

March 23, 2020

Those Honorable Members of Congress  
Representing the States of Connecticut, Maine,  
Massachusetts, New Hampshire, New York,  
Rhode Island and Vermont

**Re: COVID-19 and the Northeast Clean Energy Industry**

Dear Members of the New England and New York Congressional Delegation,

The Northeast Clean Energy Council (“NECEC”) appreciates the opportunity to submit this letter to support rapid relief for clean energy industry workers who are at imminent risk of losing their jobs and clean energy businesses in danger of closing down as a result of the COVID-19 crisis. Congress can provide immediate and near-term relief for clean energy companies, thereby protecting their workers, by taking several actions outlined below. As the nation responds to this crisis, it is important that we not only protect our clean energy industry and its employees, but that we also acknowledge that our regional and national transition to a clean energy future must continue.

The global health and economic impacts of the coronavirus have been—and will continue to be—detrimental for many people. Fortunately, strong leadership from public officials has helped increase public health and safety, and provide widespread public education, while delivering essential government functions. As the crisis deepens, continued leadership will be critical to managing the challenges that lie ahead, including the economic impacts that result from the necessary disruptions of business activities.

NECEC is a clean energy business, policy, and innovation organization whose mission is to create a world-class clean energy hub in the Northeast, delivering global impact with economic, energy and environmental solutions. NECEC is the only organization in the Northeast that covers all of the clean energy market segments, representing the business perspectives of investors and clean energy companies across every stage of development. NECEC members span the broad spectrum of the clean energy industry, including clean transportation, energy efficiency, wind, solar, energy storage, microgrids, fuel cells, and advanced and “smart” technologies.

As the country continues to rock from the impacts of COVID-19, what we do know is our clean energy economy will be a critical component of putting a range of workers from engineers to union workers to work to build a modern electric infrastructure. The work to transitioning to a clean energy future has always been an environmental, economic, and national security issue. This pandemic has reinforced the need for self-sufficiency and in no industry is this truer than clean energy. It will be a vital component of reviving our economy to ensure that we are less dependent on fossil fuels, particularly those imported from other nations. Taking the proposed measures outlined below will lay the appropriate groundwork for clean energy

businesses to sustain themselves during the pandemic and be prepared to return to work at full capacity as soon as it is safe to do so.

First and foremost, the Northeast's clean energy industry is prioritizing workers' health and the health of their families and communities. Due to the ongoing crisis, commercial activity has dropped precipitously and unexpectedly, financing options are rapidly disappearing, and local governments are shutting down, thereby impacting necessary permitting and inspection services. It is therefore essential that Congress take action to ensure that, when the crisis has eased, workers are able to return to their jobs and that employers remain able to pay for sick and family leave and health care benefits.

Much of the industry is comprised of small businesses, and we are hearing directly from our members that COVID-19 is disrupting their ability to continue selling and installing clean energy systems. We recognize that the entire country is sharing the impacts of the coronavirus public health and economic crisis. We fear that, without quick action by Congress to provide relief, years of work spent building a clean energy workforce to respond to the longer-term climate crisis will be undermined. It is imperative that clean energy workers and businesses emerge from the crisis ready to continue building a clean energy future. Not only is the industry able to support hundreds of thousands of jobs, clean energy can help residents save money on their energy bills and alleviate energy cost burdens.

#### Allow Developers Access to Financial Advances in Lieu of Investment Tax Credits

To alleviate the impacts of the Great Recession in 2008, Congress passed the American Recovery and Reinvestment Tax Act, which included a provision, Section 1603, that offered clean energy developers cash payments in lieu of investment tax credits. This provision recognized that the tax appetite for investors had largely evaporated and, therefore, allowed for developers to monetize the credits, continuing the employment of thousands of workers, leading to the development of over 100,000 projects, and more than 34 gigawatts of new clean capacity. Congress should again implement this provision again to protect industry employment and generate new, clean energy for our region's residents.

#### Restore the Investment Tax Credit to 30% and Delay the Phase-Down

The clean energy industry has experienced rapid growth since the Investment Tax Credit was implemented in 2006. These credits, combined with strong state incentive programs, allowed for the rapid innovation, price reduction, and strong adoption of clean energy in recent years, reducing emissions, providing cost savings, and putting thousands to work. However, 2020 represents the first in a series of planned step-downs. Through 2019, the ITC was set at 30%. In 2020, it drops to 26%, then to 22%, and finally to 10% for commercial and utility scale projects and 0% for residential projects in 2022. Even in the best of times, this phase-down would put a strain on the industry. With the ongoing crisis, projects will need additional assistance to deliver clean energy to residents and business. Further, because extension of the ITC is simply an extension of existing policy, there would be no new costs for the federal government. The ITC is proven to be effective and should be extended to ensure that the clean energy industry is able to continue to deliver clean energy to residents and businesses during, and beyond, the COVID-19 crisis.

## Provide Federal Funding to Support Clean Energy Businesses and their Workers

The power of the federal government to support small businesses and its workforce in challenging economic times is critical to maintaining the viability of this important sector. Clean energy businesses, most of which are small businesses, are no different. Emergency funding can and should be used to help businesses weather a time when some activities have necessarily been reduced by understandable state efforts to slow the spread of the coronavirus. Appropriate uses of federal funding could be financing to allow businesses to manage cash, retain staff and stay afloat; in addition, creative opportunities to provide technical training for workers prohibited from working (e.g., certain solar installers, building specialists, electricians, etc.) so that they are able to resume work with added skills and capabilities.

### Conclusion

The Northeast's clean energy businesses stand ready to work hard to emerge from the coronavirus public health and economic crisis and continue building our clean energy economy. We respectfully call on you as our elected leaders to recognize the urgent need for relief and ask for you to support extending the ITC, making it direct pay or refundable, and to provide additional funding and economic stimulus measures available to ensure that it effective stimulus measures are in place to recover from this unfortunate situation.

On behalf of the Northeast's clean energy businesses and our workers, we thank you for considering our request and for recognizing that federal assistance is necessary to ensure solar and energy storage companies are able to resume making progress when we emerge from the current crisis.

If you have any questions, please contact either one of us at [prothstein@necec.org](mailto:prothstein@necec.org) or [jmcdiarmid@necec.org](mailto:jmcdiarmid@necec.org).

Sincerely,



Peter Rothstein  
President



Jeremy McDiarmid  
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