

Renewable Energy & Energy Efficiency Advisory Committee
Meeting Minutes

Date: June 12, 2014

Time: 9:00 a.m. – 4:00 p.m.

Location: U.S. Department of Commerce, Room 4830

The Renewable Energy and Energy Efficiency Advisory Committee (RE&EEAC or Committee) was called to order at 9:00 a.m. by Ryan Mulholland, Designated Federal Officer (DFO), who welcomed the participants and facilitated introductions. Mr. Mulholland highlighted the tremendous work of the Committee over the past year and provided a recap of news from across the U.S. Government in support of RE&EE exporters since the Committee's previous meeting.

Consideration of Potential Recommendations

The Committee began by considering two recommendations put forward by the U.S. Competitiveness Committee. Cindy Thyfault from WestStar Trade Resources led the discussion of both recommendations.

Recommendation 15: **The Department of Commerce should work with ExIm, OPIC, and USTDA to create a schematic “Road Map” or “Quick Guide” on how to qualify for financing and grant programs from such agencies. This resource should be made available to the public through government websites and Commercial Service personnel.**

Ms. Thyfault emphasized the need for a guide for U.S. government financing. The complexity of the rules and the various institutions that could be involved necessitate a clear “road-map” for potential exporters to know how they can arrange for financing. The Committee agreed the guide should be developed through a joint effort by the Export-Import Bank of the United States (ExIm), the Overseas Private Investment Corporation (OPIC), the Department of Commerce, and the United States Trade and Development Agency (USTDA). Following brief stylistic edits, the Committee unanimously approved the recommendation.

Recommendation 16: **The Department of Commerce should work with ExIm to increase public awareness of the Short Term Credit Export Insurance Program for use by international distributors to purchase U.S. manufactured equipment and products for inventory purposes.**

Ms. Thyfault explained that although ExIm provides inventory financing for distributors of U.S.-made equipment, awareness of the program is limited. Ms. Thyfault also noted that this type of financing is helpful for distributors, who can showcase or demonstrate the products they are trying to sell. Mita Burke from Sunshine Industries echoed these sentiments with first-hand examples of how this type of financing has helped her company export through local distributors. The Committee worked together to edit and finalize the recommendation. The final version of the recommendation was unanimously approved.

Tax Incentive Letter:

Jennifer von Bismarck, chair of the RE&EEAC's finance subcommittee, began a discussion on a letter to the Secretary of Commerce describing the financing challenges faced by the RE&EE industry, as well as potential solutions for expanding the investor base currently supporting RE&EE development. Ms. von Bismarck read the existing draft of the letter to the Committee, explaining the letter was intended to be simple and broad. The Committee edited the letter together. When edits to the letter were not completed before the Committee's meeting with the Environmental Protection Agency (EPA), the letter was set aside for consideration later in the day.

Presentation and Discussion on EPA Proposed Clean Power Plan

The Committee met with Matt Clouse, Director of Renewable Energy Policies & Programs in the EPA's Climate Protection Partnership Division. Mr. Clouse discussed the EPA's recent rule on carbon emissions at existing power plants. Mr. Clouse explained that the various state-level carbon targets were determined by 4 building blocks: 1) improving the efficiency of fossil fuel-fired power plants; 2) shift from coal to natural gas combined cycle; 3) additional energy generation from nuclear and renewables; and 4) using electricity more efficiently. The Committee engaged in a discussion with Mr. Clouse about how the rule was formulated and its impact on RE&EE development going forward.

Working Lunch Discussion on Aviation Biofuels

The Committee met for a working lunch with Chris Tindal from the Office of the Deputy Assistant Secretary of the Navy for Energy and Lillian Salerno, Administrator for Rural Business & Cooperative Service and the U.S. Department of Agriculture. Ms. Salerno explained her efforts to get lenders involved with rural community development, describing the Rural Energy for America Program (REAP) that supports rural energy projects, particularly those in the RE&EE sector. Mr. Tindal described the increasing use of biofuels in the U.S. Navy, as well as the cooperation the Navy has engaged in with other allied Navies. He noted, in particular, cooperation with Italy and Australia regarding the research and technology associated with advanced biofuels.

RE&EEAC Past, Present, and Future

Before beginning its discussion of lessons learned through two RE&EEAC committees, the Committee returned to the proposed letter on tax equity/financing issues. Following a series of additional edits, the letter was approved by consensus. Frank Shaw abstained on the final vote.

Following approval of the letter, Scott Sklar, Vice Chair of the RE&EEAC, led a discussion on the future of RE&EEAC. Mr. Sklar asked the Committee to consider how the next RE&EEAC could be even more effective, noting that the Committee had registered 38 total recommendations since the RE&EEAC's initial charter. Mr. Sklar asked whether the committee should continue to develop recommendations to the Secretary of Commerce or if changing its focus could lead to greater impact. He noted that interagency cooperation could be important for improving efficacy. Several members of the Committee agreed with Mr. Sklar and Mr. Mulholland noted that the Committee's views on the next RE&EEAC would be strongly considered.

Delivery of Final Recommendations

The Committee presented its final two recommendations and its financing letter to Chandra Brown, Deputy Assistant Secretary for Manufacturing at the U.S. Department of Commerce. DAS Brown officially accepted the recommendations on behalf of Secretary Pritzker. She noted the quality of the letter and thanked the Committee for developing several specific and actionable recommendations. DAS Brown then engaged with the Committee in a brief discussion on the future of RE&EEAC, including the scope of the Committee's work and the need to develop a scorecard to track the ongoing implementation of the RE&EEAC's recommendations.

Public Comment Period

No public comments were offered.

Adjournment

The meeting was officially closed following brief comments from the Chair and the DFO. Mr. Mulholland thanked the Committee for their significant contributions over the past 18 months. He noted that each member contributed something to the process and that the entire Committee was better off for everyone's participation. He encouraged the current members of the RE&EEAC to re-apply for appointment to the next RE&EE Advisory Committee and noted that he looked forward to continuing to work with each member of the Committee going forward.