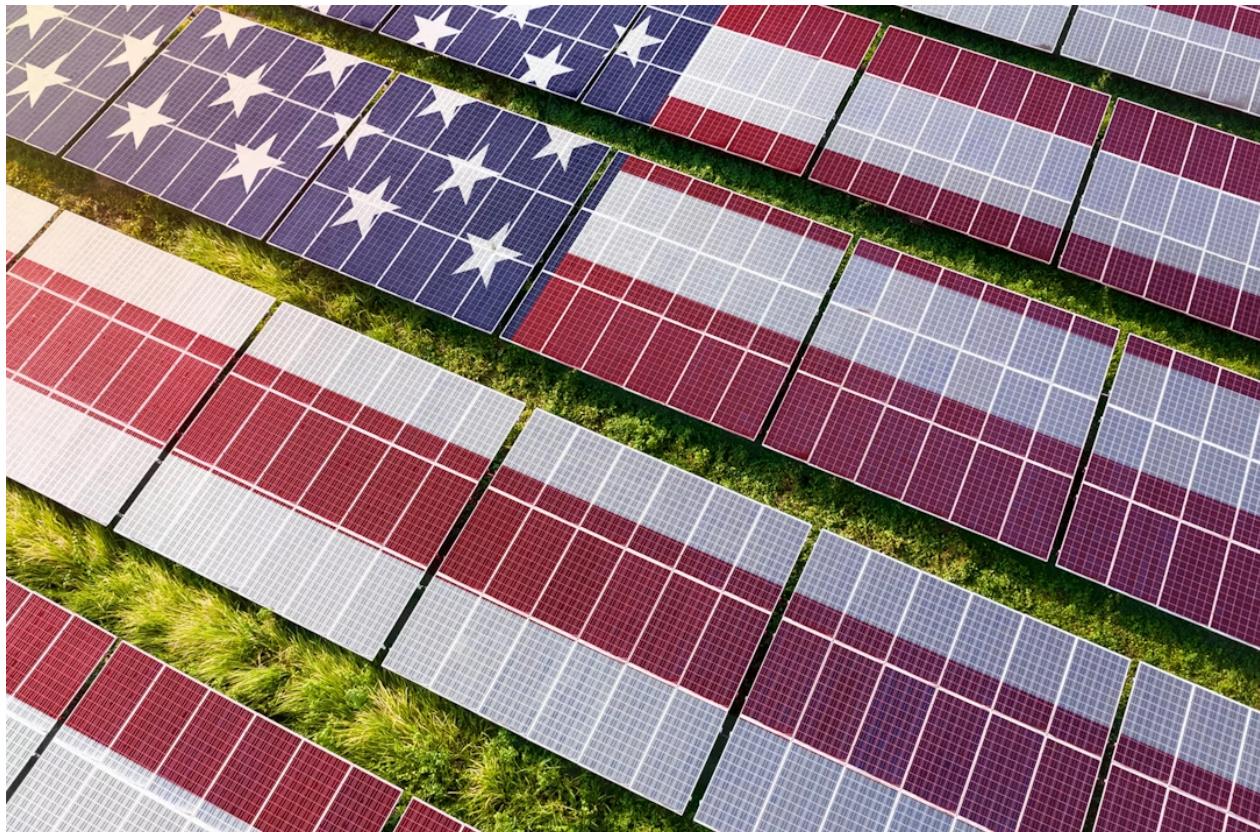


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Sitting on the Sidelines: Billions of Announced Investments at Risk as Uncertainty Grips Markets



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Imagine you're setting off on a cross-country road trip. You've plotted your route, identified where you want to stop, set a budget, and outlined a detailed itinerary. The first leg of your journey goes smoothly. The roads are clear and well-maintained, and you're making good time. Until one morning, when you learn that a series of highly-volatile storms are heading your way and could make roads impassable with little warning. Would you keep driving? Would you wait it out for as long as your budget allows? Or would you turn tail and head home?

This scenario is a microcosm of the energy sector's current landscape. The Inflation Reduction Act (IRA) catalyzed historic investments in clean energy across the US, with **more than 2,000 new**

manufacturing and clean energy facilities coming online in just two years and millions of jobs created. Thousands of additional facilities and over \$500 billion of new investments have already been announced and are queued up for development.

But the agenda laid out by President Trump and Republicans in Congress threatens that progress. This agenda includes repealing the IRA's clean energy tax incentives that are successfully driving private investment, as well as freezing federal funding and creating a whiplash of tariffs. All of these actions pose new hurdles to clean energy deployment. To borrow from our road trip analogy, the roads we'd planned to use are slowed, obstructed, or outright nonexistent.

Certainty is the backbone of business. It drives strategy, workforce, and investment decisions. Just as our hypothetical driver would likely stay off the roads until storms cleared, businesses hold capital and wait for more predictable investment environments. Unfortunately, dozens of actions have created deep market uncertainty in recent weeks, bringing new political turbulence to the clean energy sector. Some of these actions include:

- **Proposed IRA Clean Energy Tax Credit Repeal:** Speaker Johnson recently signaled a more aggressive approach to IRA tax credit repeal, aligning himself closer to the position the majority of his caucus has long advocated for.
- **Funding Freezes:** While most programs from the IRA and the Bipartisan Infrastructure Law are no longer under blanket freezes (as of writing), in practice, billions of dollars meant to unlock private investment remain held up thanks to gutted agency staff, the weaponization of contract and compliance provisions, and new political delay tactics.
- **On-again-off-again tariffs:** Trump's whiplash of tariffs on our largest trading partners, Mexico, Canada, and China continue to stoke concern across vast swaths of the US economy. Critical inputs for the entire energy sector value chain, from raw materials to imported electricity, are under threat and pushing up the price of doing business for American firms.

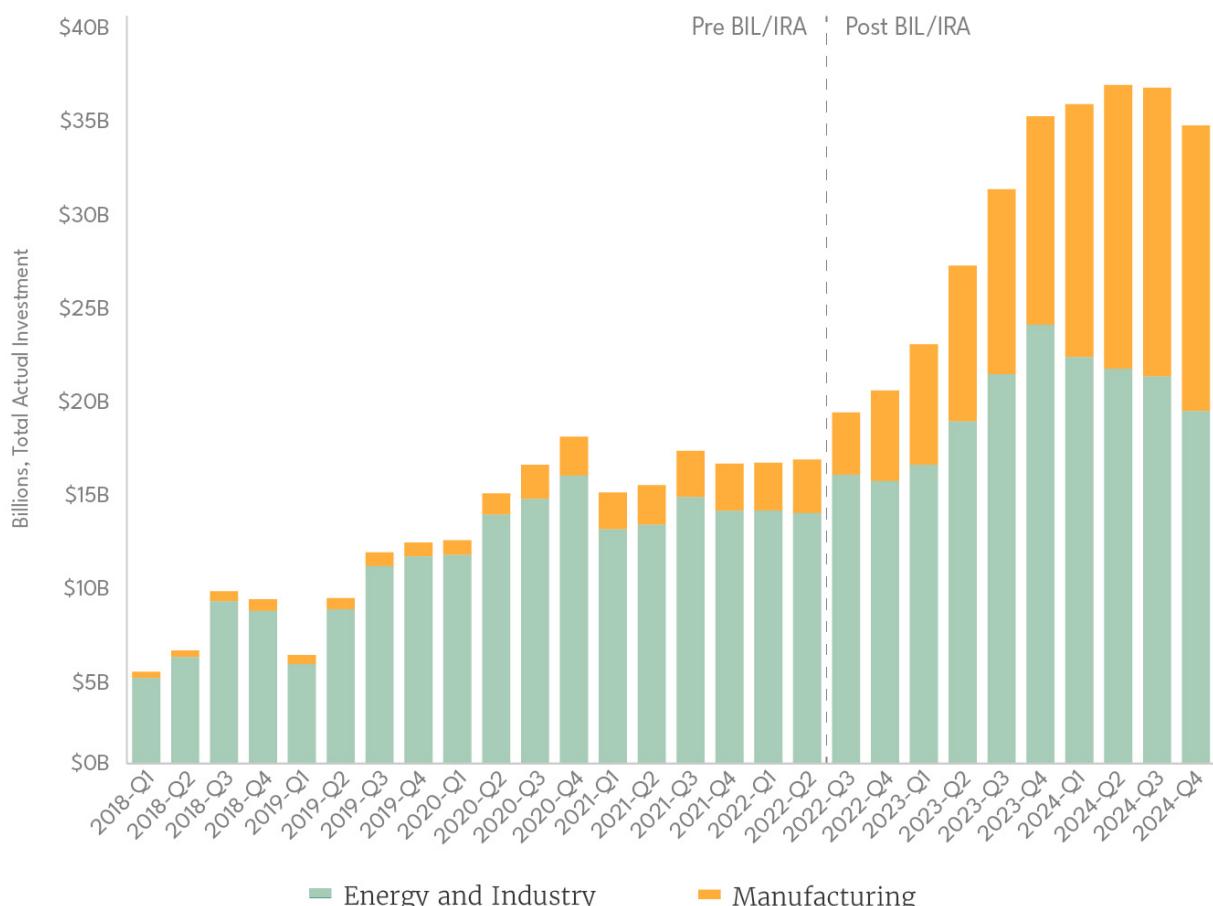
These recent developments put at risk the investments that industry has already made based on supportive policies like the IRA. And they call into question whether investors will follow through on all the investments they were prepared to make, and which American businesses and workers are relying on. So, what exactly is at stake?

Clean Energy is Surging Nationwide, with Republican Districts Taking Home the Lion's Share

Since both BIL and IRA have been in place (2022-Q3) the clean energy industry has become a dominant force in the US economy. Clean energy jobs continue to grow at more than twice the rate of overall US employment and over \$289 billion of actual investment in clean energy manufacturing and infrastructure has been deployed to date. For reference, that is *five times the amount* invested in clean energy manufacturing in the preceding ten quarter run (2020-Q1 to 2022-Q3).



BIL and IRA Catalyzed Historic Clean Energy Investments



Source: Clean Investment Monitor. Quarterly_Actual_Investment_2024-Q4. Microsoft Excel Worksheet, Rhodium Group and MIT CEEPR, Feb. 18 2025, <https://www.cleaninvestmentmonitor.org/database-access>.

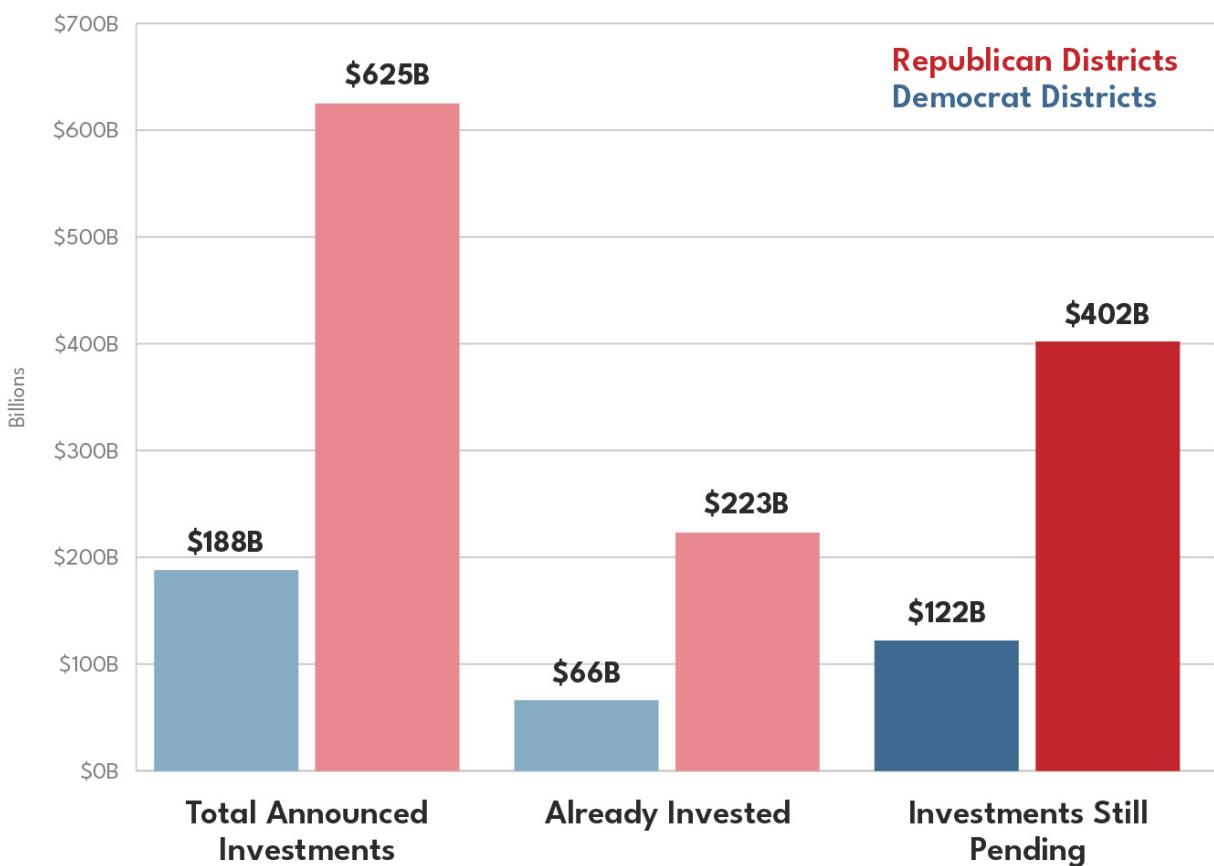
But these gains are not distributed equally. According to the Clean Investment Monitor (CIM)—the foundational database for this analysis—Congressional districts represented by Republicans have

already benefitted from **\$223 billion of investment** (or 77% of the total share), with districts represented by Democrats receiving \$66 billion.

However, these figures reflect only a fraction of the total **announced** investments since the IRA became law. Hundreds of billions of those announced investments are **still pending** (or, “outstanding” as CIM describes them). These ‘still pending’ investments are now at risk as the new political and economic uncertainty—driven by the Republican agenda—threatens to stall or derail progress.



Hundreds of Billions of Clean Energy Investments are Still Sitting on the Sidelines



Source: Clean Investment Monitor. Outstanding Spending – CD119. Microsoft Excel Worksheet, Rhodium Group and MIT CEEPR, Feb. 18 2025, <https://www.cleaninvestmentmonitor.org/reports/clean-investment-monitor-q4-2024-update>.

2/3rds of Total Investments are Still Sitting on the Sidelines

Looking ahead, \$524 billion of announced investments are still pending (64%). \$402 billion of that (77%) is planned for GOP districts, with \$122 billion slated for Democrat held districts.

An important note: These pending investments aren't hypothetical, rather, they represent thousands of specific projects that have already been publicly announced. Many of these projects have signed agreements with local jurisdictions, and initial planning, engineering, and capital plans in place. In other words, communities are *literally* banking on these investments coming online as planned.

Less than 100 days into Trump's term and "massive political uncertainty" is already gripping the industry and leading to rampant project delays that increase costs, disrupt supply chains, and undermine investor confidence. For many of these projects, delays are just as deadly as outright cancelations, as political uncertainty often causes developers and investors to reassess their commitments.

Total Investments Announced, Already Invested, and Still Pending

Billions of dollars, 2023

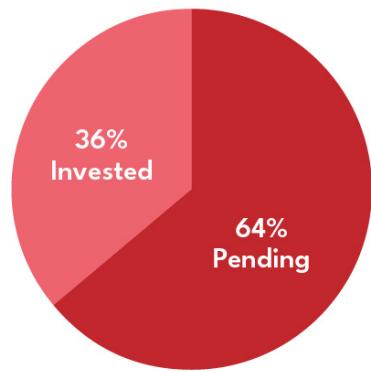
Congressional Districts	Announced	Invested	Pending
Republican	\$625B	\$223B	\$402B
Democrat	\$188B	\$66B	\$122B

Source: Clean Investment Monitor. Outstanding Spending – CD119. Microsoft Excel Worksheet, Rhodium Group and MIT CEEPR, Feb. 18 2025, <https://www.cleaninvestmentmonitor.org/reports/clean-investment-monitor-q4-2024-update>.

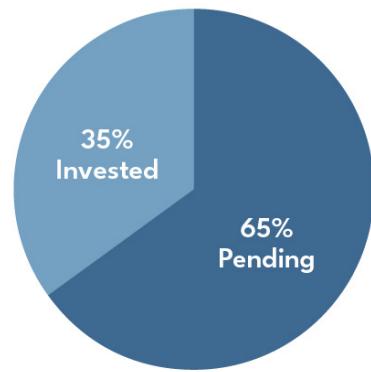


Nearly 2/3rds of Clean Energy Investments Remain Pending in Red and Blue Districts Alike

**Republican
Congressional Districts**



**Democratic
Congressional Districts**



Source: Clean Investment Monitor. Outstanding Spending – CD119. Microsoft Excel Worksheet, Rhodium Group and MIT CEEPR, Feb. 18 2025, <https://www.cleaninvestmentmonitor.org/reports/clean-investment-monitor-q4-2024-update>.

Top 10 Congressional Districts Ranked by Investment Sitting on the Sidelines

Member	District	Party	Pending Investment (Billions)	% Outstanding
Troy Carter	LA-02	Democratic	\$20.6B	98.8%
Brian Babin	TX-36	Republican	\$16.5B	96.0%
Troy Nehls	TX-22	Republican	\$12.7B	68.4%
Jennifer Kiggans	VA-02	Republican	\$12.3B	95.3%
Ronny L. Jackson	TX-13	Republican	\$11.8B	79.1%
August Pfluger	TX-11	Republican	\$11.8B	81.8%
Jodey Arrington	TX-19	Republican	\$11.7B	67.4%
Mark Amodei	NV-02	Republican	\$11.2B	62.8%
Harriet Hageman	WY-00	Republican	\$10.9B	76.9%
Michael Cloud	TX-27	Republican	\$10.2B	75.2%

Source: Clean Investment Monitor. Outstanding Spending – CD119. Microsoft Excel Worksheet, Rhodium Group and MIT CEEPR, Feb. 18 2025, <https://www.cleaninvestmentmonitor.org/reports/clean-investment-monitor-q4-2024-update>.



Getting these pending investments off the sidelines and into communities will require swift and decisive action to restore certainty and confidence. The longer uncertainty lingers, the greater the risk that billions in pending investments—and the opportunities they bring—evaporate.

Politics Obstructing Progress

Despite Trump's tough talk on "energy dominance," the initial months of his administration have been marked by dramatic attempts to slow, halt, and claw back incentives for clean energy facilities across the country. This has in turn suppressed new private investment and sparked a wave of project cancellations.

To be clear, some of the \$524 billion of outstanding investments will almost certainly still be deployed. But how much of that, and when, remains to be seen. As First Solar's chief executive said last week, "there's so much uncertainty... Every day, there seems to be something new coming out from the administration that could have some implication or reason that you have to step back and reassess and reevaluate." This uncertainty is already undermining local and regional economic development, with some estimates reporting over 42,000 job losses and billions of lost investments.

If the Republican reconciliation bill moves forward with weakening or repealing IRA tax credits, more investments will be lost, and the ripple effects will be felt throughout the country. New research underscores this threat: losing key clean energy tax credits (\$48E, \$45Y and \$45E) would raise average US residential electricity prices by 7% by 2026, eliminate 3.8 million jobs through 2035, and have a total market impact of -\$820 billion.

These threats aren't just bad policy, they're also bad politics. New polling from YouGov shows that 61% of voters support keeping federal tax credits to build up clean industries and encourage clean energy usage.

Conclusion

In the same way that federal action catalyzes private investment, political uncertainty depresses markets and hampers project development. The hundreds of billions of dollars sitting on the sidelines are lifelines for communities, engines for job creation, and catalysts of American competitiveness. As political headwinds cast doubt on the future of these projects, it is US workers and businesses that stand to lose the most.