

Renewable Energy and Energy Efficiency Advisory Committee (RE&EEAC) Meeting

Tuesday, September 10, 2013

9:00 am–4:30 pm

The Renewable Energy and Energy Efficiency Advisory Committee (Committee) was called to order at 9:30am by Ryan Mulholland, Designated Federal Office (DFO), who welcomed the participants and facilitated introductions.

Trade Promotion Subcommittee

Karl Gawell, Chair & David Rosenberg, Vice Chair

Karl Gawell provided an overview of the work of the Trade Policy Subcommittee, including meetings with the U.S. State Department, U.S. Department of Commerce, World Watch, U.S. Agency for International Development, and the World Bank. The Subcommittee focused on the need for a broader perspective by key government stakeholders on the role and importance of renewable energy and energy efficiency (RE&EE) in federal government energy planning and policy development. An important question asked was how do governments build an inter-country transmission line with a mix of old and new sources of energy?

Finance Subcommittee

Jennifer von Bismarck, Chair & Todd Foley, Vice Chair

The subcommittee agreed to draft a white paper on financing RE&EE projects, which the Secretary of Commerce (Secretary) could share with other government officials. The paper could be used to inform government officials about the financing challenges that RE&EE industries face. The Committee could also use the paper to construct specific policy recommendations for the Secretary. It was recognized that the paper needed to strike a balance between (i) being supportive of the policies that are already in place while also highlighting areas of improvement, and (ii) technology and moving market development.

Committee members proposed the question of whether or not the funding they are getting is working for them. This brought up some discussion on what does and does not work for different renewable companies. The Committee also discussed the potential relevance of pension fund investments in RE&EE technologies.

U.S. Competitiveness Subcommittee

Ken Kramer, Chair & Gordon Brinser, Vice Chair

The subcommittee discussed the relevance of supply and demand and what creates a strong market and what needs to be done to incentivize the adoption of RE&EE technologies. The subcommittee recognized the need to improve U.S. RE&EE manufacturing competitiveness both at home and abroad. Potential incentive drivers included security, solar leases, IPOs, green bond market, federal incentives, domestic standards, and climate change.

The subcommittee was also considering ways to leverage the U.S. Defense Production Act to spur RE&EE investments, as well as closer inter-agency coordination.

Trade Policy Subcommittee

Joey Neuhoff, Chair & Sunil Pancholi, Vice Chair

The subcommittee highlighted several areas of focus, including, for example, trade missions and rule of (Commercial Law Development Program). A subcommittee member also recognized that there are no specific harmonized tariff codes for renewable energy. The subcommittee also focused on the need and usefulness for a U.S. Product Guide, i.e., a standardized template to analyze regional and global markets. Regarding trade missions, a suggested recommendation was that the trade missions should be better targeted. The subcommittee was also focusing on recommendations related to localization barriers.

Working Lunch

Jean Kemp, Office of the US Trade Representative

Ms. Kemp provided an overview of the U.S.-EU Transatlantic Trade & Investment Partnership (TTIP). The TTIP was not expected to include a separate chapter on energy but would include energy-specific provisions. The U.S. government was working to conclude the TTIP negotiations as quickly as possible. Ms. Kemp also requested input from the Committee on the draft APEC environmental goods duty reduction agreement.

Discussion with U.S. Export-Import Bank (Ex-Im)

Craig O'Connor, Director of Renewable Energy Finance

Mr. O'Connor noted that the bank has been very active in supporting RE&EE projects in India and that India would continue to be an active market. He also noted that Ex-Im recently signed a RE&EE memorandum of understanding with Saudi Arabia. Ex-Im is also working with Romania and Italy and looking into potential RE&EE opportunities in Mexico. Last year, Ex-Im supported over \$50 billion in U.S. exports. Mr. O'Connor also discussed Ex-Im's policy of matching other national banks' interest rates and the use of "soft loans." It was recognized that many low income countries are eligible for soft loans. Mr. O'Connor also discussed potential opportunities for, and limitations of, working capital loans.

Discussion with the Overseas Private Investment Corporation (OPIC)

Brian O'Hanlon, Director of Business Development for Insurance

Mr. O'Hanlon provided an overview of OPIC programs, noting that OPIC was, first and foremost, a development finance institution. OPIC provides 2 major products: long term debt finance (commercial basis, not subsidized funding); and political risk insurance. OPIC operates in countries with mid-level incomes, but neither China nor Argentina. Mr. O'Hanlon also noted that OPIC is the first and only institution to offer insurance for feed-in-tariff payments. He also provided an overview of the Obama Administrations' Power Africa program.

Discussion with Pacific Northwest National Laboratory

Evan Jones Energy and Environment Manager, Defense, Homeland, and Special Programs

Mr. Jones discussed opportunities for improving state, federal, and private sector coordination in responding to national emergencies and the difference between prevention vs. recovery. Advance planning and damage predictions were also important considerations. Mr. Jones noted that preventing and addressing cyber-attacks was primarily a responsibility of the federal government.

Public Comment Period

A representative from the U.S. International Trade Commission indicated that several RE&EE-related reports and studies would soon be released. The ITC was scheduled to hold a RE&EE-related hearing in October on trade barriers for small and medium-enterprise and one in February on India.

Committee Business

The Committee decided to hold its next meeting on December 3. All meetings will be held at U.S. Department of Commerce Headquarters in Washington, D.C.

The Committee also agreed upon a tentative agenda for the next meeting, including subcommittee reports and reports on recommendations; working lunch; and votes on recommendations in the afternoon.

Adjourn

The meeting adjourned at 4:30