

BEFORE THE U.S. INTERNATIONAL TRADE COMMISSION

**Crystalline Silicon Photovoltaic Cells (Whether or Not Partially
or Fully Assembled into Other Products), Inv. No. TA-201-75**

REMEDY HEARING

October 3, 2017

TESTIMONY OF KEVIN M. SCHULTE

Chief Executive Officer, SunCommon

I am KEVIN SCHULTE, co-founder, owner, and Chief Executive Officer for SunCommon, based in Ontario, New York and Waterbury, Vermont. SunCommon is a Certified Benefit Corporation that specializes in solar development and the engineering, procurement, and construction (EPC) of residential, commercial, and community scale solar systems. We are the largest solar-sector employer in Western New York. SunCommon employs 133 full-time employees in New York and Vermont, and subcontracts additional 150 people a year. We launched our solar business in NY and our partners launched in VT in 2012. In NY we rapidly grew a commercial solar contractor business that has been recognized by Inc 5000 as one of the fastest growing companies in the country and by the Rochester Chamber of Commerce as the fastest growing business in Rochester.

I also am here as a member-owner and as a member of the Board of Directors for Amicus Solar Cooperative. Amicus is a Certified B Corporation and the first purchasing cooperative in the U.S. solar industry. One of our primary goals is to support the CSPV module procurement needs of our 43 member companies, who represent the best in the business of independent, mission-aligned, values-based solar photovoltaic project development and EPC firms. Amicus' Members have excellent reputations and have been in the solar industry for an average of 17 years. Our

Members currently employ over 1,800 solar PV professionals based in over 60 office locations across 28 states and Puerto Rico. In 2016, the members of our cooperative installed more than 200MW of CSPV and summed approximately \$350MM in revenue. The expectations before this proceeding began were to nearly double. However, the cooperative has seen many orders cancelled or delayed already as members have been challenged to find cost effective solutions for their customers.

As SunCommon has expanded so rapidly I think I have learned a thing or two about marketing and selling. Our growth and scale is driven by a consumer's ability to buy solar at or below the cost of purchasing electricity from the utility. For our customers for whom price is a not a primary driver of their decision (which is about 10% of our customer base), they choose us because we deliver them the industry's best warranty and the most efficient product.

From our perspective, neither of the petitioner's products provided us either of these opportunities. Both companies offered products to us at a premium pricing, but no product differentiation for warranty or efficiency.

I strongly oppose any import relief that would raise the cost of CSPV cells and modules. Trade restrictions will decimate the cost-effective delivery of new energy projects, employment growth, and economic development that we are bringing to the market. Import tariffs will severely disadvantage our industry's ability to meet the country's energy demands. I have already seen an increase in PV module prices from \$.10 - \$.25/Watt since the introduction of this case, as companies have been pre-emptively purchasing modules to cushion the devastating

impacts the Petitioners' proposed remedy would have on the industry. As a result, I have had more than 10 MW of projects delayed, creating a projected shortfall of more than \$15 Million in revenue for 2017. Solar has experienced significant success in the marketplace, as the cost of solar electricity has reached parity with conventional generation in our primary markets. Our residential and community solar options in New York and Vermont are driving modest 10-15% cost savings to our customers. This modest savings, coupled with effective financing, and the consumer choice to engage in a low carbon future without large sums of out-of-pocket cash, has driven consumer demand and confidence in our products.

With the imposition of the Petitioners' proposed trade restrictions, we expect devastating injury to our ability to deliver solar energy at parity with grid rates. And with a maximum legally allowable 50% ad valorem tariff, we would still lose half of our business. Please recommend a remedy that would not gut our business and the businesses of many similar, small players throughout the country. Thank you.

