



# The Importance of Location in the Energy Transition

KPMG can support you in the assessment and prioritization of your energy infrastructure investments.

Given unprecedented government incentives, progressive policies around energy efficiency and decarbonization, and growing electric vehicle (EV) adoption, there is a need for clients to assess and prioritize their energy infrastructure investments. There are numerous federal, state, and local grants, incentives and low-cost loan programs that can be leveraged to support investments in renewable energy generation, energy storage, energy efficiency upgrades, and EV charging infrastructure. Project location determines eligibility for a number of major subsidies which can significantly influence investment returns.

KPMG LLP (KPMG) has been at the center of the energy transition market, supporting our clients to benefit from these programs through a structured and data-informed approach. We leverage our proprietary geospatial analytics tool to prioritize client's portfolio of assets (e.g., commercial buildings, industrial plants, retail locations) and reduce uncertainty around investment decisions.

## Our Approach

### Top-Down Portfolio Diagnostic

- Map portfolio locations into KPMG geospatial analytics tool
- Assess the opportunities available from various incentives based on locational variables (e.g., grid proximity, EV registrations, etc.)

### Bottom-Up Calculation of Site-Level ROI

- Align on variables influencing return on investment (ROI)
- Identify site-level costs (capital and operating) and benefits (funding, tax credits, returns on excess solar sale, etc.)
- Prioritize locations with favorable opportunities for investment

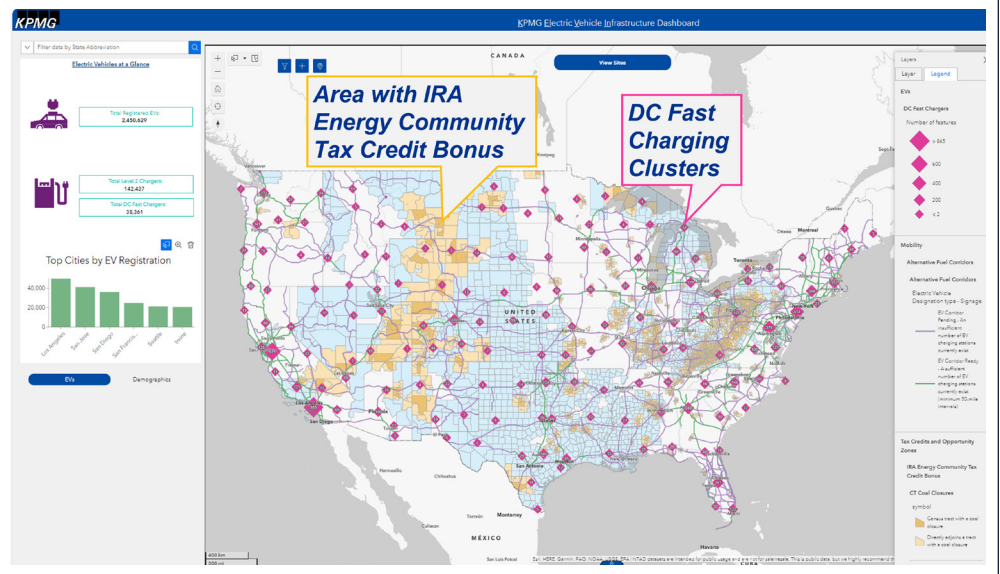
### Implementation Support

- Develop an implementation plan to secure incentives and funding
- Support RFP process and contract signing (commercial and technical)
- Support compliance with government regulations during project implementation

## Our geospatial analytics tool enables rapid analysis informing site prioritization

Our team can select from more than 30 distinct data layers, such as:

- NEVI and Alternative Fuel Corridors
- EV vehicle registration data
- EV charging data
- Electricity substation locations and transmission lines
- Utility service territory boundaries
- Retail electricity price data
- Census tract data
- Net metering data
- State renewable energy credit pricing data
- Solar irradiance data



# We have the capabilities to assess sites across a broad range of location dependent incentive programs and funding opportunities, tailored to specific client priorities.

## Renewable Energy



**Federal Tax Credit:** The Federal ITC provides a 30% tax credit for eligible costs associated with renewable energy and/or energy storage- this credit can grow to 40% or 50% based on geographically determined bonuses

**Net Energy Metering:** Different service level territories provide varying levels of net metering or net billing influencing the amount of savings a system owner can capture through a solar generation facility

**Power Purchase Agreement (PPA) permissibility:** In markets allowing PPAs, this added optionality can favorably shape project returns

**Solar Renewable Energy Certificate (SREC) eligibility:** Several states provide direct payment to system owners based on the amount of electricity generated by solar PV systems

## Energy Efficiency



Eligibility for various **rebates, loans, and grant programs** from state and local governments and utilities for energy efficiency upgrades is based on project location. These incentives include but not limited to:

- Heat pumps
- LEDs
- Air Conditioning
- Heat recovery
- Refrigeration
- System upgrades
- Ventilation

## EV Charging



### National Electric Vehicle Infrastructure (NEVI) Formula

**Program:** \$5 billion for states to deploy charging infrastructure

**Charging and fueling infrastructure grants (community charging):** \$1.25 billion to deploy charging infrastructure in low-moderate income neighborhoods

**Charging and fueling infrastructure grants (corridor charging):** \$1.25 billion to deploy publicly accessible charging infrastructure

**Alternative Fuel Vehicle Refueling Property Credit:** Up to 30%; maximum credit of \$100,000 per any single item; must be built in a nonurban or low-income census tract

Significant utility, state, Local vehicle and charging incentives depending aligned to a jurisdiction

Source: Office of Energy Efficiency & Renewable Energy; <https://www.energy.gov/eere/solar/federal-solar-tax-credits-businesses>

Source: Internal Revenue Code 26 U.S.C. § 48

Source: Federal Highway Administration, Bipartisan Infrastructure Law; <https://www.fhwa.dot.gov/bipartisan-infrastructure-law/funding.cfm>

Source: Internal Revenue Service, 2024; <https://www.irs.gov/credits-deductions/alternative-fuel-vehicle-refueling-property-credit>

KPMG Research and Analysis

## Why KPMG?

**A 360 degree view of the Energy Transition Market** through projects with site owners, developers, utilities, state DOTs, infrastructure developers, EPCs, and others.

**Powerful accelerators at your disposal** monitoring funding opportunities and providing advanced geospatial analytics.

**Deep subject matter experience on incentives** (grants, tax credits, utility programs, etc.) as well as compliance in government regulations (Buy America, Prevailing Wage, 2CFR200, etc.).

## Contact us



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