

Renewable energy

Renewables chief says Joe Biden's China tariffs risk slowing green transition

NextEra's Rebecca Kujawa warns clean energy duties are raising costs for US consumers



Wind turbines at NextEra's San Geronio Pass wind farm in Whitewater, California. The White House has set a target of 80% renewable energy generation by the end of the decade and 100% by 2035 © Bing Guan/Bloomberg

Amanda Chu in New York JUNE 15 2024

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The largest US renewables developer has warned President Joe Biden not to impose more trade tariffs on Chinese clean energy technologies, saying it risks slowing the green transition.

Rebecca Kujawa, chief executive of [NextEra Energy Resources](#), told the Financial Times that tariffs were raising costs for consumers and making it “more difficult” to accomplish the country’s clean energy goals.

“It adds to the level of uncertainty,” said Kujawa.

“Any uncertainties in the development process can definitely create higher costs for customers and make it more difficult to get some of the clean energy goals that the Biden administration has over the finish line.”

The statement from NextEra adds to a chorus of complaints from industry groups and developers, warning new duties will slow and increase the cost of decarbonisation.

Last month, the Biden administration [introduced a round of tariffs](#) on Chinese clean technologies to protect the nascent US industry after warnings that cheap imports have made it difficult for manufacturers to operate, even with subsidies from the landmark Inflation Reduction Act.

On June 7, the US International Trade Commission voted unanimously to continue investigating a petition filed by a group of solar manufacturers, including First Solar and Qcells, calling for anti-dumping duties on Chinese solar cell producers in south-east Asia, where the US sources the bulk of its panels.

“Trade relief is vital to the burgeoning growth in the industry. Without it, subject imports will take over the US market,” said Laura El-Sabaawi, a partner at Wiley Rein representing the petitioners at an ITC hearing in May.

The potential new tariffs have [sharply divided the industry](#) between large domestic manufacturers, who argue they are necessary to compete with cheap imports from Asia, and operators, who warn tariffs will raise the prices of renewables due to the limited domestic supply.

“If solar is deemed to be a product that has a very uncertain cost, it’s hard for customers to make commitments to utilise that technology,” said Jim Murphy, chief executive of Invenegy, a US renewables developer that produces panels with Chinese manufacturer Longi in Ohio.

“We don’t have domestic manufacturing here, so why should we be tariffing the imports?”

The tariffs underscore the difficult balancing act facing the Biden administration as it vies to green the world’s largest economy while building out a supply chain for clean technologies, the bulk of which are produced in China.

“There is a natural tension between China policy and climate policy at this point in the US,” said Herbert Crowther, an analyst at Eurasia Group, adding that tariffs would result in “slower, short-term deployment” until a domestic industry was developed.

“In the US political context, ultimately, China policy sells much more than climate policy.”

Expectations of soaring power demand from data centres for artificial intelligence and manufacturing have added pressure on the US grid to decarbonise. The US installed

5.6GW of new solar, wind and battery systems in the first quarter of 2024, up 28 per cent from the same period last year, according to the American Clean Power Association.

The White House has set a target of 80 per cent renewable energy generation by the end of the decade and 100 per cent by 2035, compared with just over 20 per cent last year.

Kujawa also warned lawmakers against the politicisation of clean energy, highlighting its role in economic development. Headquartered in Juno Beach, Florida, NextEra has transformed into a renewables behemoth over the past decade in a Republican-governed state that has [rallied against prioritising climate change mitigation](#). Earlier this week, NextEra announced it would double its existing renewables capacity by 2027, deploying 37GW-47GW.

“Renewables have spurred economic development in local communities,” said Kujawa. “If we don’t feed into the politicisation, the reality of the real economic development, the real value to customers is able to shine through.”

Climate Capital



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