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Inflation Reduction Act funding helps a Dane County monastery upgrade to clean energy



Since a group of Benedictine nuns established a presence in Middleton, Wisconsin, in 1953, they have made environmental stewardship a key part of their mission.

“Our ‘care for the earth’ mission comes from that 1,500-year-old Benedictine tradition of universal reverence, the idea being that everything out there, every raccoon, every tick, every blade of grass is holy, since it was created by God,” explained Toby Grabs, director of operations of the Holy Wisdom Monastery, located in a suburb of Madison.

Now, thanks in part to President Joe Biden's signature infrastructure law, the Inflation Reduction Act, they are in the process of making several upgrades to their property that will help the monastery become powered entirely by renewable energy by the end of 2024.

The Benedictine Women of Madison installed solar panels on their main building and their retreat and guest house in 2009 and 2014; these provided more than half of the energy they required. They wanted to build upon that initial move into green energy.

Federal law initially made it difficult for religious institutions and other nonprofits to access solar energy tax credits.

In August 2022, Biden signed the Inflation Reduction Act, provisions of which reduced health care costs and made historic investments in clean energy and curbing climate change.

It also contained significant incentives for individuals, businesses, and organizations to weatherize their property, install heat pumps, buy electric vehicles, and utilize solar panels — and made those incentives directly available to Holy Wisdom Monastery.

Among them is a 30% direct pay tax credit for clean energy improvements, including solar paneling, and an extra 10% bonus for buying American-made products.

The legislation passed with the support of every Democratic member of the Michigan congressional delegation. Every Republican member voted against passage.

In 2023, Holy Wisdom began a three-part clean energy project, first installing a 300-kilowatt ground-mounted solar array, then building a battery storage system for that power, and finally replacing a natural gas-fired HVAC system with a geothermal well-based system.

The combined cost of the three projects was estimated to be just over \$3 million.

Though they had secured a \$575,000 grant from the Wisconsin Office of Energy Innovation as well as some loans, Holy Wisdom's leaders were struggling to figure out how to get the rest of the funding they would need. One day, their clean energy consultant alerted them about the new federal incentives in Biden's law.

"As I got more and more information, boy, we said OK," recalled Grabs. "At this point, he was saying, It looks like it's going to be about a million dollars with the buy American stipulation that's going to get us an extra 10% and this and that. ... We decided then that we should go forward."

Grabs explained that the IRA was not the impetus for the projects, but rather what allowed them to put the ideas into action: "There's the reality of, How are we going to pay for this? And a big part of the reality that pushed us over the top is the Inflation Reduction Act."

The new installations will not only allow them to reduce energy costs, but will also give them more reliable heating and cooling. Grabs noted that this will mean less distraction for visitors to the monastery and a more comfortable work environment for the staff, and coincides with the monastery's values.

"I think also part of it is walking the walk and talking the talk. And individuals that continue to come here can say, Ah! This is why I love this place. This is why I want to tell other individuals to come here on a retreat, or, This is why I want to tell other individuals to come have a nonprofit meeting here," he said. "So I think it's also to be sure that we're living and abiding by our own mission."

A national nonprofit organization called Interfaith Power & Light offers resources to help religious congregations save money and become greener. Around the country, it is working with faith groups to take advantage of the incentives and switch to cleaner and more efficient energy options.

“I am deeply encouraged by the transformative impact of the Inflation Reduction Act (IRA) in allocating funding for cost-saving clean energy projects within faith communities,” Alexander Malchow, Wisconsin policy coordinator for Interfaith Power & Light’s regional affiliate group Faith in Place, said in an email. “The IRA’s historic investment in climate care provisions marks a crucial step forward in addressing the urgent moral imperative of climate justice. By enabling easier access to clean energy funds and tax credits through programs like Direct Pay, the IRA empowers nonprofits and houses of worship to embrace renewable energy solutions like solar while saving money and reducing their environmental footprint.”

“As people of faith and conscience, we are well-positioned to lead by example in the transition to a clean energy economy,” Malchow added. “By leveraging these federal programs, we can embody our shared values of community and environmental care and work to build healthier, more resilient communities for generations to come.”

Photo credit: Holy Wisdom Monastery

More information at [HolyWisdomMonastery.org](https://www.holywisdommonastery.org)

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