UNITED STATES INTERNATIONAL TRADE COMMISSION WASHINGTON, DC

In the Matter of

CERTAIN WIND AND SOLAR-POWERED LIGHT POSTS AND STREET LAMPS

Inv. No. 337-TA-2748

PROPOSED RESPONDENTS' COMMENTS ON PUBLIC INTEREST

On August 12, 2010, the Commission published its Notice soliciting comments on whether public interest issues are raised by the Complaint filed on August 6, 2010 by Duggal Dimensions LLC, Duggal Energy Solutions, LLC and Duggal Visual Solutions, Inc. ("Complainants") concerning *Certain Wind and Solar-Powered Light Posts and Street Lamps. See* 75 Fed. Reg. 48,991. Proposed Respondents Gus Power Incorporated, EfstonScience, Inc., King Luminaire, Inc. and The StressCrete Group submit the following comments in response to the Commission's Notice respectfully suggesting that the Commission should direct the Administrative Law Judge to take evidence and permit discovery on the issue of public interest for purposes of an initial determination on violation, as contemplated by Commission Rule 210.50(b)(1). As demonstrated below, the Complaint raises issues regarding each of the public interest topics identified by the Commission as being of particular interest.

1. Uses for the Articles Potentially Subject to the Orders

The Proposed Respondents' "Gemini Grid-Free Wind and Solar Powered Hybrid LED Streetlights" ("Hybrid Streetlights") are used as an environmentally sound alternative to conventional street lighting systems. Street and area lights serve the purpose of illuminating roadways, highways, and tunnels to improve visibility for drivers at night, as well as outdoor sites such as parking lots and garages, outdoor landscapes, pedestrian walkways, and municipal and downtown common outdoor spaces. The demand for wind and solar power is increasing. This includes demand for innovative, energy efficient public lighting systems. The Proposed Respondents' Hybrid Streetlight satisfy this demand with a streetlight that uses a vertical axis wind turbine in combination with solar photovoltaic panels on an articulating frame mount that can be positioned to optimize exposure to the sun. The Proposed Respondents' products also use a high-efficiency LED fixture that is as bright and intense as a traditional sodium vapor bulb but consumes a fraction of the power.

2. Public Health, Safety, and Welfare Concerns in the United States

The Complaint raises significant public health, safety, and welfare concerns. Increasing energy efficiency is a national priority of the U.S. Government.¹ The U.S. Department of Energy ("DOE") in a recent report put it best: "Energy efficiency is the cheapest, cleanest, fastest energy source to deploy and the most cost-effective way to reduce greenhouse gas emissions

...[r]educing electricity demand can also postpone the need to invest in new generation capacity, a cost that is ultimately passed on to rate payers."² U.S. demand for alternative energy, including wind and solar generated electricity, is increasing dramatically, as carbon-based fuel costs rise. Conservation through innovative technology displaces carbon-based fuels. Moreover, preparation for new regulatory requirements for lower-carbon emissions is proceeding. Just as the demand for alternative energy to heat and cool homes and businesses and to operate cars and mass transit is growing, so too is demand for more efficient street and area lighting systems. As the Complaint correctly states: "Wind and solar-powered light posts are desirable because they

¹ The White House website states that: "For decades it has been clear that the way Americans produce and consume energy is not sustainable. Our addiction to foreign oil and fossil fuels puts our economy, our national security and our environment at risk." <u>http://www.whitehouse.gov/issues/energy-and-environment</u> (Aug. 18, 2010). The Department of Energy website states that: "The Department of Energy is committed to reducing America's dependence on foreign oil and developing energy efficient technologies for buildings, homes, transportation, power systems and industry." <u>http://www.energy.gov/energyefficiency/index.htm</u> (Aug. 18, 2010). Finally, the Congress, in the American Recovery and Reinvestment Act of 2009, appropriated a total of \$12 billion for energy efficiency.

² American Recovery and Reinvestment Act Program Plan, Office of Energy Efficiency and Renewable Energy, Department of Energy, June 15, 2010 (available at http://www.energy.gov/recovery/documents/EERE.pdf).

reduce demand for conventional energy and, correspondingly, pollution associated with generating conventional energy." Complaint, ¶ 5. Switching to more energy-efficient lighting sources greatly enhances the public welfare. According to a DOE report in 2008, entirely shifting to LED street and area lights alone would generate potential primary energy savings equivalent to seven large (1000 MW) electric power plants or the annual electricity consumption of 3.7 million households. *See www.management.energy.gov/documents/*. On the local level, the City of Pittsburgh estimated that replacing 40,000 of its conventional street lights with LEDs or some other high-efficiency system would save upwards of \$1.4 million a year in energy and maintenance costs. *See* Pittsburgh Post-Gazette, "City Council debates options for energy-saving street lights," Feb. 10, 2009 (http://www.post-gazette.com/pg/09041/948036-53.stm).

The Proposed Respondents' Hybrid Streetlights use highly efficient LED bulbs that (1) consume 30 percent less power at two thirds the power consumption of traditional sodium vapor lights, and (2) rely on a stand-alone, off-grid system that produces electricity entirely from the wind and sun. *See* Complaint, Ex. 8. As such, the Proposed Respondents' Hybrid Streetlights have a zero carbon footprint after installation and save hundreds of dollars in electricity costs annually per pole compared to grid-tied traditional streetlights. The Village of Downers Grove near Chicago recently installed Proposed Respondents' Hybrid Streetlights and estimated that over a period of 30 years, the 25 installed Hybrid Streetlights will save over 500,000 kilowatts of electricity and reduce CO2 emissions by almost 359 tons when compared with a conventional street lighting system. Complaint, Ex. 9.

Being able to generate, store, and utilize both wind and solar power conveniently and efficiently at the source in a stand-alone street lighting system is highly beneficial to the public interest. Particularly in today's world, when the need for this type of innovation is becoming

3

ever more urgent, the Commission should ensure that if an investigation is instituted, the administrative record is complete for purposes of assessing the negative effect of any potential orders on the public interest.

3. Availability of Like and Directly Competitive Articles in the United States

To the Proposed Respondents' knowledge, there are very few articles like or directly competitive with their Hybrid Streetlights that are produced or otherwise available in the United States. Hybrid Streetlights do not compete directly with conventional street lights, even those using more environmentally sound light sources. It is also important that these products be of very high quality, to withstand heavy winds and other environmental conditions. A poorly constructed product raises significant safety concerns. Moreover, as discussed below, the Proposed Respondents question Complainants' capability to manufacture like products in the United States. These are all issues that should be developed through discovery. *See Variable Speed Wind Turbines and Components Thereof*, Inv. No. 337-TA-376, 1996 ITC LEXIS 353, at *56 (Sep. 23, 1996) (the first case that "addressed the kind of environmental public interest concerns raised" by this Complaint).

4. <u>Complainants' Supply Capacity</u>

The Complaint itself suggests that Complainants lack the capacity to satisfy the potential market in the event the Commission issues exclusion and cease and desist orders. As Complainants concede, they previously used components supplied by Proposed Respondents in prototypes of Complainants' LUMI-SOLAIR Light Post. Complaint, Ex. 3, ¶ 11 (affidavit of Baldev Duggal). Notably, Complainants acknowledge that, to date, these are the only products they have produced or distributed. *Id.*, ¶ 43. The Complaint claims vaguely that since those relationships with the Potential Respondents terminated in mid-2009, Complainants "have engaged entities in the United States to manufacture components of the LUMI-SOLAIR Light

Post." *Id.*, Ex. 3, ¶ 12. According to Complainants, however, their solar panels are manufactured by Sanyo, a Japanese-based company, "and purchased through" other companies in New York and Massachusetts. *Id.*, ¶ 14. Complainants also admit that they currently lack any manufacturers to produce poles, controllers, and generators for their products. *Id.*, ¶¶ 16-18. According to the Complaint, Complainants employ some number of people "in production related to the LUMI-SOLAIR Light Post," but "work with an outside company called FMS . . . for additional production needs." *Id.*, ¶ 21. Indeed, it is unclear precisely what, if anything, Complainants actually do or *even can do* to manufacture their products.

In sum, the Proposed Respondents' Hybrid Streetlights satisfy an increasing demand that Complainants appear incapable of meeting. In Proposed Respondents' view, excluding importation of their unique product would greatly harm the public interest by limiting access to an important source of energy efficiency technology – a result directly contrary to the public interest as identified by the U.S. Government. If an investigation is instituted, the Commission should permit development of the evidentiary record to ensure that these public interest issues are properly addressed.

Respectfully submitted,

Gary M. Hnath Jeffery C. Lowe MAYER BROWN LLP 1999 K Street, NW Washington, DC 20006-1101 Telephone: (202) 263-3000

On behalf of Proposed Respondents Gus Power Incorporated, EfstonScience, Inc., King Luminaire, Inc. and The StressCrete Group

CERTIFICATE OF SERVICE

I, Robin L. Algood, hereby certify that on this the 19th day of August 2010, copies of the foregoing PROPOSED RESPONDENTS' COMMENTS ON PUBLIC INTEREST were served on the parties as indicated below:

The Honorable Marilyn R. Abbott Secretary to the Commission U.S. INTERNATIONAL TRADE COMMISSION 500 E Street, SW, Room 112 Washington, DC 20436	Via EDIS
Ms. Lynn I. Levine Director, OUII U.S. INTERNATIONAL TRADE COMMISSION 500 E Street, SW, Room 401 Washington, DC 20436	Via Hand Delivery
L. Donald Prutzman Amy S. Beard TANNENBAUM HELPERN SYRACUSE & HIRSCHTRITT, LLP 900 Third Avenue New York, NY 10022	Via Overnight Courier

Algood

Robin L. Algood