

The Department of Commerce Renewable Energy and Energy Efficiency Advisory Committee

February 28, 2017

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

Dear Secretary Ross,

Congratulations on your confirmation. We, the members of the Renewable Energy and Energy Efficiency Advisory Committee (REEEAC), would like to extend an invitation to you or a member of your staff to attend our next meeting on March 1, 2017. We hope you will consider the Committee as a valuable resource for the execution of the goals and objectives of the new administration. We have the ability to provide private sector expertise and input in whatever form would be most valuable, and stand ready to be of assistance.

The REEEAC was established in 2010, at the behest of the Trade Promotion Coordinating Committee, to provide support and make recommendations on behalf of U.S. RE&EE manufacturers and service providers in the export market. REEEAC's mission is to advise the Secretary on programs and policies that will increase U.S. market share, in order to expand domestic manufacturing, create jobs, and support economic growth. REEEAC includes 33 senior executives representing the broad range of products and services for which the U.S. is a world leader (including solar, wind, hydro and hydrokinetic, geothermal, biomass, biofuels, waste-to-energy, energy efficiency, smart grid and energy storage).

The Committee's current objectives are to:

- (a) Promote growth of export-led US jobs and manufacturing;
- (b) Improve market access for exporters, including removal or reduction of foreign tariff, subsidy, and regulatory barriers;
- (c) Improve access to export-related financing sources including EXIM, OPIC, USTDA, USAID, USDA, and others; and
- (d) Recommend joint action with other Executive Branch agencies to maximize exports.

The REEEAC is developing a 100 Day and a 200 Day Work Plan to formulate recommendations to support the objectives stated above, and provide "real-time" recommendations that can be implemented by the Department to enhance the programs and policies of the new administration. The REEEAC would like to invite you or your staff to our next meeting on March 1, 2017 so that we can learn about Department objectives in the Trump administration and establish a dialogue on the ability of the RE&EE industries to generate well-paying U.S. jobs and provide rapid economic growth.

We are also sending this letter to apprise you and your administration of the role of U.S. renewable energy and energy efficiency (RE&EE) companies, their current economic contribution and future export

potential in this important market. In the growing RE&EE market, the U.S. is a world leader in providing innovative, competitive, and sustainable products and services. Continued export growth and the economic impact that it provides the U.S. economy is essential to maintaining the U.S. leadership role, and also provides an important offset to our trade deficit. REEEAC is the only government advisory committee within the Executive Branch charged with making recommendations to increase exports in this strategic and fast growing sector.

RE&EE Employment Has Grown Rapidly and Holds Great Promises for the Future. Worldwide RE&EE employment increased by 5% in 2015 (after an 18% increase in 2014), and solar PV alone grew by 11% in 2015.¹ In the United States, RE&EE businesses employ 2.44 million people in manufacturing, assembly and service jobs in virtually every state.¹ There were approximately 1.8 million energy efficiency jobs in the U.S. in 2015, of which nearly 900,000 spend the majority of their time in energy efficiency, and this represents a 13% increase over 2014.² The U.S. solar industry has doubled employment in the last five years, with 20% growth in 2015 and now employs nearly 210,000 people.³ U.S. wind power also supported 88,000 jobs in 2015, an increase of 20% in a year, and led the nation as America's leading source of new generating capacity last year, outpacing solar and natural gas.⁴ In 2015, the U.S. hydropower's total installed capacity of 101 GW providing 10% of total U.S. electrical generation from 2,198 power plants totaling over 143,000 U.S. jobs⁵. Expanding exports can accelerate the rate of future job growth.

The United States Competes Aggressively in the Substantial & Fast-Growing Global RE&EE Market. Our industries compete in an aggregate worldwide market that reached \$796 billion in 2015,⁶ including \$125 billion in global trade of manufactured goods.⁷ Investment in renewable energy alone – despite global economic downturns – has grown five times greater than in 2004, exceeding \$200 billion for the last six years and cumulatively amounting to \$2.3 trillion.⁸ Renewable sources are projected to produce 60% of the world's electricity by 2040.⁹

The U.S. RE&EE manufacturing sector holds a 12% share of the \$125 billion global trade market, totaling approximately \$13 billion annually.⁷⁻⁸ These figures are comparable with other major U.S. export industries, including oil and gas equipment (\$22 billion), industrial automation (\$10.5 billion) and

¹ U.S. Department of Energy, U.S. Energy and Employment Report, 2016.

² E2 & E4 the Future, Energy Efficiency Jobs in America, December 2016.

³ Patrick Gillespie, *Solar energy jobs double in 5 years*, CNN Money, January 12, 2016.

⁴ American Wind Energy Association, U.S. Wind Industry Annual Market Report, Year Ending 2015.

⁵ U.S. Department of Energy, *Hydropower-A New Chapter for America's 1st Renewable Electricity Source*, July 5, 2016.

⁶ International Energy Agency, *World Energy Outlook*, 2016.

⁷ United Nations Statistical Office, based on the Harmonized Tariff System (HTS) for the classification of trade commodities for 27 RE&EE product codes (covering electrical transmission and distribution equipment, photovoltaic cells, wind powered generating sets, hydro turbines, biomass wood pellets, ethanol, biodiesel and biodiesel blends) via the Trade Policy Information System of the U.S. Department of Commerce: International Trade Administration.

⁸ Frankfurt School-U.N. Environmental Programme Centre and Bloomberg New Energy Finance, *Global Trends in Renewable Energy Investment 2016*

⁹ Bloomberg New Energy Finance, *New Energy Outlook 2016*.

manufacturing technology (\$8.1 billion).¹⁰ With continued support, U.S. RE&EE leadership – in both absolute numbers and relative share – can continue to grow.

Continued Market Access is Key to Maintaining U.S. Leadership. The promotion of U.S. exports of RE&EE goods and services supports a vitally important segment of our economy, which contributes to continued domestic job creation and economic growth, and supports U.S. energy independence. In addition, the research and development efforts of both the government and private sector, and the new technologies that are solving the problem of sustainable, affordable energy both here and abroad, have made the U.S. a global leader in this sector. However, innovation alone does not guarantee future success, especially in light of foreign trade barriers, subsidies, and aggressive export financing schemes.

Success in RE&EE exports and increasing market share in this growth area will require both (a) appropriate US trade policy (including availability of export finance); and (b) a strong domestic U.S. market, to demonstrate the quality of U.S. goods and services, and support the economies of scale necessary for global competition.

Again, we hope you will consider the REEEAC as a valuable resource for the execution of the goals and objectives of the new administration. We have the ability to provide private sector expertise and input, in whatever form would be most valuable, and stand ready to be of assistance.

Sincerely,



Cynthia L. Thyfault, Chairman
Renewable Energy & Energy Efficiency Advisory Committee
Founder & CEO, Westar Trade Resources



Adam Atkinson-Lewis, VP Intl. Business
Development
Natel Energy



Bruce Bauchmire, Director of
Renewable Energy Services
DLZ Corporation



Mita Burke, Chief Executive Officer
Sunshine Industries USA



Matt Card, Executive Vice President for
Commercial Operations
Suniva



Rani Chatrath, Global Initiatives
Coordinator, Marketing, & Events
Manager, Geothermal Energy
Association



Mike Davis, Director of Strategic
Partnerships
North Carolina Sustainable Energy
Association

¹⁰ U.S. Department of Commerce, Top Market Report Series, 2016.

Kelly Davis, Director of Regulatory Affairs
Renewable Fuels Association

Jen Derstine, Director of Strategy and
Policy
Capstone Turbine Corporation

Subhash Dhar, Chief Executive Officer
XALT Energy

Michael Dwyer, Chief Economist
U.S. Grains Council

Terry Fry, Senior Vice President for
Utility Services, Nexant & Chairman,
California Energy Efficiency Industry
Council

Svetoslav Gatchev, Managing Director,
Delphos International Ltd.

Seth Ginther, Executive Director U.S.
Industrial Pellet Association

Philip Green, President and Chief
Executive Officer
Green Powered Technology

Arthur Haubenstock, General Counsel and
Vice President, Government & Regulatory
8minutenergy Renewables

Praveen Kathpal, Vice President
AES Energy Storage LLC

Kusum Kavia, President
Combustion Associates Inc.

Kenneth Kramer, Managing Director
Rushton Atlantic

Joseph Mendelson III, Director, Policy &
Electricity Markets and Regulatory
Counsel
SolarCity

Greg Merritt, Vice President,
Marketing and Public Affairs
Cree Inc.

Gary Rackliffe, Vice President of Smart
Grid Systems,
ABB Inc.

Lloyd Ritter, Federal Policy Director
Distributed Wind Energy Association

Jorge Sanchez, President, Chief
Executive Officer, and Co-Founder
Sana Inc.

Scott Sklar, President
The Stella Group Ltd.

Kevin Smith, Chief Executive Officer
SolarReserve

Paula Soos, Vice President,
Government Relations
Covanta Energy

Jonathan Stewart, Manager, Government
Relations
National Electrical Manufacturers
Association



Zolaikha Strong, Director of Sustainable
Energy
Copper Development Association



William H ("Trey") Taylor, Co-Founder
and President
Verdant Power Inc.



Laura VanWie McGrory, Vice President for
International Policy
Alliance to Save Energy



Frank Yang, Vice President of Business
Development
Stion Corporation