

# How the "Big, Beautiful Bill" Will Impact Ohio Manufacturing and Energy

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? What does it mean for Ohio?

In 2022, new federal law introduced domestic energy manufacturing incentives and federal support for clean energy projects. Ohio's legacy of manufacturing has made it a prime target for clean energy investment – the state has seen at least **\$18.6 billion** committed to clean manufacturing, creating **14,380 jobs for Ohioans**.

The "Big, Beautiful Bill" threatens these gains by cutting access to key tax credits and programs, 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.
- Eliminating credits to install solar panels 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 incentivized companies to pay prevailing wages and offer apprenticeships, ensuring jobs are high-quality and family-sustaining. As President of the Ohio Chamber of Commerce and former Republican U.S. Rep. Steve Stivers recently noted, "these incentives make it economically viable for companies to manufacture in America rather than overseas. The result? Family-supporting jobs, stronger communities, and a brighter future for our state."

#### Which Ohio manufacturing projects are at risk?

In 2019, General Motors (GM) and LG Energy Solution (LGES) announced a \$2.6 billion joint venture for the <u>Ultium Cells battery factory</u> in Warren. Since becoming operational in 2022, the facility employs nearly 2,200 workers, the <u>largest employer in the county</u>.

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- This facility qualifies for the Advanced Manufacturing Production Tax Credit (45X), and GM and LGES also received a \$2.5 billion loan from the Department of Energy to support Ultium facilities in Ohio, Tennessee, and Michigan.
- This area of northeast Ohio had a long history in the auto industry, which has seen declines in recent decades. This Ultium announcement came a few months after GM closed a legacy Lordstown manufacturing facility.
- In 2023, <u>Honda and LG Energy Solution began construction</u> on a \$3.5 billion electric vehicle (EV) battery plant, which will create 2,200 jobs in Fayette County. The plant is scheduled to begin operations in 2025. Honda has completed <u>an additional \$1 billion</u> in retrofits to outfit its factories in Marysville, East Liberty, and Anna for EV manufacturing.
  - The construction of the site has <u>catalyzed about \$100 million in investments</u> by the county into road, water, and electric infrastructure improvements. Moving forward, Fayette County engineer Steve Luebbe said he "expects to see Honda suppliers in his county, as well as other businesses and probably new housing, as well."
- In 2022, Ford Motor Company announced a **\$1.5 billion investment** to build an EV manufacturing facility in Lorain County, which is expected to **create 1,800 union jobs**. The project is under construction and scheduled to begin production of an electric commercial van in 2026.
  - This investment is a massive economic boost to an area that saw the closure of a Ford assembly plant in nearby Lorain in 2005. Once a manufacturing powerhouse, Lorain has also weathered <u>the closure of plants owned by National Gypsum</u>, Johnson Metals, U.S. Steel, and Republic Steel since the turn of the century.
  - The investment was made in partnership with the United Auto Workers, with a commitment to provide good union jobs.
- In 2022, Semcorp Advanced Materials Group <u>announced plans</u> to invest \$916 million in a battery component manufacturing facility in Sidney that would create 1,200 jobs with a \$73 million annual payroll. The project is under construction, with <u>"phase one" having been completed in September 2024</u> and <u>hiring underway</u>.
  - Unemployment in Shelby County <u>reached 12% at the height of the COVID-19</u> pandemic. Now, in part because of the new facility, Shelby has the highest manufacturing jobs per capita of any Ohio county.
  - The city manager of Sidney anticipates that the project will <u>bring housing</u> <u>development, infrastructure investment, increased property values, and more people</u> to the city of ~20,000.
- In 2024, Ohio-based Illuminate USA <u>began commercial operations at its solar manufacturing</u> <u>plant</u> in Pataskala. The facility employs **more than 1,000 Ohioans** and will produce more than 5 GW of solar panels annually, which is enough to power a million homes.
  - Illuminate USA stated that their "success has been accelerated by the manufacturing tax credits to onshore the solar supply chain [in] the Inflation Reduction Act of 2022."
- In 2024, Graphite One <u>announced</u> its intent to construct a graphite processing facility in Warren. The value of the investment was <u>recently projected at \$4 billion and would create</u> <u>more than 150 jobs</u>. The project is currently in the planning phase.
  - The U.S. has not had a domestic supply chain for graphite since the 1950s. Combined with a <u>mining site in Alaska</u>, the processing facility would decrease American dependence on foreign sources of critical minerals.

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## What will the "Big, Beautiful Bill" mean for Ohio's energy?

Ohio has **7.6 GW** of clean electricity deployed, **0.6 GW** under construction, and another **2.6 GW** planned. The table below shows the breakdown of clean electricity generation by technology:

| Technology         | Operating (GW) | Planned (GW) | Construction (GW) | Total (GW) |
|--------------------|----------------|--------------|-------------------|------------|
| Solar Photovoltaic | 4.00           | 2.03         | 0.57              | 6.61       |
| Batteries          | 0.04           | 0.14         | 0                 | 0.18       |
| Hydroelectric      | 0.13           | 0            | 0                 | 0.13       |
| Nuclear            | 2.24           | 0            | 0                 | 2.24       |
| Wind               | 1.11           | 0.46         | 0                 | 1.56       |
| Biomass            | 0.08           | 0            | 0.003             | 0.08       |
| Other Clean        | 0.04           | 0            | 0                 | 0.04       |
| Total              | 7.59           | 2.63         | 0.57              | 10.84      |

Clean Power in Ohio

Data refers to nameplate capacity for clean energy generation.

**85% of clean energy projects are in Republican districts**. These projects could be jeopardized by recent changes to the clean electricity tax credits. Restricting these credits for wind and solar will also reduce power on the grid when more is needed – Ohio is expected to experience a <u>50%</u> increase in peak power demand by 2034.

#### Which Ohio energy projects are at risk?

- Firelands Wind's <u>Emerson Creek Wind Farm in rural Huron and Erie Counties</u> will bring up to 300 MW of clean energy online by October 1, 2026.
  - This project brings <u>hundreds of construction jobs and over \$600 million in investment</u> to rural, deindustrialized areas south of Sandusky. It will also bring revenue to the local communities to improve local government and schooling, and support farmers. It will provide enough energy to power nearly 100,000 homes.
- Invenergy's <u>Cadence Solar project</u> in Union County will bring up to 240 MW of clean energy online by the end of March 2026.
  - This project will <u>bring 700 jobs</u> to Union County, a rural area in Central Ohio with a population of just under 63,000. The project will also provide over \$130 million in local investment to support schools, governments, and communities in Union County.
- Repsol Renewable's <u>Ritter Station Solar Project in Gorham</u>, Fulton County will bring up to 199 MW of clean energy online by the end of 2027.
  - In Fulton County, manufacturing jobs in the county went from making up 46% of the economy in 2004 to just 35.6% in 2019. This project will create 200 construction jobs, 80% of which will go to Ohio natives. It will also inject millions of investment into the Fulton County economy and power nearly 50,000 homes.

## Will my energy bills go up?

The law eliminates programs and cuts access to key credits that lower the cost of energy. <u>Energy</u> <u>Innovation estimates</u> that the average Ohio household will spend nearly **\$180 more per year on energy by 2030,** and **\$410 more by 2035**.

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

The U.S. Energy Information Administration (EIA) estimates that Ohio has <u>installed</u> 225 MW of rooftop solar, 23rd most of any state. With current incentives, the average Ohio household would <u>save</u> **\$63,514 over 25 years** if they installed solar panels. However, the "Big, Beautiful Bill" will eliminate the Residential Clean Energy Property Credit (25D) that helps people make these cost-saving upgrades. The credit also covers other household energy technologies like battery storage, geothermal heat pumps, and solar water heaters.

#### What does this mean for Ohio's economy?

According to <u>a report by NERA Economic Consulting</u>, with limits to the advanced manufacturing and clean electricity tax credits, Ohio would have lost 5,890 jobs, the average household would lose \$80 in annual income, and the state's GDP would decrease by \$1.83 billion.

## Is Ohio 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 <u>power</u> 105 million homes or 209 million EVs, have been built or planned, 80% in Republican districts. This equals the energy output of <u>156 Hoover Dams</u>.

With this new law, <u>Energy Innovation projects</u> 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 Ohio

(<u>source</u>)

- 1. Cleveland Clinic
- 2. Walmart
- 3. Amazon
- 4. Kroger
- 5. Ohio State University