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**From:** Maisano, Frank  
**Sent:** Mon 8/14/2017 5:59:12 PM  
**Subject:** SPECIAL August Energy Update: Solar Trade Case Hearing Set for Tomorrow

Friends,

Not the full update today, but just a quick note to remind you of tomorrow's U.S. International Trade Commission hearing on the solar trade petition. But before we get to that, it was 14 years ago today, just after 4:10 p.m. that the Northeast suffered its most significant blackout in a generation. The blackout affected an estimated 10 million people in Ontario and 45 million people in eight U.S. states.

Back to the action... The [ITC holds its public hearing](#) tomorrow looking at the injury phase of the 201 trade petition filed by Suniva which aims to impose tariffs that place the recent success of the entire solar industry and its workforce at risk. Late last week, we saw Congress weigh in urging ITC to oppose the tariff petition. And tomorrow, just before and after the hearing, hundreds of solar workers from all over the country, including California, Maryland, North Carolina, New Jersey, New York, Florida, Minnesota, Massachusetts, Rhode Island, Pennsylvania and Virginia, will converge in Washington to explain the personal impact this case could have on their livelihoods.

We have a **full report/primer below with details, schedule, timing, on-the-record comments and background**. And speaking of blackouts, remember next Monday, a large swath of the country will focus on the [upcoming solar eclipse](#), which occurs on August 21<sup>st</sup>. Lots of great coverage, but [here is how you will want to view the eclipse](#).

Finally remember next week, the [American Chemical Society](#) holds its 254<sup>th</sup> annual national meeting during the entire week and will feature tons of events on really complex STEM issues, as well as highlight many important and innovative technological advances. One of the ACS presentations will feature our friends at [ISCA Tech](#), which we will discuss more in the future.

I will be at the ITC tomorrow. Please call with questions.

Best,

Frank Maisano

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### **THE BIG EVENT**

**Solar ITC Hearing Set for Tomorrow** – The U.S. International Trade Commission (ITC) holds its public hearing tomorrow looking at the injury phase of the 201 trade petition filed by Suniva which aims to impose tariffs that place the recent success of the entire solar industry and its workforce at risk.

**IF YOU GO:** The hearing starts at 9:30 a.m. at ITC, 500 E Street, SW. Media must register in advance with PA officer Peg O’Laughlin (202-205-1819)

**SEIA: Trade Case Petitioners Brought Collapse of Businesses on Themselves** – Suniva and SolarWorld have failed to show that a rising level of imports caused them serious injury and left them unable to compete in the U.S. market, the Solar Energy Industries Association (SEIA) and others stated in pre-hearing written arguments to ITC. In an executive summary of its remarks, SEIA points out that the petitioners were unable to produce the needed solar modules to succeed in the ever-changing solar markets. Utility-scale projects use 72-cell modules, which neither Suniva nor SolarWorld could produce in the quantities demanded by the booming U.S. marketplace. Therefore, imports of solar cells and modules were pulled into the U.S. utility market by increased demand that could not be met domestically.

**Congress Weighs In Support of Solar Industry** – A bipartisan group of 16 senators and 53 members of the House of Representatives sent open letters to ITC Chairman Rhonda Schmidlein urging it to reject a petition that would slap tariffs on imported solar panels and cells. “Solar companies in our states believe the requested trade protection would double the price of solar

panels,” the Senate letter to the ITC said. “Increasing costs will stop solar growth dead in its tracks, threatening tens of thousands of American workers in the solar industry and jeopardizing billions of dollars in investment in communities across the country.” Lawmakers who led the letter effort to the ITC include: Senators Thom Tillis (R-NC) and Martin Heinrich (D-NM) and Representatives Mark Sanford (R-SC), Mike Thompson (D-CA), Pat Meehan (R-PA) and Matt Cartwright (D-PA).

**Coalition Calls for End of Bad Case** – The Energy Trade Action Coalition (ETAC) urged ITC to end the Section 201 trade case on imported solar components that currently is threatening the U.S. solar industry. ETAC is a group of companies, associations and organizations who joined together to oppose the trade petition. ETAC spokesman Paul Nathanson said the Section 201 petition is not designed to protect or grow solar jobs in the U.S., but an attempt by two companies that made poor business decisions to recover lost funds for their own financial gain at the expense of the rest of the solar industry. Nathanson: “As the solar industry continues to grow and compete with other energy traditional and renewable energy sources, now is not the time to undercut its momentum by doubling the price of solar panels for consumers. This is why ETAC members, which includes utilities, power co-ops, retailers and other large commercial users, are so active in making their voices heard to prevent these unwarranted tariffs.” ETAC works to raise awareness of the importance of maintaining access to globally priced products to support American energy industry competitiveness, sustain tens of thousands of good-paying American manufacturing jobs and preserve the principles of free and fair trade in a global marketplace.

**Conservative Groups Supporting Solar Industry View** – Most free trade advocates have strongly supported the solar industry’s position on this trade petition. Here are several key quotes from conservative groups:

*“Tariffs meant to protect one industry can, and often do, have significant damaging effects on other domestic industries. Imposing tariffs under Section 201, as Suniva and SolarWorld request, would be a step backward by adding another layer of federal subsidies which is something the Heritage Foundation opposes in all instances.”*

**Tori K. Whiting, Research Associate at The Heritage Foundation.**

*“Voluntary free trade is always a good thing. And it's a good thing for every consumer; not just a few individuals or companies. The solar case is an example of the worst kind of trade protectionism. We're delighted to stand for freedom and free markets.”*

**Eli Lehrer, president of the R Street Institute.**

*“Our country’s trade laws were set up to facilitate and promote an even playing field, not provide shelter to those unable to compete.”*

**Karla Jones, Director of the Federalism and International Relations Task Force at American Legislative Exchange Council (ALEC).**

*“The Section 201 solar industry trade case will undermine one of the fastest growing All of the Above Energy jobs sectors in states across the country, solar energy installation. We must avoid rewarding this opportunistic use of U.S. trade laws.”*

**Sarah E. Hunt, Director of the Center for Innovation and Technology at ALEC.**

**Electrical Workers, Contractors See Petition as Trouble** – The National Electrical Contractors Association fears that its work force, many of them union workers, will be hurt by the trade petition and the potential loss of jobs. James Willson, head of the LA County Chapter of NECA said they strongly oppose the proposed tariffs and minimum prices on imported CSPV cells and modules being considered by the ITC. Willson: “In our area (Los Angeles County) over the past 5 years, we have averaged over 1,000 electricians installing utility scale and roof top solar systems. These are good middle class jobs which promote apprenticeship, community based hiring, and veterans. This proposed tariff would increase solar costs 90-110% and if implemented would make America the highest-priced solar country and decimate the market – likely bringing a halt to utility scale solar. This extreme tariff would have such a negative impact not only in our jurisdiction but throughout the country.”

**Retailers Urge Rejection of Petition** – The National Retail Federation said the trade petition would harm businesses and large-scale, commercial users of solar. “A growing number of retailers are relying on solar to meet their energy needs,” said NRF VP Jon Gold. “Our members’ use of solar as an energy source is a direct result of the solar industry’s ability to compete with other sources of energy by providing cost-competitive power generation on an increasingly large scale. This misguided 201 trade petition would punish our members for being innovative and significantly raising their costs. The U.S. International Trade Commission should find no injury and terminate this investigation as soon as possible.”

**Utilities Long-Term Planning Hurt by Petition** – Utilities have also expressed real concerns that the trade Petition will undermine their ability to affordable use solar to meet customer demand and state renewable requirements. Scott Segal, Director of the Electric Reliability Coordinating Council said utilities and public power have increasingly diversified their

portfolios for a variety of strategic reasons over the last several years. Segal: “This means that power companies have developed solar projects or have purchased solar-generated power or both. As a rule, power companies plan on a 20 year cycle and depend on predictable cost structures, particularly for solar developments. Inappropriate imposition of trade remedies on solar technology can fundamentally change the landscape for renewables without any consequent societal benefits. ERCC members include Ameren, DTE Energy, Duke, Salt River Project, Southern Company and Vistra.

**Venture Capitalists Worry About Capital Investments** – Chris Diaz head of Seminole Financial Services, which funds energy projects including solar projects, sees tariffs as a step that could undermine current capital investments. Diaz: “The solar industry is a strong sector for capital investment right now because of its competitiveness in the marketplace. Billions of dollars are flowing into projects that are leading to good-paying jobs, new economic opportunities, technological advancement and much-needed revenue for communities -- all-the-while meeting increasing consumer demand for cleaner energy. This tariff petition and the resulting direct increase in the cost of doing business in the solar industry, threatens that competitiveness. It undermines the certainty of current investments in the solar industry and puts almost all future investments at significant risk.”

### **Other Key Quotes:**

“As one of the most experienced solar installers in the U.S., Borrego Solar strongly disputes Suniva and SolarWorld's claims before the ITC. These companies' financial troubles are largely self-inflicted, and their failure to compete with manufacturers in both the U.S. and the rest of the world should not be used as an excuse to set the American clean energy industry back precisely when the need to increase our domestic clean energy supply is greatest.”

– **Mike Hall, CEO, Borrego Solar Systems, Inc.**

“The Suniva/Solar World bailout request will cause rooftop solar installation costs to sky rocket. Many Florida residents choose to install solar panels on their roofs to save money on their electric bills and to protect the environment. The requested bailout will make it harder for consumers to afford solar. Retirees will be hit the hardest.”

– **Tory Perfetti, Florida Director of Conservatives for Energy Freedom.**

“There are over 200,000 good, high paying jobs in solar right now, and that number is growing quickly. Protectionist trade barriers will not make American solar manufacturing more competitive, but absolutely will kill the good jobs that exist by pricing many customers out of the market.”

– **Anthony Fotopoulos, Co-Founder of Keystone Power Holdings**

## **The Background**

**The case** – Filed by two heavily indebted solar companies, the 201 trade petition asks the Trump Administration to impose a drastic mix of tariffs and a floor price on imports of solar cells and modules that would double the price of solar equipment and damage the U.S. solar industry.

**Remedy** – The Section 201 “Petition for Global Safeguard Relief – Crystalline Silicon Photovoltaic Cells and Modules” seeks a tariff of 40 cents per watt on all foreign-made solar cells and a floor price of 78 cents per watt on all foreign-made panels, doubling the price for the basic ingredients of the broader U.S. solar industry.

**The Cost to the Solar Industry** – The \$23 billion U.S. solar industry employs 260,000 American workers in good-paying jobs across the country. If successful, the protectionist initiative would slash demand for new projects and make solar less competitive with other sources of power, decimating one of America’s most promising high-tech growth industries. A [recent study showed](#) that an estimated 88,000 jobs, about one-third of the current American solar workforce, would be lost if trade protections proposed in the petition are granted.

**Timing** – The [International Trade Commission \(ITC\)](#) is currently conducting a review to determine whether there is evidence of injury, of which this hearing is a part of – which is expected to be completed by September 22. If the ITC decides in favor of the petitioners, it must recommend specific trade barriers to President Trump by November 13. The president then has 60 days to act on the recommendation.

## **ON THE SCHEDULE FOR AUGUST**

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**Trade petition Hearing Set** – The US International Trade Commission will hold its first hearing on the injury phase of the Solar 201 trade petition filed by Suniva on August 15<sup>th</sup> beginning at 9:30 a.m. at the USITC in Washington, DC. In the event that the Commission makes an affirmative injury determination or is equally divided on the question of injury in this investigation, a second hearing on the question of remedy will be held beginning at 9:30 a.m. on October 3<sup>rd</sup>.

**USEA Forum to Look at Energy-Water Nexus** – The US Energy Association will host a forum on Tuesday August 15<sup>th</sup> at 10:00 a.m. featuring Verdant Power looking at the water-energy nexus. According to DOE’s “The Water Energy Nexus: Challenges and Opportunities” report, several trends are increasing urgency to address the water-energy nexus in an integrated and proactive way: climate change, which is affecting precipitation and temperature patterns throughout the world; population growth and regional migration trends that are likely to increase, which complicate management of energy and water systems; new technologies in energy and water domains that shift water-energy demands; and developments in policies that are introducing additional incentives and challenges for decision making. Verdant Power is addressing the water-energy nexus in an integrated and proactive way resulting from its successful R&D efforts at the company’s Roosevelt Island Tidal Energy (RITE) Project in New York City’s East River - the world’s first grid-connected array of marine renewable energy (MRE) turbines systems. Verdant Power’s Trey Taylor will look at their holistic, strategic approach in helping build sustainable communities through MRE-based integrated energy and hybrid power systems, microgrids, and water management.

**WCEE Forum To Discuss FERC Issues** – On Friday at Noon, the Women's Council on Energy and the Environment will hold another Lunch & Learn presentation by Emma Nicholson, Ph.D., a WCEE member and economist at the Federal Energy Regulatory Commission’s (FERC) Office of Energy Policy and Innovation. Nicholson will explain what capacity is, the role it plays in reliability, and how capacity markets in FERC-jurisdictional wholesale electricity markets work.

**ACS to Host National Meeting, Innovative Technologies Event** – The American Chemical Society hosts its 254<sup>th</sup> national meeting and expo on August 20<sup>th</sup> through 24<sup>th</sup> in DC at the Walter Washington Convention Center focusing on chemistry’s impact on the global economy. The week will be filled with more science and chemistry events than anyone could ever want. They will also honor innovative technologies toward the end of the conference and we will have more Information about that closer to the event.

**USEA Forum to Look at So Korea Carbon Capture** – Next Monday at 12:30 p.m., the US

Energy Association holds a briefing to discuss the current status of carbon capture, utilization and sequestration technology R&D in South Korea. The presentation involves CCUS related R&D budget investments (in terms of scale, allocation and portfolio), main R&D projects, and international cooperation activities. Furthermore, the implementation status of carbon capture, storage, utilization and EOR projects which are operated by institutions and electric power companies will be provided. The speaker will be Sean Sangjoo Baek of the Korea Institute of Energy Technology Evaluation and Planning.

## **IN THE FUTURE**

**McIntyre, Glick Head to Confirmation Hearing** – The Senate Energy Committee will hold a confirmation hearing on Thursday at 10:00 a.m. for Rich Glick and Kevin McIntyre to join FERC.

**Platts Forum to Look at Pipeline Issues** – Platts will hold its 12<sup>th</sup> annual conference in Houston at the Houstonian on September 7<sup>th</sup> and 8<sup>th</sup> looking at pipeline development and expansion. During the conference, my colleague George Felcyn and our friend George Stark of Cabot will be featured on a panel on building pipeline support from the grassroots. This workshop will focus on ways for pipeline companies to build public support, shape media coverage, influence regulators and successfully see their planned projects through to completion.

**TX Renewable Summit Set** – On September 18<sup>th</sup> – 20<sup>th</sup>, the Texas Renewable Energy Summit will be held in Austin at Omni Southpark. The summit will offer the latest insights into the market and hear from key players about the key trends impacting renewable energy project development, finance and investment in Texas. The falling price of solar panels is driving a surge in interest by public utilities and corporate customers in contracting for solar power, while a huge queue of wind projects is forming. As much as 16 GW of new wind and solar projects could come to fruition in Texas. However, development and financing challenges must be surmounted to assure project success and bankability. Large quantities of solar may drive the dispatch curve and market prices in unpredictable directions.

**Ideas Conference Set** – *The Atlantic* and the Aspen Institute holds its 9<sup>th</sup> annual Washington Ideas conference on September 26-28. “Washington Ideas” convenes the nation's leaders in politics, business, health, science, technology, arts, culture and journalism for three days of can't miss conversation and connections. In the heart of the nation's capital, we will tackle the most consequential issues facing the country and the world.

**Coal Event to Hear from Alpha CEO** – The 40<sup>th</sup> annual Coal Marketing Days forum will be held on September 26-27 at the Omni William Penn Hotel in Pittsburgh. The event hosts a variety of coal suppliers and buyers, coal transport companies, and industry-wide analysts who exchange in-depth knowledge on the current state of the global and domestic coal-producing markets and focuses on the current trends and challenges shaping the business. Alpha Natural Resources CEO David Stetson is the keynote

**EEI Comms Conference Set** – Our friends at EEI hold their annual Communicators Conference On Monday October 2 and Tuesday October 3<sup>rd</sup> in Washington. Utility Communicators from across the Country will be in town to discuss policy and best practice issues, among other items.

**SEJ Set for Pittsburgh** – Speaking of Pittsburgh, SEJ's 27<sup>th</sup> annual conference is set for October 4-8 in Steel City.

**Vets in Energy Forum Set** – Veterans In Energy will hold a forum on October 5<sup>th</sup> through 7<sup>th</sup> at NRECA in Arlington. VIE provide transition, retention and professional development support to the growing population of military veterans who have chosen energy careers. Speakers will include Chris Hale of GI Jobs and Gen. John Allen, former Dep Commander of US Central Command.

**Renewable Tour Set for October Shenandoah Fall** – JMU's Center for Wind Energy joins the nonprofit American Solar Energy Society (ASES) and hundreds of solar-savvy installers and grassroots organizations throughout America to showcase thousands of solar-powered homes, schools and businesses in Virginia and across North America -- for the 22<sup>nd</sup> Annual National Solar Tour, the world's largest grassroots solar event. The ASES National Solar Tour shows families and businesses real-life examples of how their neighbors are harnessing free energy from the sun to generate electricity, warm and cool their homes, heat water and slash monthly utility bills.

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