

Eliminating energy tax credits would hit West Virginia households hard

More than a third of all West Virginia households — over 143,000 homes — could save \$3,000+ per year with upgrades made affordable by energy tax credits targeted for elimination.

West Virginia is the fifth-largest energy producer in the nation. Yet many West Virginia families struggle to afford their own energy bills. Electricity rates have doubled over the past 15 years, with more rate hikes on the horizon. The state ranks 49th in the nation for energy affordability, and local transmission organizations warn the state can't keep pace with the growing demand for electricity — even as it looks to attract energy-hungry data centers and other industries.

That's why the **Energy Efficient Home Improvement Credit (25C)** and **Residential Clean Energy Credit (25D)** are so important. These federal tax credits help households afford energy-saving improvements like insulation, air sealing, high-efficiency heat pumps, rooftop solar, and battery storage. The result? Lower energy bills, less strain on the grid, and more good-paying local installation jobs can't be automated or offshored. Eliminating these credits — as Congress is proposing — would be a major setback for West Virginia, raising costs, exacerbating energy bottlenecks, and destroying jobs.

These programs aren't partisan. First enacted by a Republican-led Congress in 2005 and extended multiple times by President Trump, 25C and 25D have delivered results for two decades.

Mike Mood, founder of Superior Service Heating & Air Conditioning in Kearneysville, WV, said the tax incentives have been critical to his business — and his customers:

"I've seen firsthand how the tax credit helps us sell higher-efficiency systems, which can drop your operating costs by 60 to 70 percent. So take the tax credit, plus the higher efficiency, and instead of having a seven or eight-year payback, we might be down to a one or two-year payback. And the rest is all savings. When we're talking about that with the customer, and nobody else is, they pay a little more attention to us. It gets us to stick out from the crowd, and it's another way we lock in customers."

How 25C & 25D directly benefit West Virginia households

Cost savings: Cost savings: In West Virginia, 25C-incentivized technologies can reduce energy bills by 37 percent, saving the average single-family homeowner \$1,020 per year. 25D-incentivized technology like rooftop solar can save them another \$1,130.

UPTAKE

In 2023, **7,780** West Virginia families used the Energy Efficient Home Improvement Credit (25C) and saved an average of **\$960** on their taxes.

In 2023, **1,640** West Virginia families used the Residential Clean Energy Credit (25D) and saved an average of **\$4,794** on their taxes.

ECONOMIC IMPACT

The more than 9,000 West Virginia families who used 25C and/or 25D in 2023 generated **\$109 million in economic activity** and supported **408 jobs** in the state.

Over **1,100 energy-efficiency contractors — including 6 in West Virginia** — signed a letter supporting 25C, which has also spurred in-state investment by manufacturers like Knauf and Rockwool.

WHAT'S AT RISK?

Households miss out

143,000 West Virginia households — 39 percent of all homes — use costly fuels like propane or inefficient electric resistance. With potential savings of \$3,140 a year, these homes have the most to gain from 25C and 25D, and the most to lose if they're eliminated.

“These programs are working. West Virginians are saving money, making their homes more efficient and resilient, and supporting local jobs in the process,” said **Ari Matusiak, founder and CEO of Rewiring America**. “As energy bills continue to rise, and are set to worsen under this bill, Congress shouldn’t pull the plug on what’s delivering real results. We should be working hard to reach more families across the state to realize these savings.”

About Rewiring America:

Rewiring America is the leading electrification nonprofit, focused on electrifying our homes, communities, and businesses. We develop accessible data and tools and build coalitions and partnerships to make going electric easier for households and communities. Rewiring America helps Americans save money, tackle nationwide emissions goals, improve health, and build the next generation of the clean energy workforce.

<https://www.rewiringamerica.org/>