

November 5, 2009

The Honorable Dr. Steven Chu
Secretary of Energy
1000 Independence Avenue, SW
Washington, DC 20585

Dear Secretary Chu,

I write to express serious concern about reports that Recovery Act funds could be used to finance a utility-scale wind power farm built with Chinese components.

Press reports indicate that Chinese manufacturer A-Power, based in Shenyang, has teamed up with a Texas company and a U.S. private equity firm to develop a wind farm across 36,000 acres in Texas. The wind power project would require 240 2.5 megawatt wind turbines, all of which would be manufactured in China, and will cost \$1.5 billion. News reports further indicate that the project will seek to secure 30 percent – \$450 million – of its financing from funds authorized by the American Recovery and Reinvestment Act. The idea that stimulus funds would be used to create jobs overseas is quite troubling and, therefore, I urge you to reject any request for stimulus money unless the high-value components, including the wind turbines, are manufactured in the United States.

A critical Recovery Act priority is investment in the *domestic* renewable energy industry, not investment in foreign manufacturers. Yet a recent report by Russ Choma at the Investigative Reporting Workshop highlights the shocking fact that 84 percent of the \$1.05 billion in clean-energy grants distributed by the U.S. government since September 1st have gone to *foreign* wind companies. Of the 11 wind farm projects that have received grants to date, 695 of the 982 wind turbines installed were built by foreign manufacturers. Our U.S. wind industry, including companies located in my state, is fully capable of providing these and other high-value components, and U.S. wind farms financed with stimulus money should be buying American-built turbines and parts.

Mr. Secretary, in recent congressional testimony before the Senate Committee on Environment and Public Works, you lamented the fact that the United States has fallen behind China in renewable clean energy investment. In fact, China has been shielding and subsidizing its clean energy sector for years. Trade barriers keep out U.S. investments and products and government subsidies give Chinese manufacturers an unfair advantage in the global marketplace. Why then would the U.S. government ever agree to use stimulus funds to bolster China's renewable energy sector?

The purpose of the Recovery Act was to jump-start the economy to create and save jobs – American jobs. Yet, the Texas wind farm project would create an estimated 2,000-3,000 clean energy manufacturing jobs – *in China*. American taxpayer dollars should not be

used to finance those Chinese jobs. I respectfully urge you to deny Recovery Act funding to this project unless the majority of components are manufactured in the United States.

Thank you for your time and attention to this important issue.

Sincerely,

Charles E. Schumer
United States Senate