

**TESTIMONY BEFORE THE
HOUSE SELECT COMMITTEE ON ENERGY INDEPENDENCE
AND GLOBAL WARMING**

September 24, 2009

Washington, DC

**Dr. Stephanie A. Burns
Chairman, President and Chief Executive Officer
Dow Corning Corporation**

Good afternoon, and thank you Chairman Markey and Representative Sensenbrenner for extending an invitation to join you this afternoon; it is indeed an honor and my pleasure to be here.

As you know, America is at the dawn of a new energy era – a transformation that will provide us with more clean energy-producing options like solar, wind and other renewable energy sources. Dow Corning is one of the world’s leading producers of polycrystalline silicon, which powers the solar industry, I know firsthand that America’s energy transformation is inexorably linked to our nation’s economic and manufacturing future.

Such a transformation will require that we forge a new path forward through federal leadership; the investment and innovation of private industry; and integrated policy prescriptions that address each step in the renewable energy value chain from education and workforce development, to raw material and end-product manufacturing, to deployment and market readiness. With forward-thinking leadership and management, this transformation could bring with it whole new industries, hundreds of thousands of new jobs, a sustainable

source of economic growth, and a reduced carbon footprint that is good for our country and for our global environment.

Other nations have enacted aggressive policies to support the growth of the renewable energy industry. For example, China, India and Germany offer large subsidies for solar manufacturing facilities. As a result, U.S. global market share of solar manufacturing has dropped from 45 percent to only 7 percent in only 12 years. It is time for America to enact policies that will keep the solar industry here at home.

With that in mind, let me thank you for including the Alternative Energy Investment Credit in the American Recovery and Reinvestment Act. This credit is a significant first step towards establishing new clean-technology manufacturing jobs here in the U.S. by encouraging companies such as Dow Corning to manufacture solar and other renewable energy-related materials in America, with the potential to create more than 315,000 jobs in construction, engineering, science, skilled trades and many others. I hope that this credit can be made permanent in any Energy Bill now under development, or in any tax extenders package, as it will propel America into an era of sustained, renewable energy use, and help put Americans back to work.

Dow Corning is already leading by example. We are one of the only companies in the world that is able to provide advanced silicon-based solutions throughout the entire solar energy value chain – from solar cell and panel manufacturing, to module assemblies, right on through to panel installations. And we are making significant progress. Earlier this month, we announced the commercial availability of a breakthrough solar cell encapsulation technology that improves performance of solar panels and effectively lowers the cost per kilowatt-hour of solar power – making solar power less expensive to both produce and use.

In the past four years we've announced more than \$4.5 billion in investments in solar technology, including last December's announcement of more than \$2.2 billion to increase polysilicon production – creating 1,800 construction jobs and more than 1,000 permanent new jobs in the months to come. And we have begun construction on a new manufacturing facility for use in thin film solar production which will produce even more solar-related jobs and help attract other supply chain investments to the U.S.

That's a start. But in order to truly implement the transformation which is before us, Dow Corning proposes a four-point plan to address the technical, legislative, regulatory, manufacturing and workforce related factors that influence America's ability to develop a thriving, domestic, renewable – and solar – energy industry.

First, we encourage Congress and the Obama Administration to enact new federal policies and regulations that will encourage the rapid growth of a viable renewable energy industry and consumer adoption of renewable energy technologies – through federal tax incentives to spur domestic manufacturing, a robust federal Renewable Electricity Standard, and federal interconnection and net metering standards.

Second, we advocate increased federal funding for research and development to accelerate solar technology innovation and advance solar manufacturing capabilities.

Third, we support the need to develop a green collar workforce, by supporting training programs – like the programs Dow Corning is already co-sponsoring with Delta College in

Michigan and Austin Peay State University in Tennessee – as well as training partnerships with non-profit organizations, and Centers of Excellence at academic institutions nationwide.

Fourth, we need the federal government to “lead by example” in the implementation of clean technologies, through procurement of onsite generation, building retrofits for energy efficiency, and new, green building standards.

Finally, but certainly no less important, Congress must ensure that new policies to reduce greenhouse gas emissions, such as a carbon tax or cap-and-trade system, do not inadvertently discourage growth in the manufacturing and production of renewable energy sources.

In closing, as I said earlier, America is at the dawn of a new energy era. My company is doing its part to encourage a climate of collaboration, creativity and commitment to greater energy security. This is more than just “smart business” for Dow Corning. As a global company, we know it is fundamental to protecting our nation’s competitiveness in the decades to come. Our nation, our economy, our customers, our employees, and our citizens in the communities we serve deserve nothing less than our best effort. We look forward to working with each of you as we move to a low carbon future, greater energy independence and a new economy for America, based, in part, on harnessing renewable energy resources. Thank you.