

## Standalone Storage and the Investment Tax Credit

Standalone energy storage became eligible for the renewable energy investment tax credit (ITC) through a provision in the Inflation Reduction Act, which was signed into law last summer. In this week's Tax Credit Tuesday podcast, Michael Novogradac, CPA, discusses the implications and opportunities for that with Rob Bryant, CPA, a Novogradac partner. They examine the need for storage, how storage's eligibility for the ITC changed the market and how to determine whether standalone storage makes sense for you. They also examine the amount of tax credit equity that might come into a standalone storage, how it could play out on a smaller scale and what issues developers should address.

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## Transcript

### Introduction

[00:00:11] **Michael J. Novogradac, CPA:** Hello, I'm Michael Novogradac, and this is Tax Credit Tuesday. This is the February 28th, 2023, podcast.

It's been roughly six months now since the Inflation Reduction Act was signed into law and in today's podcast, we're going to talk about a provision of that legislation that created a new category of property eligible for the renewable energy investment tax credit, or ITC.

I'm talking about standalone energy storage. Now, the Inflation Reduction Act, and actually let me take a turn here for a moment. I try hard not to refer to it as IRA or Ira, as the IRA initialism and IRA acronyms conjure up something different in my mind than a major U.S. energy tax bill. So, I will be referring to it as the Inflation Reduction Act, even though that is a bit long.

The Inflation Reduction Act included more than \$300 billion in clean energy incentives, including extensions of the production tax credit and investment tax credit. The opportunity for direct pay, pay for refundability or transfer of credits in certain situations, bonus credits for affordable housing and loan communities, as well as the ITC for standalone storage and interconnection property were included.

Now, since the passage of the bill, we have been waiting on guidance from the Internal Revenue Service on many of the provisions. The IRS did recently provide the initial guidance for how we'll allocate the bonus renewable energy ITCs for low-income communities and on qualifying advanced energy project credits. Now in the coming months, we will be talking about that guidance on Tax Credit Tuesday, but today, as I said in the intro, we're going to talk about an area in which stakeholders have been able to start embracing.

Since there has been no need for significant guidance, now developers can benefit from the ITC on standalone storage. Now, there is good reason that allowing standalone storage to qualify for the ITC was included in the landmark legislation. The United States needs to build 100-plus gigawatts of storage by the year 2030 to meet its climate goals and as of last October, per the American Clean Energy Power Association, there was only, get this, 3 gigawatts built. That's a 97-gigawatt shortfall. Needless to say, there's a lot of storage needed and there are significant benefits to the power grid of additional energy storage. Now, as you likely know, this isn't the first time storage has been eligible for the tax credit, but it is the first time that standalone storage is.

Previously the costs of storage that was connected to solar wind generation were eligible for the ITC, and obviously still are, but now storage standing alone is eligible. Significantly, it's not just storage for clean energy. Storage for other methods of electricity production are also eligible. And that means that

there are opportunities for existing solar developers and newcomers to clean energy to build storage facilities and receive the economic benefit of the 30% tax credit, or as we'll discuss later, even up to 50%.

My guest today is an expert in this field. It's Rob Bryant, a Novogradac partner in our Dover, Ohio, office. Rob specializes in clean energy incentives and is currently working with many clients intending to claim investment tax credits on standalone storage. Rob does also work with project finance tax incentives, I should say, other project finance tax incentives including the new markets tax credit, historic tax credit and opportunity zones.

In today's podcast, we'll talk about how standalone storage is affected by this tax credit and help answer the question as to whether or not standalone storage is right for you. We're going to discuss the factors you should consider in determining whether or not the addition of tax credits to the financial stack will make standalone storage financially feasible. We'll also address how more storage will affect the grid and whether standalone storage works in ways beyond utility scale developments. Think in front of or behind the grid. This is a new area for tax credit financing and there's a lot to cover. So if you're ready, let's get started. Rob, welcome back to Tax Credit Tuesday.

[00:04:33] **Rob Bryant, CPA:** Thanks, Mike. Glad to be back.

### **Need for Energy Storage**

[00:04:35] **Michael J. Novogradac, CPA:** So, let's start off at the top. Before we dive in, I do want to have you explain to our listeners more broadly the benefits of a need for energy storage as we progress toward being carbon neutral in the 2030s.

[00:04:53] **Rob Bryant, CPA:** Sure. So, energy storage is going to be a critical component of our energy grid as we progress more toward a variable production renewable energy mix for how our electricity is produced.

I read an article where one publisher called it the lynchpin technology that's going to be what's going to hold everything together as we progress towards this carbon neutral mix. And basically, storage doesn't produce power, but it has many applications that is necessary for our grid stability and reliability.

So, for example, load shifting. Renewable energy resources may need to be curtailed if they're overproducing in a period where the demand's not necessary. Whereas of now, if there's more storage available, that overproduction can be captured with the storage and be used at a later date, say when the sun goes down and the solar array is no longer producing power, that battery's there to be able to provide that power, especially at the night times when that peak demand raises up. So that's one application. There's frequency regulation or I call it like rapid response to the grid from batteries. So, for example, peaker plants, right? If the demand forecast is not what it actually is for that day and they need to ramp up a peaker plant, that ramp-up takes time. Now it's still rather quick, but it could be 20,

30 minutes for a peaker plant to meet the production. Whereas batteries have like within seconds of rapid response to the grid. So, this is another application of where storage, as we grow that area, is going to be extremely helpful for the grid.

And then there's also the longer duration rolling blackout battery backup option, they call that kind of like an operating reserve for the grid. So, there's a lot of applications for storage and this is definitely a need area that we're going to need over the next decade.

[00:06:58] **Michael J. Novogradac, CPA:** And I certainly found when we were preparing for the podcast when you mentioned the peaker plants and the lack of a need for as many peaker plants, it did make me wonder how expensive, when you think of the cost of a peaker plant, how much cost that power that you're generating really is on a per kilowatt basis. And I've got to believe that that power is pretty expensive when you look at all the investments into the peaker plant, depending on how often you use a peaker plant. So, from a cost perspective, that seems like a pretty notable – maybe average across all power, it's not that notable, but on a per installation basis, it must be pretty notable in terms of lower cost.

[00:07:41] **Rob Bryant, CPA:** Absolutely. And that's actually one of the areas that batteries have. It's called peak shaving. You're essentially shaving off the peak of that high-priced spike in demand that's necessary.

### **State of Storage Market and What's More Feasible Now**

[00:07:52] **Michael J. Novogradac, CPA:** So, I explained the basics in the intro as now standalone storage is now eligible for the ITC. But perhaps you could expand that for our listeners and maybe share what the storage market, the energy storage market, looked like before this provision passed and how the eligibility for the tax credit might make storage more feasible in more places.

[00:08:14] **Rob Bryant, CPA:** Sure. So, storage is not new to the energy sector. Like you noted, there's around 3 to 5 gigawatts currently in place amongst various technologies, from hydro, thermo, mechanic. But the most one that I'm seeing a lot of activity on now is the battery, the lithium-ion batteries.

So, it definitely not new, but prior to Inflation Reduction Act, to be eligible for the investment tax credit, it had to be paired with a renewable energy source that claimed the ITC. So that really limited the projects to basically solar plus battery. Even wind was difficult because a lot of wind tax credit transactions utilized the production tax credit instead of the investment tax credit. So, it really made it limited and the other piece to that is it had to be at least charged 75% of the time by that renewable source to be eligible for the tax credit and that charge factor weighed into what the tax credit was for the facility. So, it would've been a 30% credit on your eligible cost for that facility. But if you only charged it 75% of the time by the PV panel, you only got 75% of that 30% credit. So, oftentimes in these

transactions, to claim the full amount of credit, these projects would have inverters that basically limited the charging of those batteries to the solar system. And it really didn't allow the battery to be fully optimized to what its capabilities really actually are for the grid.

[00:09:58] **Michael J. Novogradac, CPA:** Got it. I mentioned in the intro that we would talk about how the tax credit can make more standalone storage projects more financially feasible. Obviously, that's the intent of the tax credit. The tax credit is to generate tax equity to buy down the amount of other financing that you need, such that the individual facilities will be financially feasible that aren't feasible now. Are there certain geographic areas or other ways in which you look at what types of facilities are now more likely to be financially feasible that weren't before the credit?

[00:10:37] **Rob Bryant, CPA:** Sure. I think you can kind of look at that as two ways, right? You can look at it as location and markets, right? I would say, first off, we can talk location. Storage comparable to solar takes a significantly lower amount of space to meet the same capacity factors. So, for example, a 5-megawatt solar farm takes about 35 acres of land to complete, whereas if you do a 5-megawatt battery energy storage system, it takes about one-tenth of that, so maybe around 3 to 4 acres. So, it really opens up the opportunities for developers to find different site control and most notably urban areas, right? Because you're not putting 5-megawatt, 10-megawatt solar farms on 70 acres of land inside urban areas. It's just not available. So, it makes storage to be able to go into these smaller areas, closer to urban areas and be really beneficial to the grids in these urban areas that take a lot of demand. So that's the first piece of it. There is an adder we'll talk about a little bit later, about brownfields that I think is another location that I think a lot of storage projects may start to look at just because of that adder, but we can dive into that a little bit later.

And then as far as markets go, you kind of look at this from a business perspective, right? Energy storage has a different revenue mix than, say, a solar system that just produces power and enters into a power purchase agreement. It's long term, it's kind of fixed for the most part. Typically, most PPAs are fixed, right? So, you kind of have that locked revenue stream, whereas energy storage kind of has two different streams of revenue typically. Typically, they have a day-ahead market, so it's not a long-term contract where they're producing power and providing it. It's usually like a bid in where you're going to buy low, sell high type into the market on a daily basis. So, there's a lot of uncertainty with that. As we progress toward 2030, there's more storage projects, there's more renewable projects, what's those margins going to look like in 10 years? So, there's risk there with those, especially in those market areas where the margins are already thin.

So that's one of the areas and then a lot of areas have what's called ancillary revenues, where they're these energy storage products are paid revenues for providing that operating reserve backup or providing that frequency regulation assistance to the grid. So, they receive these, I call them, like I said, ancillary revenues, but they're not fixed either. Those are typically not known for a 10-, 15-year period,

how what those revenues are going to look like. So there, definitely is risk in the market areas with these as well.

[00:13:26] **Michael J. Novogradac, CPA:** Thank you for that, that's a good point about the predictability of the future revenue streams.

[00:13:32] **Rob Bryant, CPA:** That's right.

### **Factors for Whether Standalone Storage Makes Sense for You**

[00:13:34] **Michael J. Novogradac, CPA:** So if I am someone who's involved more generally in clean energy and maybe I have some experience with solar facilities where I included batteries or standalone storage and received investment tax credit, when I'm thinking about standalone storage now, what are some of the factors I should be thinking about in terms of whether or not this is a business line, if you will, or an area that I'd be, should be pursuing?

[00:13:59] **Rob Bryant, CPA:** Right. So, I think with now having the investment tax credit subsidy there and available, it's going to make developers rethink some of these projects, right? So, in those tighter markets that we were talking about, they may not have wanted to get in that market just for the simple fact that they may not have been able to borrow as much against the cost of their facility. So, then they had more equity in the game or skin in the game, and then they, what they thought those future revenue streams were going to look like and determine whether they wanted to invest in that or maybe go to a more predictable market or a more heavy margin market and I think the tax credit really will make them rethink that. And hopefully, I think that's the intent too, right? Is to get them into those markets and assist with that subsidy.

That's the first thing I was thinking about. And then, if you haven't been in this and you've been in, say, the solar or wind, the other thing to really look for is the battery useful lives are significantly shorter than, say, a solar farm or a wind farm. What I've been typically seeing is about a 20-year useful life, assessing that after about 10 to 13 years, you augment or replace a significant portion of the battery cells within the system, or there's another approach or strategy that some developers are using, which is called overbuild. So, if you want a 5-megawatt capacity storage system, you'll build 7, so you have extra cells there to assist with the degradation as your cells weaken. So that's the other thing to think about. And it's upfront cost if you overbuild, right? So, it's one of those things that weighs into your feasibility study on if you want to get into this industry.

[00:15:44] **Michael J. Novogradac, CPA:** The overbuilding was something that I thought about is to the extent that there are facilities out there now that where moving forward, maybe the design would change because they get the credit upfront. Then maybe you'd be spending the same amount now, but do that overbuilding, if you will, to avoid those later costs.



[00:16:02] **Rob Bryant, CPA:** That's right. Yep. And you just have to weigh in. You have to consider what do we think the cost of these batteries are going to be in 10 years? As we've seen with solar panels and everything else, the cost kind of came down. So, we think as there's more lithium-ion batteries being produced, maybe that cost goes down. So now do you weigh the, do I overbuild now, get the tax credit, pay the cost that it is now, or do I wait and replace them in 10 years? What's that cost going to be? So, it's definitely a guess, right?

[00:16:34] **Michael J. Novogradac, CPA:** It's not as if that 10-year metric, it's like at the end of 10 years there's like a ...

[00:16:40] **Rob Bryant, CPA:** That's right. That's right.

[00:16:41] **Michael J. Novogradac, CPA:** That is an estimate and as a solar you had different experiences in initial estimates versus how the production was over time.

[00:16:51] **Rob Bryant, CPA:** That's right. Every system's different, right? I mean, there's like hour duration batteries, four-hour duration batteries. There's so many different technologies and how you charge them and discharge them, weakens them quicker, slower. So, there's so many factors that go into that. So that 10- to 13-year window is, definitely, like you said, not a slice of exactly what's going to happen.

## How Much Tax Credit Equity Can Finance

[00:17:14] **Michael J. Novogradac, CPA:** I mentioned that the 30% ITC could be as much as 50% of the qualified costs. So, if you could explain to listeners how you get that extra 50%, how you get up to 50% from 30% to 50%. And then maybe, actually, let's make this a two-part question. If I'm looking at 30% ITC, if you could just roughly, because you get the ITC, there's depreciation benefits, there's a host of other ways to monetize that 30%. And maybe you could just throw out a rough range as to if it's 30% of qualifying costs, and obviously not all costs are qualifying of a transaction. If you could throw out a super wide range as to how much project finance equity can be generated from a 30% credit based upon total project costs as a super rough number. It's not the price for credit and all the rest, because there's all those pricing questions and all that clients can call you directly to talk about in terms of when the rubber really hits the road. But if you could just share, broadly speaking, the range of total project costs on the 30% credit and then talk about how you could get up to 20% more for, to go from a 30% credit to a 50% credit.

[00:18:31] **Rob Bryant, CPA:** Certainly, Mike. So first off, the 30% ITC is for projects that are greater than 1 megawatt AC and meet the prevailing wage and apprenticeship requirements. So that's the first key kicker that you need to make sure that you're meeting those requirements to get to 30%. And then if we're talking capital stack, a percentage of what happening there is if you talk about a price per credit and get to what we think it's going to be. So, let's just say you have a dollar project. I've seen debt

financing for these anywhere between 35 and 45, 50%. Really depending upon how strong those revenues are that the lender's willing to underwrite. And let's just say you can make another 30 to 35%, depending upon what you get if you're doing a tax equity structure. So now you're up to say, I don't know, 65 to 70, 75% range of your project being financed, whereas pre-IRA and standalone, you were coming up with up to 60% of that capital yourself. So, you can almost say it's cutting it in half of what you're bringing into the transaction from your own skin in the game, so to speak, from your business perspective and looking at what yields you want to make on your project.

I think that's, and again, we'll talk about this a little bit later, but I was using 30 to 35% for the tax credit, that's assuming you do a tax credit transaction, and you monetize the depreciation and a little bit of a cash flow from your project. There's also transferability out there where you have the ability to not do a tax credit transaction and just sell it, but you're going to sell it for less than a dollar as the buyer wants to make a return on purchasing the credit and that spread is still to be determined as this market is still kind of creating itself and I've seen very wide ranges in where that credit purchase is going to be. So, know that if you go down that route it may end up being 24 cents or 24% instead of 35% or something along those lines.

[00:20:35] **Michael J. Novogradac, CPA:** So just to interject. I would note that when you're doing that transferability, that's because you'd be keeping that depreciation and keeping that extra cash flow and it would be credit. So, you can be parceling, potentially parceling out the cash flow, depreciation, benefits and tax credits, which is all the more reason why so many clients are calling you to help do all that analysis.

[00:20:57] **Rob Bryant, CPA:** That's right. Absolutely. But there is a couple of kickers here that makes this maybe a little bit of a sweeter of a pot for some developers. There are two adders available for storage projects. The first adder being a up to 10% domestic content adder and basically, we're still waiting on some more clarifying guidance, but what the adder would be is you would go from a 30% credit to a 40% credit of your eligible costs if you use 100% of steel and iron produced in the United States and 40% of the manufactured components of your qualified facility also produced in the United States. There's a lot of questions about that 40% manufactured product. I've seen some flow charts been put together on how you go from a facility to a component to a material and how does that calculation work? So, we're still waiting on guidance from the IRS and Treasury and specifically a calculation that folks can kind of hone in on to see if it's eligible, but that would get your credit up to 40%. And now you're talking to capital stack and say you go out and do tax equity financing, 44%, you can finance say 40% with debt. Now you're up to 84% of your capital stack. So, it's making your project look even more feasible.

Now you would have to compare the cost of your facility. Does that go up a little bit? Depending upon the product I'm using. So, it's not just an exact, I raised it up 15% because I did this type situation. But there's that to kind of weigh and then there's another adder available for storage, which is the energy



community adder, which also goes up to a 10% adder for these projects so you could technically go up to 50% if you meet both adders and the energy community adder high level is basically brownfield sites, which is what I talked about earlier that I think maybe a win-win for storage. But also communities that had significant employment from fossil fuel energy generating facilities, or a retired coal-fired power plant communities, where there's unemployment from this, so we could go up to 50% now if we meet those and now you finance it. Now you're getting up to say, I'm only putting a 5% to 10% equity in a transaction. So, it really might make some projects feasible if you could hit both adders.

[00:23:26] **Michael J. Novogradac, CPA:** So that's great, thanks for that. And I did mention in my intro about area this not being an area where we needed that much guidance, but obviously on the domestic content and these adders, more guidance is needed because, as we also discussed with respect to the energy community adder, trying to get some easy, published reference as to what communities are eligible in which ones are not.

So, what we've been talking about, kind of implied in what we've been talking about, and maybe you could expand on this, has been focused on utility-scale projects, and I know that many listeners will be wondering what the application for standalone storage is at a smaller level. So maybe you can talk about in front of the grid and behind the grid and how you see the tax credit for standalone storage at a smaller level.

### **Standalone Storage on Smaller Scale**

[00:24:16] **Rob Bryant, CPA:** Sure. So, yeah, most of this conversation's been about large-scale, utility-scale type storage. Right? We were talking 100 gigawatts needs done at the beginning of the podcast here and essentially that's in-front-of-the meter storage. That's, basically power is coming from the grid and going back into the grid in front of a business utilizing the power. It's directly right there with the grid. Behind-the-meter storage is like C and I or businesses where they would put storage on their property. And mainly what I think of with this question is if I was a business and I was thinking, do I want to get a generator or do I want to back up battery?

[00:25:02] **Michael J. Novogradac, CPA:** Yes.

[00:25:03] **Rob Bryant, CPA:** What do I do? And now that the battery has the ability to get a tax credit with it, if I have tax liability as a business owner and I can utilize that tax credit, maybe I add battery or with transferability, can I find somebody that will buy that credit from me and I can monetize that credit to put storage on my property? And if I'm a business that's also in one of those areas where I pay on-peak and off-peak pricing for my electricity and my utility bill, my utility bill has that variability, maybe I take battery backup now, and I can pull from the grid in those off peak hours and utilize my battery in my production for my company in the on-peak hours and not pull from the grid and help lower my utility bill so it kind of acts as a backup and a reduction of my operating expenses and my company.

[00:25:58] **Michael J. Novogradac, CPA:** No, that makes perfect sense. And being in California and having experienced rolling blackouts in the summer because of fire threats and the rest, it seems like there are parts of the country where the whole concept of a business having a battery backup as opposed to generator will make a lot more sense from a business perspective.

### **Issues Potential Standalone Storage Developers Must Address**

So, before we wrap up, perhaps you can share some of the issues that developers need to address if they're going to be involved in standalone storage. Obviously, you can't provide all the issues and you can't provide all the answers or the ways in which you resolve these issues, but I thought it would be good if you could just kind of walk through some of the various issues that clients are calling you, and as part of the modeling that you do because every one of these transactions obviously has a multi-year financial model that's critical to the financial analysis and critical for the various players involved in the project and the rest. But if you could talk about some of the key issues that need to be addressed, then I'll include your email and contact information in the show notes so listeners can reach out to you directly to discuss some of these issues as well as the other ones you won't have time to discuss here.

[00:27:17] **Rob Bryant, CPA:** Sure. I would say the first thing we've got to discuss is the fact that this subsidy is a tax credit, right? So, developers that haven't been in this space before need to realize that either, A: They need to have tax liability that they could utilize this credit to offset, or B: I've got to be able to monetize it somehow, because if not, I'm not getting a refund on it and disregarding tax-exempts and direct pay. I don't think we were going to get into that in this podcast. It's not refundable to you, so you need to be able to monetize it somehow. So that's like the first question I would really get into with the new developers into this space, in the tax credit and tax equity world.

And then the second piece is then, OK, do we want to do transferability and just sell it? Keep my business model the way it is. I don't need to do tax equity partnerships. I can just do my project, generate the credit and sell it on the market and take the cash for it or like you said, do I want to try to monetize some of that depreciation benefit? Maybe I'm not a tax-efficient taxpayer and I'm just building up a bunch of net operating losses from the accelerated depreciation from all these facilities that I've been doing. Maybe I want to go out and do a tax equity structure instead of making, say 80 cents on the dollar by selling the credit. Maybe I go out and do a tax equity structure and get \$1.05, which then brings more capital into my transaction that I'm coming out of pocket for upfront. But like you said, you have to weigh that because you're also giving up some of those losses that you can utilize maybe in the future, and you're also giving up some of your cash piece of the pie, so to speak, so you're not taking all that cash that you were expecting. I will say, like what I've been running into with transactions is tax equity and the uncertain and uncontracted revenues, they underwrite those a little bit different. They view those as riskier, so they may want a little bit larger piece of the pie because they may not feel like all that cash flow is going to be there from an uncontracted standpoint. So that's another thing to

consider. And we can assist with running models and doing some upside-downside scenarios where you can see what those impacts would look like.

[00:29:33] **Michael J. Novogradac, CPA:** So, thank you for that and I know there's a lot more that you could talk about there, so I would encourage the listeners to reach out to you.

I do appreciate you joining me on the podcast today. You've provided a great amount of insight into what listeners need to begin to examine using ITC for standalone storage. And as I've mentioned many times in the course of the podcast, I'll put your email address in the show notes. And I just encourage listeners, if you do have questions, please reach out to Rob directly. And Rob, I ask you to please stick around for the Off-Mike Section, where I get to ask you some off-topic questions that our listeners will hopefully find your answers helpful.

And then to our listeners, please be sure to tune into next week's podcast. My guest is going to be Kelly Gorman from our Clark, New Jersey, office. Kelly's been a guest before to discuss operating expenses for affordable rental housing properties. And our next week's episode we're going to talk about recent trends in new housing starts, as well as household formations and how those numbers could affect affordable housing. My column in the March issue of the Novogradac Journal of Tax Credits is about this topic, basically the supply and demand situation in housing. Kelly and I are going to dive deeper into the subject, including when that she's seeing any effect in market studies due to the recent surge in new housing starts over the last three years. If you're an apartment developer, property manager, or even investor or syndicator, you'll certainly be informed if you listen to the podcast.

### **Off-Mike Section**

So now we reach our Off-Mike Section, where I have the luxury of asking our guests some off-topic questions to get some advice and words of wisdom from them. And the first question I was going to ask you, Rob, and I don't think I've asked you this before, is what do know now that you didn't know at the start of your career at Novogradac that would've been helpful to you then?

[00:31:36] **Rob Bryant, CPA:** So that's a great question. Overall, I'm very happy with how my career has progressed and I started with Novogradac right out of college. So this is the experience that I have, but the one thing that I would say I wish I knew, that I wish actually all staff and seniors and everybody as they progress in their career knew, is just how valuable their contribution is in what they're doing as a staff, learning what you're doing, asking that why question and knowing how to do it the second time, saves the supervisor above you maybe an hour of their time that they can now get into the technicalities of what's going on and maybe save their manager, their supervisor, an hour of their time. And it just completely snowballs your career if you knew at the beginning of your career just how valuable what you were doing actually is.

[00:32:34] **Michael J. Novogradac, CPA:** Great. Thank you for that. It's sort of a classic view of, the sooner you're doing the job of the person who you're reporting to, the sooner you get to be that person and the sooner they get to move up as well. So, from a career progression perspective, that's great advice.

So, one of my other favorite questions has to do with time management and I try to avoid saying what's your best of anything. Because best, suddenly you can have a whole discussion of what you mean by best. But give me a notable time management tip that you follow or wish you could follow, but aren't as good at following.

[00:33:17] **Rob Bryant, CPA:** Sure. I said earlier, I said, this is not a great question for me. I have a couple of young kids, so we live basically by the controlled chaos method in my house, like it's never what you think it's going to be. So, my best tip would be if you have six tasks that you have to get done that day, prioritize them on what you need done first, because you never know when you're going to need to make an audible. You may get to task three and something happens, and you can't just step right into task four. So, if you're putting off your most important task to say task five of six, you may not make it there at that time. So just learn how to prioritize and be willing to shift and know that it's never typically, one to six every day. It just never seems to happen that way. So that's kind of how I operate with my day-to-day.

[00:34:16] **Michael J. Novogradac, CPA:** That's a good point, particularly like you say with younger children. It's not yours to plan and obviously the same thing in the course of a day at Novogradac. It's not as if when you start your day, there's not incoming. In the course of the day, it may have to be addressed, and it's also something that I myself am constantly, as you mentioned, if I, the six things I've got to do today. I'm always trying to get the balance between what really has to get done today and doing that first. But also, there's certain times of the day that I feel I'm better at certain types of tasks and trying to do those tasks at the times of the day that I'm better at them and trying to try to get that right balance and be mindful of that.

[00:35:07] **Rob Bryant, CPA:** I look at that with review work in the mornings or late at night when you're not getting peppered with emails and messages and phone calls you can focus on that review work. Those are my two blocks for getting that type of work done.

[00:35:20] **Michael J. Novogradac, CPA:** No, that's right. The high-concentration periods versus the traffic control time of the day because there's definitely times of the day where I reflect that I'm that police officer directing traffic as opposed to being able to focus on a given task. So, thank you very much, Rob, for joining me on this Tax Credit Tuesday podcast. I know our guests are appreciative of you joining us. And to our listeners, I'm Mike Novogradac. Thanks for listening.

## Additional Resources

### Email

[Rob Bryant](#)