

Testimony
Commissioner Lauren “Bubba” McDonald
Georgia Public Service Commission
Before the International Trade Commission
August 15, 2017

Introduction...

Thank you Madam Chairman, Mr. Vice Chairman, and Commissioners for permitting me to testify today.

As you might be able to tell from my accent and the fact that my nickname is BUBBA, I am from the South.

More specifically, I am from Georgia, where I have been blessed to have served in the state legislature for 20 years and on the Georgia Public Service Commission for over 13 years. Most important is that I owned and operated two successful businesses without any government subsidies.

I care deeply about Georgia electricity consumers and Georgia jobs. That is why, despite sharing my home state with the company that initiated this petition, I am here before you in opposition to the proposed Section 201 safeguard case regarding solar cell and module manufacturing in the United States. I have been asked to testify in this proceeding because of my unique role in promoting the development of solar energy in Georgia.

As a result of my efforts over the past ten years with support from my colleagues on the Georgia Public Service Commission, we have successfully added more than 1 gigawatt of solar energy to Georgia Power’s portfolio with an additional 1.6 gigawatts scheduled to come online by the end of 2021. This will provide clean, affordable solar energy to power 400,000 typical residential homes. This has been accomplished with no upward pressure on rates and no state subsidies.

The expansion of the solar market benefits the entire U.S. solar industry, including producers of cells/modules/panels and installers, as well as many downstream industries. In 2016, solar energy was the largest source of new electricity generation capacity, with approximately 40 percent of all such capacity.

But more importantly the growth in solar energy benefits electricity consumers. Those benefits are immediate and lasting, because solar energy provides clean, reliable, and renewable energy at low prices. These attractive prices help hold down rates in the near term, and are a hedge against the price volatility of traditional fuel sources for the next 20-30 years. There is no fuel cost with solar.

We can continue this progress without additional government intervention in the market. The sky is the limit, provided we don't take actions that harm the industry.

If the requested remedies are imposed, solar energy growth will draw to a standstill. That outcome would have a corresponding negative impact on jobs, economic development, property tax revenue, and investment in rural communities. It will also deprive consumers of the benefit of competitively priced solar projects.

On jobs and benefits of solar...

Thanks to the growth in solar deployment, particularly the explosive growth in the utility sector, we're seeing tens of thousands of new jobs. These jobs pay well. On the other hand the number of employees producing silicon solar cells in the United States is comparatively tiny – less than a thousand jobs.

Solar is important to Georgia's economy. There are 200 solar companies in Georgia that have worked to install 1,500 MW and counting, making Georgia the #8 solar state in the United States. There are over 4,000 Georgians employed in the solar workforce.

We have completed solar installations with at least 30MW each at five Georgia military bases with a sixth installation of 139 MW and 510,000 solar panels under contract at Robins Air Force Base at Warner Robins, Georgia. The Department of Defense mandates to have Renewables as part of the energy mix at military bases. A tariff on solar panels, in my opinion, would likely result in the termination of this project and the loss of \$2-3 billion in solar investment and jobs to our state.

On price and competition ...

Competitive forces and technology improvements have driven declines in the cost of solar projects. The economic case for solar has been demonstrated in my state of Georgia. We wouldn't be building solar if it increased costs to ratepayers. Solar energy prices are lower than ever, and consumers win because the savings directly affects their utility bills.

Solar is now competing with natural gas in many regions. Fuel from the sun is free, natural gas is a commodity. Each year solar technologies are becoming cheaper and more efficient, bringing greater benefits to Georgia's economy and ratepayers. Any tariffs imposed would distort the market, threatening tens of thousands of well-paying American jobs and harming the economic viability of Georgia's future solar projects.

Many solar manufacturing companies have risen to the challenge of competing and are not looking to the government for protection. Instead they are innovating and investing in research and development. The companies that filed the Sec. 201 petition represent a minority of the marketplace. They're here because their products are not economic and their business model is not competitive.

Thank you for your time. I am happy to respond to any questions after the hearing.