



ENERGY SUPPLY CHAINS AND THE TRADE POLICY LANDSCAPE

-- PANEL INTRODUCTION --

American Council on Renewable Energy (ACORE) Policy Forum

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-- *PANEL INTRODUCTION* --

Good afternoon and thanks to ACORE for inviting me to moderate today's discussion.

Our instruction in this 60-minute segment is to “examine the evolving landscape of clean energy supply chains and trade policies.” We are to look at potential new U.S. trade restrictions, including tariffs, and consider how those might affect both deployment and domestic manufacturing of green energy-generating and energy-storing equipment.

Trade restrictions, of course, can be helpful or harmful to domestic producers ... helpful if they limit import competition for what a domestic producer makes, and harmful if they block access to necessary imported manufacturing inputs. To state the point more broadly, the positive things you get if you put a factory here in the United States include a skilled workforce, a good legal system, a good market to sell into, and access to some direct and indirect manufacturing incentives. On the negative side of the ledger is a well-documented “cost penalty” and the potential for problems accessing the things – solar cells and active anode materials are topical examples – that you have to import to feed your factory.

The issue isn't simply tariffs or no tariffs, but just as importantly, “tariffs on what?” Also, where the last administration was keen to meet benchmarks on both manufacturing and deployment of clean energy equipment, the current administration appears less concerned about deployment and about the speed of energy transition. This could – almost certainly will – lead to different tradeoffs.

Beyond trade policy, our panel will also address some key issues in industrial policy ... in particular the move to exclude, from access to the new manufacturing incentives now being delivered through the tax code, firms that are viewed as too strongly connected to China. The term you will hear in this regard is “FEOC,” a relatively new acronym that stands for “foreign entity of concern.” With any luck you may be able to leave this room understanding why not all factories employing U.S. workers, and manufacturing the eligible components specified in Section 45X of the Internal Revenue Code, are equally deserving of tax incentives.

To explore these issues, ACORE has assembled for you an outstanding panel. I'm sure full bios are available through the meeting app, so I will just give you a couple of highlights on each speaker:

- **Art Fletcher** comes to us from Invenergy, where he is Head of Domestic Content and of the Illuminate Business Unit. Illuminate is an exciting PV solar manufacturing joint venture of Invenergy and Longi. Art's post has him taking a long-term view on manufacturing and related supply strategies. He is also a professional engineer with more than 36 years of experience leading engineering, project management, and sourcing teams on heavy civil and power projects.
- **Catrina Rorke** hails from the Climate Leadership Council, where she is Executive Director at the Center for Climate and Trade as well as Senior Vice President for policy and research. Her Center is an innovative policy shop that promotes "effective, fair, and lasting solutions that lower global carbon emissions." Katrina is an alum of the R Street Institute and the American Action Forum, where she founded energy and environment programs, and of Capitol Hill where she helped develop the first Republican-sponsored carbon tax bill.
- **The Honourable Lisa Raitt** comes to us from the Capital Markets unit of Canadian Imperial Bank of Commerce, where she is Vice Chair - Global Investment Banking and focuses on the energy, infrastructure and industrial sectors. That has been her perch since 2020, but she also has a substantial background in public service and elected office including stints as Minister of Natural Resources, Minister of Labour, and Minister of Transport in Canada.
- And then there is my good friend **MJ Shiao**, from the American Clean Power Association where he is Vice President - Supply Chain and Manufacturing. MJ's work focuses squarely on the health of domestic clean energy manufacturing and the smooth operation of the related supply chains. He has an almost uniquely deep understanding of the policy supports for domestic manufacturing and the associated political dynamics. MJ's work in the clean energy sector actually goes back a couple of decades, including a stint leading North America business development and market strategy for Longi.

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I can't wait to hear what they have to say. Let's turn them loose.