

**THE DEPARTMENT OF COMMERCE RENEWABLE ENERGY AND ENERGY EFFICIENCY
ADVISORY COMMITTEE**

October 21, 2015

Honorable Penny Pritzker
Secretary
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230

Dear Secretary Pritzker,

As members of the U.S. Department of Commerce Renewable Energy and Energy Efficiency Advisory Committee (*the REEEAC*), and as representatives of the U.S. private sector involved in international business deals around the world, we are acutely aware of the importance of export finance assistance to U.S. industry. In the competitive global environment for clean technologies, governmental support for export financing is often a deciding factor on what project gets developed and built. In this regard, the United States Export-Import Bank has been a valuable component of U.S. export policy and the success of US exporters and as we're all aware, there is a continuing impasse about its re-authorization that is having negative consequences for US renewable energy and energy efficiency exporters.

In light of this added uncertainty and persistent challenges for U.S. industry to secure financing for international projects, we urge you to explore your available legal options to provide assistance to the breadth of U.S. renewable energy (RE) and energy efficiency (EE) firms, especially small and medium sized businesses. This could involve helping these businesses to locate other avenues of support for export financing and working with industry to prepare standardized forms and documents that facilitate expedited export financing. The Department of Commerce, in coordination with other U.S. agencies, could also work to prioritize a list of important and upcoming prospects and projects meant to inform overseas embassies and missions in key overseas markets for US exports.

In addition, we believe that this may be an appropriate time to look at a new, more expanded and collaborative approach to export financing. U.S. companies often feel that available resources are limited compared to our global competitors. We urge you to explore the experiences of US exporters to develop a new model for export financing that allows effective competition with other countries' export finance efforts.

We ask you to consider forming a task force of staff from the agencies involved in the RE&EE Export Initiative (RE4I) to lead an effort that bring to bear cross-cutting experiences and expertise to improve, expand, and coordinate the US government's financial support for RE and EE exports.

In our view, any new model for export financing should:

- ✓ Reduce the minimum project size that can be backed by ExIm or other export assistance agencies directly, and/or fast-tracking the approval of smaller projects financed through third-party lenders.
- ✓ Allow ExIm or other export assistance agencies to accept third-party due diligence reports as part of due diligence for project financing. We are aware of cases where valuable export opportunities were lost because ExIm would not accept engineering reports paid for by companies with top global firms, insisting on preparing new reports that were not realistic in the time frame needed to secure the financing.
- ✓ Diversify lending by creating some limitation on the amount of financial support ExIm or other export assist agencies can allocate to insure that the maximum depth and breadth of RE and EE companies can easily access and take advantage of these programs, which is not the case now, especially for small and medium-sized businesses.
- ✓ Require the establishment of success metrics for US Government-promoted RE&EE initiatives, such as Power Africa or clean energy initiatives announced by President Obama focusing on India and Central America & the Caribbean. Success metrics for initiatives like these should link promoted policies to quantifiable economic data derived from the resulting sales of U.S. goods and services exported to targeted markets. These metrics should be a scorecard mechanism that influences the ongoing allocation of export agency assistance funds to those agencies with the highest measurable positive impact on U.S. export success.

Overall, improving support for export financing will require more collaboration between exporters and U.S. financial institutions, loan-terms and conditions that are competitive in the world market, and stable and expanded support for small and medium-sized enterprises to become a greater part of our export promotion programs.

We look forward to working with you. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read 'Scott Sklar', written in a cursive style.

Scott Sklar, Chair
Renewable Energy and Energy Efficiency Advisory Committee