October 4, 2017

Re: Investigation TA-201-75

Dear Secretary Barton:

On behalf of California’s $3.3 billion citrus industry and some 3,500 family citrus farmers, California Citrus Mutual (CCM) writes to express our deep concern with the pending Section 201 global safeguard case regarding solar cell and module manufacturing in the United States. CCM is the only advocacy organization representing California citrus growers on the economic, regulatory, and political issues that impact them most.

We are deeply concerned that the petition’s proposed trade remedy would result in substantial cost increases thereby eliminating the most economically viable means available to comply with California’s strict carbon dioxide limits, water restrictions, and renewable energy mandates.

The proposed tariffs and minimum prices would double the cost of imported solar cells and modules used in farming operations thus jeopardizing the financial viability of planned and future solar investments by citrus growers and packers. Historically, high costs have limited the adoption of on-farm photovoltaic (PV) solar systems that are connected to the grid. However, improved affordability due to technological advancements and expanding markets has led to a rapid growth in on-farm solar projects in recent years. To-date, farmers have invested $1.5 billion in solar and the annual agriculture solar market exceeds $250 million.

Agriculture is most prevalent in rural areas that have high energy costs or limited grid access. Solar adoption has been vital to keeping many family farms competitive in the world marketplace, fueling domestic economic growth and protecting rural jobs. Placing a tariff on solar cells and modules would create a massive setback in this progress that would undoubtedly have an impact to our local and state economies.

The agriculture community depends on the availability of secure, diverse, and affordable energy resources to power our facilities, machinery, and homes.
Farmers utilize electricity generated from renewable and alternative sources, including large-scale solar PV systems, to directly power irrigation systems, lighting systems, buildings and other critical farm equipment. An increasing number of citrus packing houses are investing in solar projects to offset energy demands for the washing and packing of fresh citrus fruit and citrus by-products that are shipped across the country and world.

The proposed tariff and price floor would halt our industry’s progress toward meeting the California Renewable Energy Standards and place our industry at a significant competitive disadvantage to foreign producers who are not subject to the high environmental and energy standards that domestic producers must meet.

For these reasons, we respectfully urge the Commission to carefully consider the negative and potential impacts that high tariffs and minimum prices on solar cells and modules would have on California citrus growers and the agricultural industry.

Sincerely,

Joel Nelsen, President