

VIA E-MAIL (dpaenergy@hq.doe.gov)

November 30, 2022

Office of Manufacturing & Energy Supply Chains Office of Policy
U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585

RE: Request for Information on Defense Production Act Authority to Accelerate Manufacturing and Deployment of Energy Technologies

The Business Council for Sustainable Energy (BCSE) appreciates the opportunity to respond to the Request for Information (RFI) related to utilizing the authority of the Defense Production Act (DPA) to accelerate the manufacturing and deployment of certain energy technologies.

Pursuant to President Biden's June 2022 announcement, the U.S. Department of Energy (DOE) has been granted new authority under the DPA to accelerate the domestic production and deployment of energy technologies in five specific areas. This submission responds to the RFI related to four of the five technologies: transformers and electric grid components; solar photovoltaics; insulation materials; and electrolyzers, platinum group metals, and fuel cells for clean hydrogen.

BCSE appreciates the Biden Administration's focus on protecting critical energy supply chains and its recognition of their integral relationship with energy security, resilience, environmental protection, economic competitiveness and job creation. BCSE also supports the Biden Administration's objectives in the areas of energy access and affordability and the need to ensure that all communities receive the benefits of energy security, wealth creation, jobs and environmental protection.

In this submission, BCSE provides general views pertaining to implementation of DPA authority for energy technologies. For detailed responses, BCSE would like to acknowledge the submissions made by the industry associations in the four technology areas that are the focus of this RFI, the Fuel Cell and Hydrogen Energy Association (FCHEA), the North American Insulation Manufacturers Association (NAIMA), the Polyisocyanurate Insulation Manufacturers Association (PIMA) and the Solar Energy Industries Association (SEIA), among others. BCSE encourages the thoughtful consideration of the issues and recommendations included in these submissions.

About the BCSE

The BCSE, founded in 1992, is a clean energy trade association, spanning a broad spectrum of industry sectors, including energy efficiency, energy storage, natural gas, renewable energy, sustainable

transportation and emerging decarbonization technologies. BCSE also has an independent small- and medium-size businesses initiative under its banner, the Clean Energy Business Network (CEBN). Together, the BCSE and CEBN represent the full range of the clean energy economy, from Fortune 100 companies to small businesses working in all 50 states supporting over 3 million U.S. jobs. As a diverse set of members, please note that not all members take a position or endorse the recommendations in this submission.

General Views on Utilizing DPA Authority to Support the Production and Deployment of Energy Technologies

BCSE offers the following perspectives in response to DOE's new DPA authority to support the accelerated production and deployment of energy technologies. Of note, as a diverse coalition, not all members take a position or endorse the recommendations included in this submission.

All the Technologies Listed for Support Under DPA Authority Can Make Important Contributions to U.S. Energy Security and Should Receive Support

The five technologies listed under President Biden's DPA announcement offer important contributions to the energy transition. With this new DPA support, as well as complimentary investment and programmatic support under the Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA), there is a once-in-a-generation opportunity to build a stronger and more secure supply chain for these critical sectors.

The Technologies Listed for Support Under the DPA Face Distinct Challenges

The technologies listed as eligible for support under new DPA authority each face distinct challenges in the marketplace and warrant thoughtful consideration, on a sector-by-sector basis, to identify remedies to overcome barriers to expanded domestic production and deployment. As such, DOE should use funding under IRA and/or with appropriated dollars to provide support for all the technologies listed in an impactful manner.

A Portion of DPA Funding Should be Used for Market Education and Promotion

In addition to other activities, DPA funding should be provided for market education and promotion. This will expand market demand for the short-term and longer-term, especially as the IIJA and IRA programs and tax incentives will become increasingly available to consumers, communities and businesses throughout the country.

DPA Funding Should Support Financial Mechanisms to Overcome Supply Chain and Domestic Manufacturing Investment Barriers

Understanding that there are specific issues impacting the deployment of the four technologies covered in this RFI, investment in expanded domestic manufacturing and supply chain development

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requires long-term, stable and predictable demand and supply chains. DOE can support industry expansion by facilitating agreements and purchases that can overcome these market barriers.

Thank you for the opportunity to share the Council's views on this RFI. Should you wish to discuss these comments further, please contact BCSE President Lisa Jacobson via email at ljacobson@bcse.org.