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OFFICE OF THE SECRETARY U.S. INTL TRADE COMMISSION

The Honorable Irving A. Williamson
Chairman
U.S. International Trade Commission
500 E Street, S.W.
Washington, DC 20436

Dear Chairman Williamson,

I am writing to request that the U.S. International Trade Commission (Commission) conduct two investigations under section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)) regarding trade and market trends in the environmental services and renewable energy services sectors.

Since the publication of the Commission's investigations on environmental and renewable energy services in 2004 and 2005, the U.S. and global markets for such services have undergone significant change. In recent years, overall demand in the environmental services market has continued to rise due to new regulations, population and industry growth, and aging infrastructure. However, factors such as new technologies, tightening government budgets, and growing interest in environmental sustainability have altered the means through which such services are supplied. In the renewable energy services sector, technological improvements and decreasing prices have led to rapid growth in demand, particularly in the industry's wind and solar power segments. At the same time, changes in government incentive programs have created uncertainty regarding the future of the renewable energy market.

To assist us in better understanding recent developments in the environmental services and renewable energy services sectors, I request that the Commission conduct two investigations and prepare reports, as described below. I understand that the Commission will shape its approach to these investigations by the extent to which it can develop appropriate analytical frameworks and collect the requisite data.

Investigation 1: Based on available information, I request that the Commission provide a first report on environmental and related services that, to the extent practicable:

- Estimates the size of the U.S. and global markets for certain environmental and related services—including water and wastewater services, solid and hazardous waste services, and remediation services—identifies top suppliers and key country markets for such services, investigates factors affecting supply and demand in these market segments, and highlights market developments that have occurred within the last five years;
- Estimates the value of trade and investment in the subject environmental services segments, identifies key export and import markets for such services, and discusses recent trends in environmental services trade and investment; and
- Identifies barriers to trade and investment in the subject environmental services segments, discusses recent efforts to liberalize trade and investment in environmental services, and investigates the potential impact of further liberalization in environmental services.

I request that this report be delivered eight months from the date of receipt of this letter.

Investigation 2: Based on available information, I request that the Commission provide a second report on renewable energy and related services that, to the extent practicable:

- Defines types of renewable energy and related services, identifies leading suppliers, and generally describes the relationship of renewable energy services to the development of renewable energy projects worldwide;
- Estimates the size of the U.S. and global markets for certain renewable energy services, identifies key export and import markets for such services, and describes factors affecting supply and demand;
- Examines U.S. and global renewable energy services trade during 2007-11, and highlights recent trends in investment in renewable energy projects and firms, including new business strategies or practices;
- Identifies barriers to U.S. trade and investment in renewable energy services, and examines recent efforts to liberalize trade in leading markets for such services; and
- Examines the role of clean energy incentive programs in encouraging investment in and creating markets for renewable energy goods and services.

The report should focus on services incidental to the development, generation, and distribution of renewable energy, with particular emphasis on wind energy (onshore and offshore) and solar energy, and other technologies that the Commission's research shows to be of significance. Such services include scientific and technical consulting, services incidental to energy distribution, professional services, construction and engineering services, management consulting and related services, and maintenance and repair of equipment, among others.

I request that the second report be delivered eleven months from the date of receipt of this letter.

As we intend to make the Commission's reports available to the public, these reports should not include confidential business or national security classified information.

I appreciate the Commission's continued assistance and cooperation on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Ron Kirk". The signature is written in a cursive, somewhat stylized font.

Ambassador Ron Kirk