



December 10, 2018

The Honorable Robert Lighthizer  
United States Trade Representative  
Office of the United States Trade Representative  
600 17th Street, NW  
Washington, DC 20508

**RE: Request for Exclusion Process for the China Section 301 Tariff Product List  
[Docket ID: USTR-2018-0026]**

Dear Ambassador Lighthizer:

We write today on behalf of a broad range of U.S. energy interests—spanning technologies and services in the energy efficiency, grid modernization, energy storage, demand response, information technology, manufacturing, natural gas, renewable energy, and sustainable transportation sectors to thank the Administration for the progress that was made at the G-20 summit. We encourage you to move quickly toward a comprehensive and equitable agreement with your Chinese counterparts that protects the U.S. economy and provides the business certainty required for continued growth and investment.

The existing Section 301 tariffs on imports from China are having a negative effect on U.S. clean energy industries, especially those who rely on products included in List 3. These industries support over three million jobs in the U.S. today and are poised for significant growth with stable market conditions in the years ahead. As such, should a comprehensive agreement not be reached or should the negotiations continue beyond 90 days, we recommend the establishment of an exclusion process for the third list to help mitigate damaging impacts to U.S. workers and the economy. This is critical to ensure basic due process and procedural fairness for all stakeholders.

We understand the valid concerns regarding China's unfair trade practices, especially as it relates to intellectual property rights for emerging energy technologies and we appreciate the Administration's interest in addressing these issues. This is even more important given China's focus on these industries as part of its *Made in China 2025* program. However, establishing an exclusion process for imported products on List 3 would not impede the Administration's efforts, but would protect U.S. economic interests and jobs.

Many U.S. clean energy industries face intense competition from China and paying 10 to 25 percent more for components puts U.S. industries at a competitive disadvantage. Further, some U.S. clean energy technology sectors are relatively new, with developing supply chains, and utilize components that cannot be procured from anywhere but China at this time.

Establishing an exclusion process for those impacted industries to share important market impacts and request remedies is paramount to U.S. competitiveness, continued job creation and growth of healthy U.S. domestic industries. It is our organizations' hope that USTR will take urgent action on this issue.

Thank you for your leadership in addressing China's unfair trade practices. We stand ready to work with the Administration to ensure that the U.S. remains the leader in advanced energy technologies and that the technologies of the future are manufactured in America.

Should you have any questions about this submission, please do not hesitate to contact Dylan Reed with Advanced Energy Economy ([DReed@aee.net](mailto:DReed@aee.net)), Dan Bresette with the Alliance to Save Energy ([DBresette@ase.org](mailto:DBresette@ase.org)), Maggie Molina with the American Council for an Energy-Efficient Economy ([MMolina@aceee.org](mailto:MMolina@aceee.org)), Aaron Severn with American Wind Energy Association ([asevern@awea.org](mailto:asevern@awea.org)), and Laura Tierney with the Business Council for Sustainable Energy ([LTierney@bcse.org](mailto:LTierney@bcse.org)).

Sincerely,

Advanced Energy Economy  
American Council for an Energy-Efficient Economy  
Business Council for Sustainable Energy

Alliance to Save Energy  
American Wind Energy Association

#### *About the Signatories*

[Advanced Energy Economy](#) is a national association of businesses that are making the energy we use secure, clean, and affordable. Advanced energy encompasses a broad range of products and services that constitute the best available technologies for meeting energy needs today and tomorrow. AEE's mission is to transform public policy to enable rapid growth of advanced energy businesses. AEE and its state and regional partner organizations are active in 27 states across the country, representing more than 1,000 companies and organizations in the advanced energy industry which now employs 3.4 million U.S. workers.

The [Alliance to Save Energy](#) is a nonprofit, bipartisan alliance of business, government, environmental and consumer leaders advocating for enhanced energy productivity to achieve economic growth, a cleaner environment, and greater energy security, affordability and reliability.

The [American Council for an Energy-Efficient Economy \(ACEEE\)](#), a nonprofit 501(c)(3) organization, acts as a catalyst to advance energy efficiency policies, programs, technologies, investments, and behaviors. We believe that the United States can harness the full potential of energy efficiency to achieve greater economic prosperity, energy security, and environmental protection for all of its people.

The [American Wind Energy Association](#) is a national trade association for the U.S. wind industry. With thousands of wind industry members and wind policy advocates, AWEA promotes wind energy as a clean source of electricity for American consumers.

The [Business Council for Sustainable Energy \(BCSE\)](#) is a coalition of companies and trade associations from the energy efficiency, natural gas and renewable energy sectors. Established in 1992, the Council advocates for policies that expand the use of commercially-available clean energy technologies, products and services.