March 13, 2019

The Honorable Richard Neal
Chairman
House Ways and Means Committee
Washington, DC 20515

The Honorable Kevin Brady
Ranking Member
House Ways and Means Committee
Washington, DC 20515

Dear Chairman Neal and Ranking Member Brady:

On behalf of the Solar Energy Industries Association (SEIA), we request your support in encouraging the Office of the United States Trade Representative (USTR) to complete its review of the solar Section 201 exclusion requests with an eye toward moderating the adverse impact of these tariffs on the U.S. solar industry. In our view, USTR has the opportunity to grant additional product exclusions which would help advance the broader U.S. solar industry while maintaining President Trump's commitment to protecting and incentivizing U.S. solar module manufacturing.

As the national trade association for the U.S. solar energy industry, which employs more than 242,000 Americans, we represent organizations that promote, manufacture, install, and support the development of solar energy. SEIA works with its 1,000 member companies to build jobs and diversity, champion the use of cost-competitive solar in America, remove market barriers, and educate the public on the benefits of solar energy. With respect to trade, we have long advocated for a free and fair system.

As forecasted by SEIA during the solar Section 201 investigation, the tariffs have resulted in the loss of thousands of U.S. jobs and billions of dollars in investments. For example, SEIA forecast that in 2018 the U.S. solar industry would deploy approximately 12.8 GW of solar in the absence of Section 201 tariffs but only 10.9 GW if a 25% tariff was imposed, a decrease of nearly 2 GW. We now know, based on full-year data for 2018, that the industry deployed approximately 10.6 GW of solar, which is nearly identical to SEIA's forecast under a 25% tariff.

We also recognize that the solar Section 201 tariffs have provided some benefit to U.S. solar manufacturing. However, in total, these new module manufacturing investments are expected to create less than 2,000 jobs, in contrast with the loss of nearly 9,000 jobs among solar installers and racking manufacturers and thousands more tied to unrealized growth potential. Nonetheless, we applaud the module manufacturers' new U.S. investments and efforts to grow the U.S. solar supply chain.

It should also be recognized that even with the addition of new U.S. module manufacturing capacity, U.S. module demand will significantly exceed domestic supply, particularly for products used in the utility segment. In our view, there are multiple opportunities for USTR to grant additional product exclusions which will both spur overall growth in the U.S. solar industry and maintain the competitiveness of new U.S. solar manufacturing investments. We ask for your support in encouraging USTR to work with the U.S. solar industry to moderate the adverse impact of the solar Section 201 tariffs. Thank you for your consideration.

Sincerely,

Abigail Ross Hopper
President and CEO