

Tariffs Put U.S. Jobs and Investment at Risk

Tariffs Will Put Thousands of American Jobs and Billions of Dollars of U.S. Investment At Risk



Background

Recent tariffs levied by the Trump Administration will have a harmful effect on the U.S. wind industry. So far, two lists of tariffs on products imported from China (USTR Section 301) and separate tariffs on steel and aluminum (USTR Section 232) have been finalized and are in effect. A third list of Section 301 tariffs on Chinese goods has been proposed which AWEA estimates could increase the cost of wind energy by up to five percent, putting up to 24 percent of future wind development and tens of billions of dollars of investment in the U.S. at risk. This impact does not include the cost increases to wind energy related to the already implemented tariffs from lists one and two of the Section 301 tariffs, as well as those on steel and aluminum Section 232 tariffs.

Problem

While AWEA appreciates the administration's actions to target unfair trade practices and increase American competitiveness, the proposed high and sweeping tariffs on products and component parts utilized in wind energy development will substantially increase the cost of doing business for U.S. wind energy developers. This will hurt U.S. manufacturers, make energy less affordable for the millions of Americans that rely on wind power to provide affordable energy, and hamper the achievement of the administration's goals of U.S. economic development, energy dominance, infrastructure improvements, job creation, and support for rural communities.

The potential increase in the cost of wind energy and, in turn, the potential reduction of future wind deployment, if certain wind industry-essential products are not removed from the final list three, will:

1. Eliminate up to 21,000 American jobs, mostly in rural America where these jobs are desperately needed;
2. Put thousands of domestic manufacturing jobs at risk as the wind industry reduces U.S. manufacturing of wind components in states like Colorado, Texas, and Ohio; and
3. Devastate already struggling farming and ranching families in states like Kansas, Oklahoma, North Dakota, and South Dakota, who count on turbine land-lease payments as a drought-resistant cash crop.

Request

For these reasons, AWEA is requesting that certain wind-energy related products listed below not be included on the final list 3 of tariff increases.

- 84129090: Blades/Hubs, Associated Parts
- 84834050: Shafts/Gears
- 84831050: Other transmission shafts and cranks
- 84839050: Parts of gearing, gear boxes and other speed changers