



FINANCING OUR ENERGY FUTURE ACT (S. 510 - 2/11/25 / H.R. 2545 - 04/01/2025)

WHAT:

The Financing Our Energy Future Act (FOEFA) of 2025 expands Master Limited Partnerships (MLPs) to include renewable energy, advanced nuclear, energy storage, carbon capture, hydrogen production, and transportation fuels. Previously limited to fossil fuels, MLPs would offer clean energy developers the tax benefits of partnerships while enabling corporate-like capital fundraising.

The bill amends Section 7704 of the Internal Revenue Code, aligning MLP qualifications with Sections 45 and 48, extends eligibility to advanced nuclear, carbon capture projects, gasification power generation, energy storage, and renewable chemical production with emissions reductions. It also ensures eligibility for biomass, municipal solid waste processing, combined heat and power systems, and renewable fuel production.

By expanding MLP eligibility, the legislation aims to lower financing costs, foster private-sector investment, and accelerate clean energy deployment. If enacted, it will be effective for taxable years beginning after December 31, 2025.

WHY IT MATTERS:

The FOEFA broadens the availability of a financing tool that has been used for fossil fuel investments to additional energy resources. By allowing MLPs for clean energy projects, it leverages existing federal incentives, reduces financing costs, and encourages large-scale private investment in technologies essential for investment in new forms of reliable energy.

WHAT'S NEXT:

Expanding MLPs will help scale clean energy technologies, strengthen energy security, and meet increasing U.S. power demand.

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CONGRESS.GOV LINK: [H.R. 2545](#) AND [S. 510](#)

PRINTABLE SUMMARY: