

**BEFORE THE UNITED STATES INTERNATIONAL TRADE COMMISSION
WASHINGTON, D.C.**

**CRYSTALLINE SILICON PHOTOVOLTAIC CELLS AND MODULES FROM CHINA
INV. NOS. 701-TA-481 AND 731-TA-1190 (REVIEW)**

**TESTIMONY OF
HEWITT STRANGE
DIRECTOR OF GOVERNMENT AFFAIRS
CYPRESS CREEK RENEWABLES**

Good afternoon, Chairman Johanson, Commissioners, and Staff. My name is Hewitt Strange, and I am with the Director of Government Affairs for Cypress Creek Renewables.

We are a leading developer of ground mounted, utility-scale solar farms in the United States. We employ approximately 500 people directly, as well as thousands of indirect employees, largely construction workers that help build our solar farms.

We installed the most megawatts (MW), 870 MW, of any solar company in the United States in 2017. We are on pace in 2018 to lead the industry again. Generally, we are optimistic about the future of solar energy in the United States. However, the cumulative impact of tariffs on crystalline silicon photovoltaic (CSPV) solar panels has contracted our 2018 installations by 17%, to an expected 720 MW. Prior to the President's imposition of additional Section 201 and Section 301 tariffs earlier this year, 2018 was expected to be yet another year of growth for both Cypress Creek and the industry as a whole. Regrettably, however, our

installations are down roughly 40% from our original planned investment for 2018 of just over 1.2 gigawatts (GW).

In total, Cypress Creek has cancelled \$1.5 billion of investments planned for 2018-2020. We view this slowdown as a result of cumulative, overlapping tariffs, which will end up costing roughly 11,000 full-time equivalent (FTE) American jobs, mostly in construction labor.

The industry's 2018 third quarter data will not be officially published for another month or so. But, preliminary numbers indicate that utility-scale solar farm construction will be down over 50% year-on-year and could end up being the single worst quarter for utility-scale solar in over five years, notwithstanding strong U.S. demand. These trends are correlated with the overlapping tariffs impacting the U.S. market today.

Cypress Creek has not sourced a single cell or module from China in 2018. Almost all of our supply comes from Southeast Asian countries, which have developed new solar manufacturing capacity over recent years.

U.S. CSPV manufacturers have never manufactured the 1500-volt panel that is used in many utility-scale solar farms today. This is in part because Suniva and Solar World, which never produced 1500-volt panels, were instead focused on panels largely for the residential and commercial markets. It seems unlikely that domestic producers would start producing 1500-volt panels, since residential

panels sell for much higher prices in the marketplace – as much as 50% to 200% higher – and earn much higher margins for producers as a result. However, even if they did, the total manufacturing capacity in the United States capable of producing 1500-volt panels accounts for less than 5% of the solar farms installed in the United States in 2017. As a result, while we are open to sourcing from U.S. manufacturers, we need to see whether they will be able to serve our needs.

This is not to say that the U.S. economy has not benefitted from the growing solar industry and new solar installations. As solar installations have become more affordable in recent years – and solar technology has become more efficient and accessible – the total number of American solar manufacturing jobs increased by 58% over a five-year period to 38,000 jobs. Many of these Americans manufacture the steel racking and other metal equipment on which solar farms are built—in so doing they support an extensive supply chain of raw materials, including employing over 95% American steel in many cases. I am confident that, notwithstanding the procurement challenges posed by trade restrictions, Cypress Creek’s future projects will create many more American jobs and grow the U.S. economy.

Thank you for your attention. I would be pleased to answer any questions.