

U.S. International Trade Commission

500 E Street, SW

Washington, D.C. 20436

September 27, 2017

To the U.S. International Trade Commission:

On behalf of large energy users, the Advanced Energy Buyers Group urges the U.S. International Trade Commission (“I.T.C.” or “Commission”) to avoid recommending undue import relief in the Section 201 Trade Case brought by Suniva and Solar World.¹ Our companies are among the 71% of Fortune 100 companies and 43% of Fortune 500 companies that have established renewable and/or climate targets as part of our corporate sustainability commitments.² A recommendation in the Section 201 Trade Case before the I.T.C. to impose undue tariffs on imported solar panels would increase our operating costs and directly harm our businesses.³ As major consumers of solar energy, we have also contributed and will continue to contribute to the development of this fast-growing industry, which currently employs over 260,000 Americans. In

¹ This letter represents the consensus view of the Advanced Energy Buyers Group. However, it does not necessarily reflect the position of any individual member of the Advanced Energy Buyers Group. This letter and the recommendations it contains should not be attributed to any company or companies participating in the Advanced Energy Buyers Group.

² <https://info.aee.net/growth-in-corporate-advanced-energy-demand-market-benefits-report>.

³ <https://www.thesolarfoundation.org/national/>.

light of the ITC's finding of injury, we recommend a balanced approach with respect to remedies that avoids unduly increasing the cost of solar energy.

The Advanced Energy Buyers Group is a business-led coalition of large energy users engaging on policies to expand opportunities to procure energy that is secure, clean, and affordable.⁴ Members of the Advanced Energy Buyers Group are leading companies and organizations spanning a range of market sectors. We share a common interest in expanding our use of advanced energy, such as renewable energy like wind, solar, geothermal, and hydropower; demand-side resources like energy efficiency, demand response, and energy storage; and onsite generation from solar photovoltaics, advanced natural gas turbines, and fuel cells.

The President is required under Section 201 of the Trade Act to consider, among other things, the impacts on consumers and short- and long-term economic and social costs and benefits.⁵ As companies with strong corporate renewable energy commitments, we believe that the imposition of excessive tariffs in this case could increase the cost of solar energy, resulting in adverse impacts for many downstream solar customers. Members of the Advanced Energy Buyers Group expect to consume over 7 terawatt hours (TWh) of renewable energy in 2017, equivalent to the electricity sales for the state of Rhode Island.⁶ This energy is sourced from offsite projects totaling well over 2.5 gigawatts (GW) in more than a dozen states, as well as from hundreds of onsite solar arrays and from grid-supplied renewable energy. We have many more projects

⁴ The Advanced Energy Buyers Group is convened by Advanced Energy Economy (AEE), a national business association of leading advanced energy companies. Membership in the Advanced Energy Buyers Group is open only to end users of energy, and AEE's general membership does not have any input in the positions taken by the Advanced Energy Buyers Group.

⁵ Specifically, these factors include, "the effect of implementation of actions... on consumers and on competition in domestic markets," as well as "the short- and long- term economic and social costs of the actions... relative to their short- and long-term economic and social benefits..." among other factors. 19 U.S. Code § 2253.

⁶ <https://www.eia.gov/electricity/state/index.php>.

currently underway, and we are also pursuing renewable energy internationally. Looking ahead, many of our companies have made commitments to eventually meet up to 100% of our electricity needs with renewable energy.⁷ These renewable energy commitments are a promise we have made to our customers, our employees, our shareholders, our boards, and the public at large. Meeting these targets will reduce our energy costs and support new jobs in the United States, and failure to meet these goals would hurt our competitive advantage in the global marketplace.

By reversing the downward price trend for solar energy, excessive tariffs on imported solar panels would create significant challenges as we seek to follow through on our renewable energy commitments.⁸ Goldman Sachs and Bloomberg New Energy Finance have estimated that the tariffs and minimum pricing requirements sought by petitioners in this case would double the price of solar panels in the U.S. A doubling in panel costs would disrupt projects planned for construction in 2018 and beyond, reducing demand for solar projects. This case has already had a damaging effect on solar projects, raising costs as solar providers prepare for shortages.

As consumers of solar energy, we are also concerned by potential adverse impacts on the U.S. solar industry as a result of undue import relief. Reduced demand from customers, including our companies, due to increased prices risks disrupting the current trajectory of the solar industry at a time when solar energy is at or approaching grid parity in many parts of the country and when the solar industry is a significant source of growth in our economy. The solar industry was

⁷ <http://there100.org/companies>.

⁸ While solar energy is not the only resource option to meet our renewable energy needs, in some regions and in certain circumstances, it is the best available resource, and alternatives may not be practical or viable. As such, higher solar prices will increase our cost of doing business in the United States.

valued at \$23 billion last year and employs over 260,000 Americans. According to The Solar Foundation, one out of every 50 new jobs added in 2016 was created by the solar industry, with 10% job growth expected again this year.⁹ This economic activity has been accompanied by cost decreases and performance improvements, and we hope to see this growth continue.

Given our renewable energy consumption and our significant forward-looking renewable energy commitments, we urge the Commission to take a balanced approach that avoids recommending excessive remedies that could have harmful economic consequences and adversely impact many downstream solar customers.

We appreciate your consideration of our perspective in this case.

Respectfully,

The Advanced Energy Buyers Group¹⁰

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⁹ <https://www.thesolarfoundation.org/national/>.

¹⁰ <https://info.aee.net/ae-buyers-group>.