



### **Quick Takeaways**

- President Biden announced that he would use the Defense Production Act to support domestic manufacturing for specific clean energy technologies.
- President Biden also announced a 2-year suspension of new tariffs on solar imports that may come from the Commerce Department's anticircumvention investigation.

### **White House Acts on Domestic Clean Energy Manufacturing**

Today, the White House [announced](#) three executive actions to boost domestic manufacturing of clean energy technologies, with special attention on solar energy. Together, these actions are a major relief following the initiation of the Commerce Department's circumvention investigation earlier this year, which led to over 300 solar projects being canceled or delayed.

*First*, President Biden invoked the Defense Production Act (DPA) to ramp up the domestic production of the following technologies:

- Solar panel parts like photovoltaic modules and module components
- Building insulation
- Heat pumps
- Equipment for making and using clean electricity-generated fuels, including electrolyzers, fuel cells, and related platinum group metals
- Critical power grid infrastructure like transformers

The administration hasn't specified which of the many authorities available under the DPA they plan to use, only saying that they'll encourage strong labor standards and environmental justice outcomes, and that the White House and DOE will bring industry, labor, EJ, and other stakeholders together to "maximize the impact of the DPA tools."

*Second*, the White House announced that the federal government would use Master Supply Agreements and "Super Preferences" for domestically manufactured solar systems to speed up federal procurement and incentivize a stronger domestic solar sector. Federal procurement alone could stimulate 10 gigawatts of domestic solar manufacturing in the next decade, and the White House plans to work with state and local governments and municipal utilities to expand the market potential to over 100 gigawatts. The Solar Energy Industries Association has laid out similarly [aggressive domestic manufacturing targets](#) if adequate federal support is provided, such as a manufacturing production tax credit for solar equipment.

*Third*, The White House declared an [energy supply emergency](#) and declared that all solar imports from Cambodia, Malaysia, Thailand, and Vietnam purchased in the next 2 years will not be subject to retroactive or prospective tariffs that may come out of the Commerce Department circumvention investigation. This should give the solar industry the stability it needs to resume projects while giving time for domestic solar manufacturing to rapidly scale up.

### **Conclusion**

The solar industry had been under significant strain as a result of the Commerce Department's investigation, hemorrhaging jobs and over 50 GW of projects, and has therefore pressured the administration for relief. The industry strongly praised today's announcement, including Abigail Ross Hopper, CEO of SEIA, who [applauded](#) "President Biden's thoughtful approach to addressing the current crisis of the paralyzed solar supply chain." Other clean energy technologies covered by the DPA announcement should look forward to the administration detailing how they plan to use the authorities to support their production as well.

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