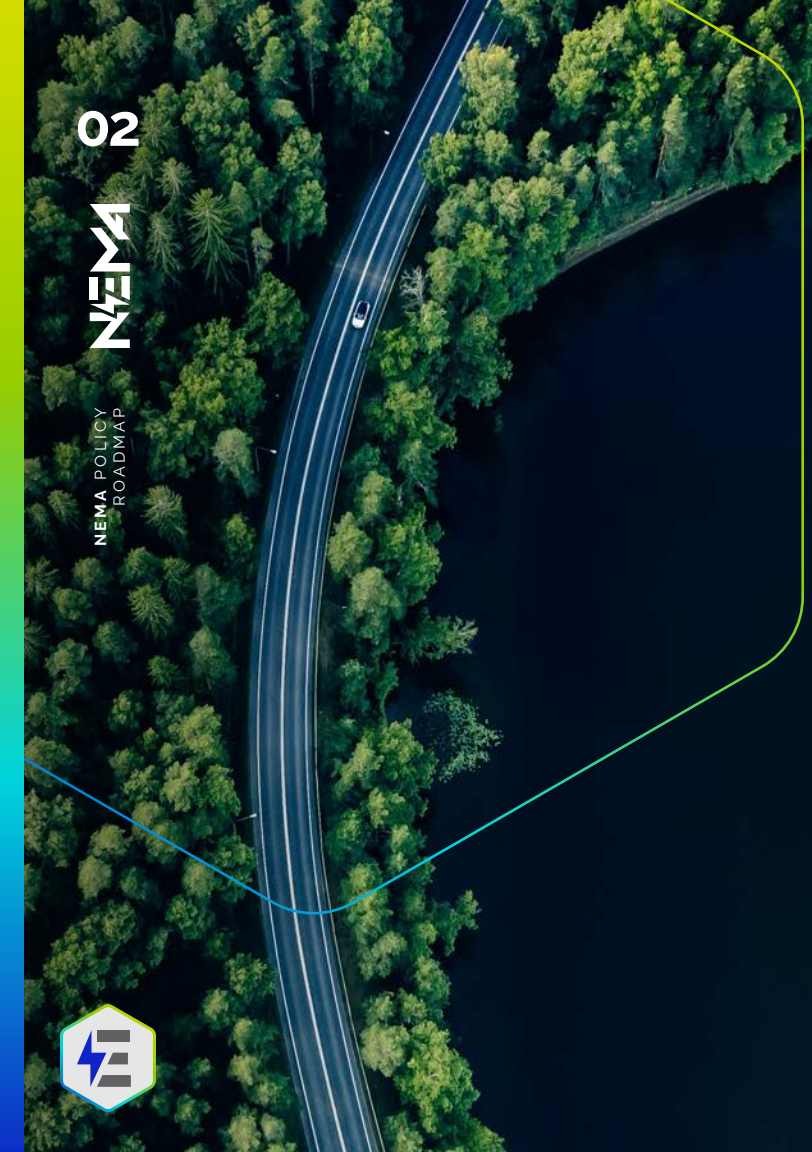
NEMA's Policy Roadmap

to Power the Electric Future



NEMA's Roadmap for a Resilient and Innovative U.S. Electrical System

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to Power the Electric Future

The U.S. electroindustry is the backbone of our nation's energy system. As one of the largest manufacturing sectors in the U.S. economy, with a market exceeding $375 billion, our sector plays a pivotal role in shaping critical infrastructure, driving innovation, and securing economic prosperity.

NEMA is proud to represent over 300 leading manufacturers of electrical technologies. Collectively, our members contribute 1% of U.S. GDP and employ more than 450,000 Americans in every state.

NEMA's work is critical not only for meeting America's growing energy needs at a time of unprecedented demand, but also for building a resilient electrical grid of the future. Our policy roadmap lays out a clear path to strengthen American leadership on electrification, grid resilience, and energy leadership.

The electroindustry stands ready to work in partnership with the Trump administration and Congress to expand our electrical grid to meet unprecedented growth in demand through harnessing U.S. manufacturing, innovation and resources. Together, we will power a brighter, stronger tomorrow.

Sincerely,

Debra C. M. Phillips
NEMA President & CEO

Tax Certainty for Energy Security

Congress must establish a permanent tax framework that drives U.S. electrical manufacturing and advances grid innovation. Equally important is the continuation of vital tax incentives that have spurred economic growth and job creation. Consistent tax policy is essential for bolstering the domestic manufacturing of critical components that ensure the reliability, safety, and security of our nation's grid.

Policy Recommendations

Preserve Tax Cuts and Jobs Act (TCJA) business incentives and continue business-friendly provisions, including the current corporate tax rate, enhanced interest deductibility, 100% accelerated depreciation, and full expensing and bonus depreciation of the R&D tax credit.

Preserve and extend key energy and manufacturing tax incentives, which are vital for continued economic growth and will position the U.S. as a global leader in advanced manufacturing:

- Advanced Manufacturing Tax Credit, IRC Sec. 45X
- Qualified Advanced Energy Project, IRC Sec. 48C
- Residential Clean Energy Credit, IRC Sec. 25D
- Alternative Fuel Vehicle Refueling Property Credit, IRC Sec. 30C
- Energy Efficient Commercial Buildings Deduction, IRC Sec. 179D

05 Unleashing American Innovation to Build a Resilient Grid

The demand for electricity to power our homes, businesses, transportation, and beyond is projected to grow by 50% between now and 2050, according to NEMA's forthcoming grid resiliency study. We need a strong, secure, and resilient grid that can support America's growing energy needs while creating good-paying jobs and fueling economic growth and prosperity.

Policy Recommendations

Pass energy permitting legislation modeled after the bipartisan Manchin-Barrasso bill to accelerate the development of critical generation and transmission infrastructure and domestic critical mineral extraction. This will reduce bureaucratic delays and legal hurdles while enabling expanded electrical infrastructure and greater energy security.

Work with Congress on legislation to protect critical infrastructure manufacturers from frivolous lawsuits. Legislative protections would help manage risk, allowing domestic manufacturers to maintain insurance coverage and remain economically competitive.

Create policy incentives and regulatory certainty for critical grid infrastructure that will create cost-effective solutions for grid resilience, security, and reliability. **Critical technologies to incentivize** include distributed energy resource (DER) and management systems (DERMS), dynamic line rating (DLR), voltage regulation, energy storage, reconductoring, and other grid enhancing technologies. Congress should also enact policies that develop and deploy technologies to strengthen the nation's distribution grids as demand continues to grow.

American Manufacturing: Powering Energy Dominance

With tens of billions of dollars invested in re-shoring manufacturing since the renegotiation of USMCA, and tens of thousands of jobs created, the electroindustry is leading the charge in revitalizing American energy manufacturing. To maintain that pace, manufacturers need workable domestic content solutions and secure, friendly supply chains.

Policy Recommendations

Consider waivers and exclusions for certain critical electrical parts and components used in the production of high-value U.S.-built electrical goods that support American jobs and maintain industry competitiveness.

Leverage the USMCA renewal negotiations to increase the global competitiveness of the North American electrical goods industry by maintaining and supporting balanced and reciprocal trade among all three countries while leveling the playing field with global competitors such as China.

Support the development of clear, practical pathways for compliance with Build America, Buy America (BABA) guidelines. Standards like NEMA's *Make it American* program provide valuable frameworks for supporting manufacturers in meeting domestic content requirements efficiently.

07 Skilled Workers to Power Our Grid

As we strengthen our domestic manufacturing capabilities, it is essential to ensure we have the skilled workforce necessary to meet the growing demand for electrical products and infrastructure.

Policy Recommendations

Develop and expand robust apprenticeship programs across the electrical industry to build a highly skilled and future-ready workforce to fulfill the evolving requirements of our domestic manufacturing sector, from battery manufacturing to minerals extraction to building semiconductors and complex components.

Leverage federal workforce development programs to support training and retention within the electrical sector. Facilitate more streamlined access to programs that offer technical training, certification, and workforce development for those entering and advancing in the field.

Work with Congress to advance comprehensive workforce development legislation to ensure long-term support for the electrical industry's workforce.

08 Contact NEMA

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Make it ⚡ Electric