

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
Washington, D.C. 20510

The Honorable Charles E. Schumer
Minority Leader
U.S. Senate
Washington, D.C. 20510

Dear Speaker Pelosi, Minority Leader McCarthy, Majority Leader McConnell, and Minority Leader Schumer,

On behalf of our millions of members, supporters, and employees we thank you for your leadership over the past weeks in responding to the Coronavirus and COVID-19 health crisis and its economic repercussions, and we urge you to include support for clean energy industries in any economic stimulus measures. This unprecedented situation is having and will continue to have negative economic impacts on the emergent yet vulnerable clean energy industry and the more than [3 million people employed](#) in the U.S. by solar, wind, electric vehicles, energy storage, energy efficiency and related renewable businesses.¹ Inextricably linked to the success of this industry is also the progress our country has been making and we hope to continue to make towards lowering greenhouse gas emissions and addressing the other ongoing global public health crisis that affects all communities - climate change. That is why we urge you to outline government stimulus measures that support the clean energy and transportation sectors which employ millions of Americans and inject billions of dollars of investment into local U.S. economies, all while reducing carbon emissions.

Many sectors of the economy are beginning to reel from the damage to supply and demand caused by the coronavirus, including the clean energy and clean transportation sectors. To begin with, global supply chains critical to domestic activity have been experiencing disruptions for multiple weeks, and may continue to for the foreseeable future. These are having a significant impact on businesses' ability to fulfill orders and complete work on time. In some cases, those delays could lead to missing the "start construction" and "safe harbor" windows to qualify for incentives currently offered by the federal government, which also weakens support for the workforce needed to deploy clean energy. In other cases, industry could suffer from an inability to monetize tax credits due to a sharp downturn in the tax equity market. On the demand side, as Americans follow social distancing instructions, the economy contracts and consumer spending slows, demand for clean energy has already begun to nosedive. For example, in some markets, rooftop solar installations have seen a cancellation rate of 30 percent. And as with the entire auto industry, sales of zero emissions vehicles have begun to drop. Related, battery energy storage demand is slowing. Of course the full economic impacts

¹ E2 "*Clean Jobs America Report*"

<https://www.e2.org/wp-content/uploads/2019/03/E2-2019-Clean-Jobs-America.pdf>

of the COVID-19 pandemic remain to be seen, but we know that they will be dire for these industries which have in recent years just begun to compete with energy providers and industries whose fuels are the root cause of climate change.

Climate scientists tell us we are running out of time to avoid the worst -- and potentially irreversible -- impacts of climate change, which is beginning to devastate communities (particularly low-income communities) and our economy at an alarming scale. At a time when we need to be accelerating the deployment of clean energy and clean transportation to mitigate the effects of climate change, we must now concurrently face the impact of the coronavirus public health emergency with the same fervor as we do the other global public health and economic emergency - climate change. Progress in transitioning to clean energy will most certainly be lost without immediate government intervention, and it will take years to regain that footing. That is time that scientists tell us we do not have.

With clear economic and climate impacts at stake right now, we ask that in any forthcoming stimulus package you prioritize:

Assist Industry in Responding to the Immediate Economic Downturn

- Refundability/direct pay to facilitate the monetization of existing federal tax credits for clean energy and extension of direct pay to energy storage projects, given the unstable and shrinking tax equity market
- Changing the safe harbor placed-in-service deadlines from the current four years to six years, i.e. a two year extension
- Extend the Safe Harbor agreement outlined in IRS Notice 2018-59 to automatically accommodate all equipment delivered by the end of the years in 2020 and 2021 so long as the respective projects are placed in service by the end of the ITC phase-down period and equipment was ordered and paid for in the previous year
- Extend the “start construction” deadline by one-year to qualify for renewable energy tax credits at 2020 credit values

Modernize Clean Energy Tax Credits to Emerge From the Economic Downturn by Including:

- H.R. 2096/S. 1142, “The Energy Storage Tax Incentive and Deployment Act of 2019”
- H.R. 3961 and S. 2289, “The Renewable Energy Extension Act”
- H.R. 4887/S. 1988, “The Offshore Wind Power Act”, and S. 1957/H.R. 3473, “The Incentivizing Offshore Wind Power Act”
- H.R. 2256/S. 1094, “The Driving America Forward Act”
- Extend the Production Tax Credit (PTC) for wind as included in the House Ways and Means Committee’s GREEN Act proposal
- H.R. 4506/S. 2588, “Home Energy Savings Act”; H.R.4646/S. 2595, “New Home Energy Efficiency Act”
- H.R. 2704, “The Renewable Energy Transferability Act”

American jobs are at risk - and the severity of the climate crisis is not slowing down. Our efforts to protect our workers while pushing forward our collective efforts to combat climate change should not slow down either.

Sincerely,