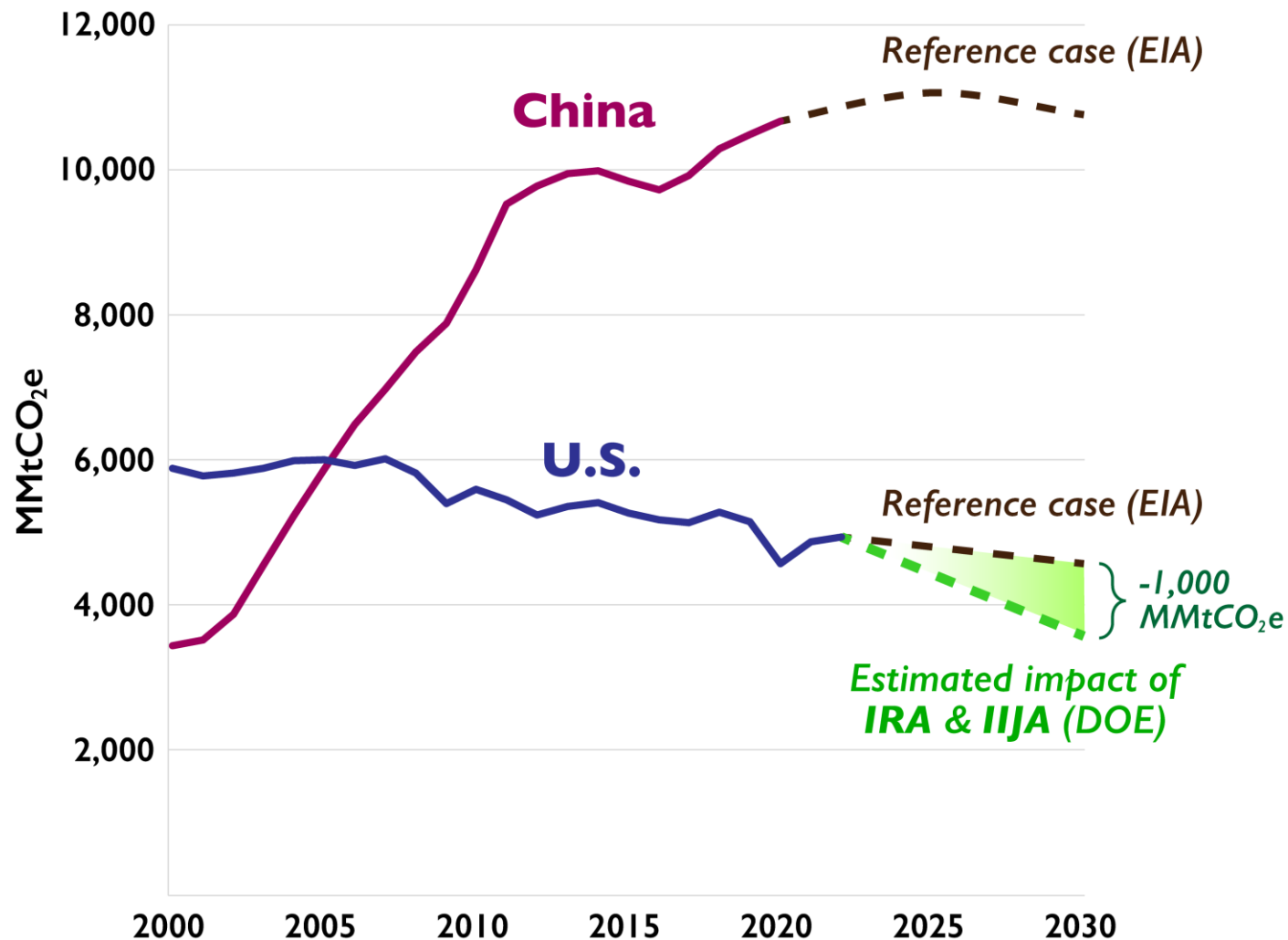


GHG Impact of Inflation Reduction Act & Bipartisan Infrastructure Law

U.S. and China's GHG Emissions from Energy Sector



The DOE estimates that the combined \$430-billion energy provisions of the **Inflation Reduction Act** (IRA) and the **Bipartisan Infrastructure Law** (IIJA) could reduce U.S. GHG emissions by around 1,000 million metric tons (MMtCO₂e) in 2030. The estimate assumes the full implementation of the laws as well as an "all-of-society" participation from all stakeholders.

However, the intended reduction, even if fully achieved, will still **fall well short of the sheer scale of the greenhouse gas** reductions needed, particularly in China (approx. 11,000 MMtCO₂e). The total world GHG emissions from the energy sector were over 37,000 MMtCO₂e in 2019.

Additionally, the 1,000 MMtCO₂e reductions will come at a very high cost of **\$430 per metric ton of CO₂e** below the EIA's reference scenario in 2030 or around **\$107 when accounting for the cumulative reductions** between 2022 and 2030.