G)(10)(D)(i)(II), please provide the methodology used to determine “sufficient and reasonably available quantities or of a satisfactory quality”. Additionally, please provide a clear description of what qualifies as a “Manufactured Product”.

C. Section § 4 Energy Community Requirement

With respect to the Treasury and the IRS seeking guidance on the addition of special programs for certain facilities placed in service in connection with Low-income Communities, please see our comments below.

In determining whether an area is qualified as an Energy Community, SSI proposes that the Treasury and the IRS consider developing a GIS tool to identify eligible parcels of land efficiently and accurately. (E.g., the State of Illinois provides a GIS system that can efficiently and accurately locate a parcel of land in a Low-Income or Environmental Justice Community.) Because developing of a GIS tool takes time, in the meantime sufficient guidance should be provided for the maximum allowable distance from prior retired coal, oil, or natural gas plants. For example, a community located within 5 sq. mi. should qualify for the Energy Community Requirement.

D. Section § 4 Brownfield

With respect to the Treasury and the IRS defining a brownfield as it pertains to an Energy Community, please see our comment below.

SSI asks whether a project qualifies as a brownfield project if only a portion of the site on which the project is located is a designated brownfield. For example, if a project occupies 4 acres of land, of which 1 acre is a designated brownfield, does the entire project qualify as a brownfield project?

IV: Notice 2022 – 49 & Notice 2022 - 51

With respect to the Treasury and IRS seeking guidance on the available ITC and PTC adder for qualified projects, please see our comments below.

SSI seeks clarification on the ITC adders with respect to qualified facilities located within an Energy Community (10%) and serving Low-Income Housing (20%). Can projects elect to

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stack the credits allowing up to 60% ITC? Additionally, if the project also met the Domestic Content requirements (10%), are they eligible for a 70% ITC adder?