

December 20, 2011

Mr. Gordon Brinser  
President  
SolarWorld Industries America Inc.  
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Hillsboro, OR, 97124



On behalf of the Coalition for Affordable Solar Energy (CASE), I am writing you to urge that SolarWorld withdraw its harmful petition to the International Trade Commission/Department of Commerce (ITC/DOC). The severe tariffs SolarWorld seeks would have a very damaging effect on the solar industry in the United States and would fundamentally undermine many years of effort by all of us who care about the future of solar power. In simple dollar terms, your petition threatens the planned installation of solar electric power systems in the amount of \$11 billion in 2012 and the potential installation of \$60 billion currently in the total pipeline.

I know you are well aware of the extraordinary growth we have seen in U.S. solar industry jobs and installations. This growth would not have been possible without the significant drop in the cost of solar cells and panels that we have witnessed over the last few years. In fact, between 2006 and 2011, solar module prices fell 40 percent while total demand increased eight fold from under 200 MW to 1,600 MW installed capacity. Lowering the cost of solar cells and panels and increasing deployment has significant economic, security and financial benefits to the US. By asking government to interfere and artificially increase the price (equivalent to putting on a high tax) will only hinder the deployment, cost thousands of jobs, reduce our energy security and further negatively impact an already shaky economy. If your petition is successful and the U.S. Department of Commerce imposes massive duties on solar cells and panels imported from China, it will harm and reverse the progress solar power has made.

SolarWorld's petition will do far more damage than good to the U.S. solar industry as a whole. CASE's membership is representative of 97-98% of America's solar industry, as the large majority of all U.S. solar industry jobs are downstream of solar panel manufacturing in project development, logistics, construction and installation. Every morning, thousands of hard-working Americans put on their tool belts and go build solar power plants. Our country needs more of those jobs, not fewer.

At a time when electricity generated by solar cells is becoming competitive with fossil fuel-generated electricity, it is completely counterproductive to engage in any effort to significantly raise solar cell prices. As you well know, every country seeking to expand its solar industry provides support to solar companies.

Global competition is healthy. Bringing down the price of solar cells and panels has been critical to expanding solar installations worldwide so we can reduce the use of polluting fossil fuels. Here in the U.S., the solar industry now employs more than 100,000 professionals, up

from 93,000 last year. This represents an overall growth rate of 6.8% over the past year, nearly 10 times higher than the national average employment growth rate of 0.7%. We need to see this growth continue. Placing the equivalent of a tax on imported solar cells could significantly drive up all solar panel prices and therefore have a devastating impact on US solar job growth.

And I am sure you are very well aware that the imposition of severe tariffs could ignite a solar trade war that would result in retaliatory tariffs against U.S. solar exports to China. In fact, the Chinese have begun just such an investigation. Last year alone, the U.S. had well over \$1.5 billion in solar exports to China, with *net exports* to China of some \$400 million. This could devastate the many American-owned companies exporting solar products to China and cause thousands more American jobs to be lost.

Further, China is now considering asking the WTO to investigate violations in U.S. clean energy policies, particularly in the states of Washington, California, New Jersey, Ohio, and Massachusetts. The investigation would presumably look into Oregon's clean energy support policies, too. Moreover, China could ask the WTO to begin investigations of European clean energy support policies, including the domestic content preferences of the Italian Feed In Tariff (FIT) or German support measures. It is critically important to maintain our solar policies around the world and not destabilize our global solar markets through inadvertently spiraling trade wars.

Please reconsider your petition, which can only result in unnecessary damage to our American solar industry and which is likely to precipitate a trade war that will further damage the solar industry and redound to the benefit of our fossil fuel competitors.

Yours,

Jigar Shah  
President  
Coalition for Affordable Solar Energy