



# How the Reconciliation Bill Would Impact Indiana Manufacturing and Energy

Data is sourced from the [Clean Economy Tracker](#) unless otherwise noted. Data as of June 3, 2025.

Questions? Reach out to us at [info@cleaneconomytracker.org](mailto:info@cleaneconomytracker.org).

---

## What does the “Big, Beautiful Bill” mean for domestic clean energy manufacturing? What does it mean for Indiana?

Recent federal law introduced domestic energy manufacturing incentives and federal support for clean energy projects. Indiana has seen **at least \$17.3 billion dollars committed to clean manufacturing, creating 12,715 jobs for Hoosiers**. The state ranks **8th in the nation** for clean manufacturing investments.

The “Big, Beautiful Bill” threatens these gains by cutting access to key tax credits and programs, including:

- The Advanced Manufacturing Production Tax Credit (45X), which incentivizes U.S. clean energy supply chain components.
- Credits for clean energy projects (45Y, 48E), which includes bonuses for U.S.-sourced materials.
- Credits to install solar and other energy technologies on homes to lower household energy bills (25D).

These credits – along with Department of Energy loans and grants – promote domestic clean energy manufacturing and deployment, creating good jobs. Some credits require companies to pay [prevailing wages and offer apprenticeships](#), ensuring jobs are high-quality and family-sustaining.

**Indiana leads the country in [the manufacturing share of state GDP](#)**. Indiana’s strong manufacturing base and highly trained workforce means that the state is especially poised to take advantage of new investments in the clean economy.

## Which Indiana manufacturing projects are at risk?

Invigorated by new tax credits, Indiana has become a hub for battery manufacturing. Battery technology benefits from the Advanced Manufacturing Production Tax Credit (45X). The Clean Electricity Investment Tax Credit (48E) and Clean Vehicle Tax Credit (30D) will also help create domestic markets for these batteries, which can be used for electric vehicles and for large-scale energy storage.

## *How the Reconciliation Bill Would Impact Indiana Manufacturing and Energy*

- In July 2023, Stellantis and Samsung announced a joint [\\$7.5 billion investment](#) to build two battery manufacturing facilities in Kokomo, expected to [create 3,200 construction jobs and 2,800 operations jobs](#). The first facility is under construction and the second is planned.
  - Stellantis and Samsung have partnered with the Department of Labor to provide [job training and mechanical apprenticeship](#) to the workers they hire.
  - Recently, Stellantis had to [temporarily lay off 900 Kokomo workers](#) as a result of the challenges brought by tariffs. Cuts to clean energy and manufacturing tax credits could bring further hardship to Kokomo workers.
  - At full capacity, the plants will [produce 67 GWh of batteries a year](#) – more than the battery manufacturing capacity of the [entire U.S. in 2020](#).
- In March 2023, Entek, the only US-owned and US-based lithium battery separator producer, announced an [investment of \\$1.5 billion](#) in Terre Haute. The facility is expected to **create 642 jobs**. This project is under construction and expected to launch operations between 2025 and 2027.
  - Entek will hire [workers at “well above” average wages](#) for Vigo County across several professions, including production, maintenance, electricians and administrative roles.
  - Entek has also partnered with local organizations like [Project Never Broken](#) to support events honoring and supporting first responders and military personnel.
  - Terre Haute is a designated “Energy Community,” due to its high unemployment rate and history as a fossil fuel-based economy.
- In June 2023, General Motors (GM) and Samsung announced a joint [\\$3.5 billion dollar investment](#) to build an electric vehicle battery facility in New Carlisle. The facility will generate **1,700 permanent new jobs**, as well as **3,000-4,000 construction jobs**. This project is under construction.
  - The investment is a massive boost for citizens of New Carlisle, a city of 1,800 people. The construction is [already driving economic growth and increased property values](#).
  - [GM has partnered with Ivy Tech Community College](#) to train local workers in new skills needed for advanced manufacturing.
  - Recently, [GM delayed plant opening until 2027](#), citing difficult market conditions. Cuts to key tax credits could cause further delay, or derail the project entirely.
- In April 2024, Toyota announced a [\\$1.4 billion investment](#) in Princeton to produce a new three-row battery SUV. The project is in the planning phase and expected to bring **340 new jobs** to the area.
  - Princeton, IN is a designated Energy Community. The investment is spurring additional economic activity that will bring even more jobs to the town of ~8,400, as [Toyota suppliers such as Vuteq have located operations near the factory](#). Other suppliers who have invested in Princeton include EnovaPremier, TBIN, Millennium Steel, DXE, SMC, Global SQ, and Trigo.
  - Toyota has a long history of investment in Indiana communities, having [invested \\$5.6 billion dollars and employed 7,222 people](#) in their Princeton manufacturing plant. Through the [USA Foundation’s Driving Possibilities initiative](#), Toyota has invested in STEM programs, educational opportunities, and a new playground.

Clean energy credits have also propelled investments in solar manufacturing:

- In October 2023, [Canadian Solar announced an \\$800 million investment](#) to build a 5 GW solar panel manufacturing facility in Jeffersonville, which is projected to **create 1,200 jobs**. This project is in the planning phase. Once operational, it will qualify for the Advanced

## How the Reconciliation Bill Would Impact Indiana Manufacturing and Energy

Manufacturing Production Tax Credit (45X). Clean Electricity Tax Credits (45Y, 38E) help create a domestic market for American-made solar panels.

- This site will be the **one of the largest employers in the Greater Louisville region**, including over 150 high paying, engineering roles.
- The Louisville region was hit hard by deindustrialization in the 1970s and 80s, losing [tens of thousands of manufacturing jobs](#). But it has successfully [pivoted to advanced manufacturing](#) since the turn of the century. This project would continue the region's revitalization.
- Globally, China has over 80% of solar manufacturing capacity, with most of the remaining share going to Southeast Asia due to labor costs and skillsets. [Canadian Solar founder Shawn Xu has stated](#) that the IRA's incentives "just offset the cost differences [...] between Southeast Asia and the US" and that "US solar manufacturing capacity could grow significantly [...] if the industrial policy turns out to be stable enough to keep bringing companies in."

## What would the "Big, Beautiful Bill" mean for Indiana energy?

Indiana has **6.64 GW** of clean electricity deployed, **1.91 GW** under construction, and another **2.74 GW** planned. The table below shows the breakdown of clean electricity generation by technology:

### Clean Power in Indiana

Technology	Operating (GW)	Planned (GW)	Construction (GW)	Total (GW)
Solar Photovoltaic	2.93	2.32	1.91	7.16
Batteries	0.34	0.02	0	0.36
Onshore Wind	3.13	0.40	0	3.53
Biomass	0.01	0	0	0.01
Hydroelectric	0.20	0	0	0.20
Other Clean	0.04	0	0	0.04
<b>Total</b>	<b>6.64</b>	<b>2.74</b>	<b>1.91</b>	<b>11.29</b>

*Data refers to nameplate capacity for clean energy generation.*

**99% of clean energy capacity is in Republican districts.** These projects could be jeopardized by repealing the clean electricity tax credits (45Y, 48E), which support building and producing clean energy. Removing these credits will also reduce energy on the grid when more is needed. According to NREL, the greater Indiana region is projected to [add 100 GW](#) in demand by 2050.

## Which Indiana energy projects are at risk?

- Doral Renewables has developed the three-phase Mammoth Solar project in Starke and Pulaski counties. The final stages will add [600 MW of clean energy online by 2027](#), enough to power 135,000 households. This is one of the largest solar projects in the country.
  - The Mammoth Solar project has garnered praise from Republican Governor Eric Holcomb, stating it is an "incredible investment in the state of Indiana."

## *How the Reconciliation Bill Would Impact Indiana Manufacturing and Energy*

- Leeward Asset Management is developing three clean energy projects ([Blackford Solar](#), [Blackford Wind](#), and [Rose Gold Solar](#)) for a combined 600 MW, which will be operational by late-2026. Blackford Solar alone is expected to generate about 300 construction jobs.
- In October 2023, Lightsource Renewable Energy Assets received approval to construct [four new solar plants](#), generating 749 MW of clean energy in Indiana by mid-2026. The whole project would produce enough energy to power 200,000 homes.

These projects would create hundreds of construction jobs and give local business a boost. But changes to clean electricity tax credits puts these projects, investments, and jobs at risk.

## Would my energy bills go up?

The bill eliminates programs and cuts access to key credits that lower the cost of energy. If the bill passes in its current form, [Energy Innovation estimates](#) that the average Indiana household will spend nearly **\$160 more per year on energy by 2030**, and **\$530 more by 2035**.

## What does this mean for residential energy projects in Indiana?

The Energy Information Administration estimates that Indiana has [installed 113 MW of rooftop solar](#). With current incentives, the average Indiana household would [save \\$34,000 over 25 years](#) if they installed solar panels. However, the “Big, Beautiful Bill” would eliminate the Residential Clean Energy Property Credit (25D) that helps people make these cost-saving upgrades. The credit also covers household technologies like batteries, geothermal heat pumps, and solar water heaters.

## How is climate change impacting the cost of homeownership in Indiana?

Climate change is making homeownership even more difficult as disasters become more severe, insurance premiums skyrocket, and homeowners get kicked off of insurance plans. Nationwide, the average home insurance cost [went up nearly \\$700](#) since 2021. In Indiana, the annual cost of home insurance [averaged \\$2,574](#) in 2024, and may go up another **7%, to \$2,766 in 2025**. Clean energy and manufacturing projects help cut pollution that makes disasters more frequent and severe.

## Is Indiana alone?

No. We are experiencing a nationwide boom in the U.S. clean economy. In the last three years, companies have announced at least \$169 billion in investments and 172,900 jobs across over 600 clean manufacturing projects in 47 states, with 77% of the investment in Republican districts. Clean energy projects totaling 325 GW, enough to [power](#) 105 million homes or 209 million EVs, have been built or planned, 80% in Republican districts. This equals the energy output of [156 Hoover Dams](#).

If the bill passes as is, [Energy Innovation projects](#) a \$1.1 trillion GDP drop from 2025-2034. Electricity costs would rise 50%, adding \$170 billion annually for consumers by 2035. By 2030, 830,000 jobs would be lost, and an additional 790,000 jobs will be lost by 2035.

## Top Five Employers in Indiana

([source](#))

1. Purdue University West Lafayette
2. IU Health University Hospital
3. St. Vincent Emergency Department
4. St. Vincent Health Center
5. Delphi Electronics & Safety