How the "Big, Beautiful Bill" Will Impact Alaska Energy and Mineral Production

Data is sourced from the Clean Economy Tracker unless otherwise noted. Data as of June 2025. Fact sheet updated July 2025.

Questions? Reach out to us at info@cleaneconomytracker.org.

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

In 2022, new federal law introduced domestic energy manufacturing incentives and federal support for clean energy projects. This includes incentives for critical mineral extraction.

The “Big, Beautiful Bill" will cut access to key tax credits and federal support, including:

- Adding restrictions to the Advanced Manufacturing Production Tax Credit (45X), which incentivized U.S. clean energy supply chain components.
- Adding restrictions to credits for wind and solar projects (45Y, 48E), which included bonuses for U.S.-sourced materials.
- Phasing out the Clean Vehicle Tax Credit (30D), which lowered the price of electric vehicles that source battery components from the U.S. or our allies, including critical minerals.

The “Big, Beautiful Bill” Threatens Alaska’s Graphite Creek

Announced in March 2019, Graphite One’s planned graphite mine and associated processing facility would lie at the largest known reserve of graphite in the U.S. Once opened, it would be the nation’s first operating graphite mine. Graphite is a key resource for the quickly growing sector of battery manufacturing. This project is a historic opportunity for Alaska to become a national leader in graphite production, just as graphite becomes an even more valuable resource globally.

The project will require $1.125 billion in capital expenditures to become operational by 2030. It would create 170 jobs, which represents 7% of the 2022 Nome labor force, in a region where the unemployment rate is over 50% higher than the national average. According to a Graphite One VP, “100% of the employees for this mine could come from Nome,” and the company has pledged workforce development partnerships with communities like Teller and Brevig Mission.

Once online, the mine is expected to produce 175,000 metric tons of graphite concentrate annually, providing a significant domestic source of a material that is currently almost entirely imported. China accounted for 77% of all mined graphite in 2023 and placed government-controlled restrictions on its export that same year. Future export restrictions could put U.S. industries at risk,

underscoring that an American graphite supply chain is a national security interest. The Alaskan graphite mine would onshore this critical mineral supply, producing an annual output that equates to ~11% of global graphite production in 2023.

Once built, this facility would have qualified for the Advanced Manufacturing Production Tax Credit (45X). Additionally, the Clean Vehicle Tax Credit (30D) had strict sourcing rules for EV batteries, encouraging domestic production of critical minerals like Graphite. Restricting or eliminating these tax credits undermines the economic case for investing in domestic mines like Graphite Creek. Graphite One could be forced to abandon this project, forcing U.S. battery manufacturers to rely on China for raw and processed materials.

Manufacturing accounts for just 3% of Alaska's total economic output and 4.1% of the workforce. At the same time, the state's top private employer (seafood industry) has declined in recent years, suffering a $1.8 billion loss in 2023 while profitability dropped 50%. Strategic investments could revitalize the state's industrial base and bring economic development to rural and Indigenous communities. Eliminating these tax credits will put these jobs and economic growth at risk.

Both Alaska Senators have been vocal supporters of the project: Lisa Murkowski expressed her support for the project on the Senate floor, and Dan Sullivan recognized the strategic importance of a domestic graphite supply: ***"We must end America's dangerous dependence on China for critical minerals, which are increasingly necessary for alternative energy sources, advanced batteries, and defense technologies. Alaska can and will lead the way in unleashing America's resource potential."***

What will the "Big, Beautiful Bill" mean for Alaskan energy?

Alaska has the highest per capita energy use in the U.S. due to its climate, small population, and energy-heavy industries. Clean energy lowers costs and reduces reliance on costly fuel imports for remote areas. Alaska currently has **690 MW** of clean electricity and plans for another **29 MW**. Below is a table showing clean electricity generation by technology:

Alaska Clean Power Deployment

Technology	Operating (MW)	Planned (MW)	Total (MW)
Solar	7.7	0	7.7
Onshore Wind	59.6	0	59.6
Hydro	481.8	29.4	511.2
Batteries	131.7	0	131.7
Other Clean	13.5	0	13.5
Total	**694.3**	**29.4**	**723.7**

Data refers to nameplate capacity for clean energy generation.

For example, a clean power project underway is the Sweetheart Lake Hydroelectric Facility in Juneau, which will boost the supply of energy in the city by up to 25% with 19.8 MW of capacity.

The project was announced in August 2022 and is expected to be online in January 2028. Projects like this could be jeopardized by recent changes to the clean electricity tax credits (48E, 45Y). Restricting these credits for wind and solar will also reduce clean energy on the grid when we need to be adding more capacity.

Is Alaska alone?

No. We are experiencing a nationwide boom in the U.S. clean economy. Since these credits and programs became law in 2022, companies have announced $169.2 billion in investments and 172,900 jobs across over 600 clean manufacturing projects in 47 states, with 77% of 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.

With this new law, 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 Alaska

(source)

1. Providence Alaska
2. NANA Regional Corporation
3. Trident Seafoods Corporation
4. Arctic Slope Regional Corporation (ASRC)
5. Fred Meyer