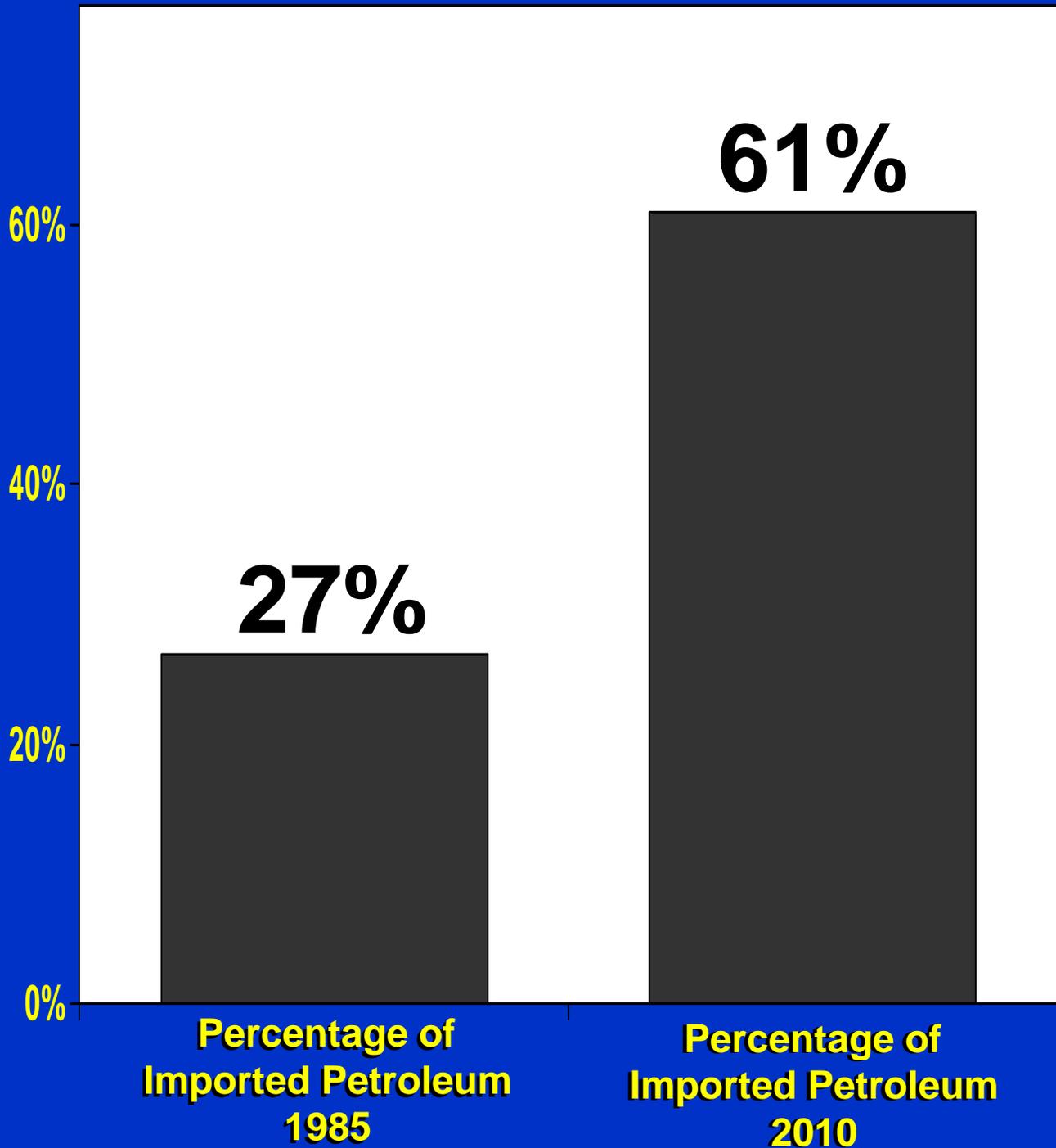


Growth of U.S. Dependence on Imported Petroleum

(Net Percentage of Imported Petroleum Products Supplied)

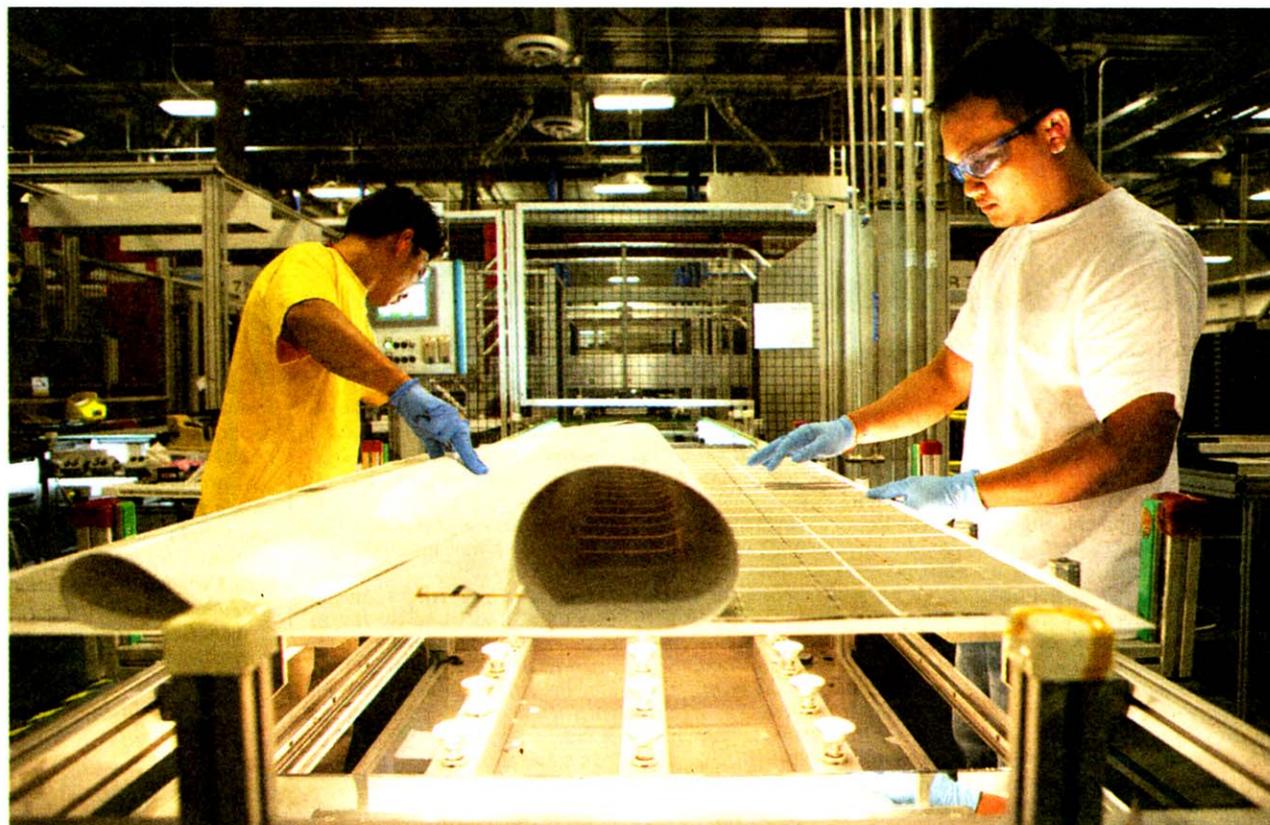


Source: Energy Information Administration

Top 10 Countries Exporting Petroleum to the United States in 2010

| | <u>Barrels Per Day</u> |
|--------------|------------------------|
| Canada | 2,516,000 |
| Mexico | 1,272,000 |
| Saudi Arabia | 1,094,000 |
| Nigeria | 1,021,000 |
| Venezuela | 993,000 |
| Russia | 620,000 |
| Algeria | 509,000 |
| Iraq | 421,000 |
| Angola | 397,000 |
| Colombia | 377,000 |

Source: Energy Information Administration
Note: Year-to-date through November, 2010



PHOTOGRAPHS BY MATTHEW CAVANAUGH FOR THE NEW YORK TIMES

Evergreen Solar plans to close its main American factory, in Devens, Mass., seen here in September, and lay off 800 workers.

A Better Offer From China

Despite Massachusetts Millions, Solar Panel Maker to Shut Plant

By KEITH BRADSHER

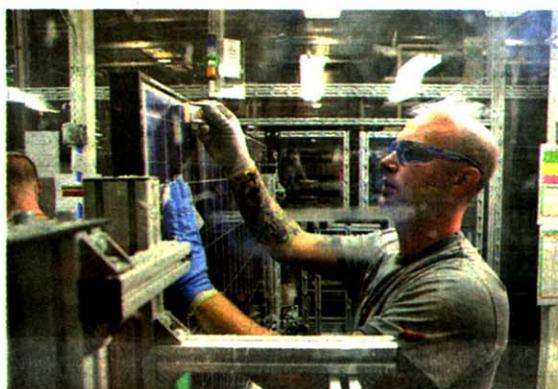
BEIJING — Aided by at least \$43 million in assistance from the government of Massachusetts and an innovative solar energy technology, Evergreen Solar emerged in the last three years as the third-largest maker of solar panels in the United States.

But now the company is closing its main American factory, laying off the 800 workers by the end of March and shifting production to a joint venture with a Chinese company in central China. Evergreen cited the much higher government support available in China.

The factory closing in Devens, Mass., which Evergreen announced earlier this week, has set off political recriminations and finger-pointing in Massachusetts. And it comes just as President Hu Jintao of China is scheduled for a state visit next week to Washington, where the agenda is likely to include tensions between the United States and China over trade and energy policy.

The Obama administration has been investigating whether China has violated the free trade rules of the World Trade Organization with its extensive subsidies to the manufacturers of solar panels and other clean energy products.

While a few types of government subsidies are permit-



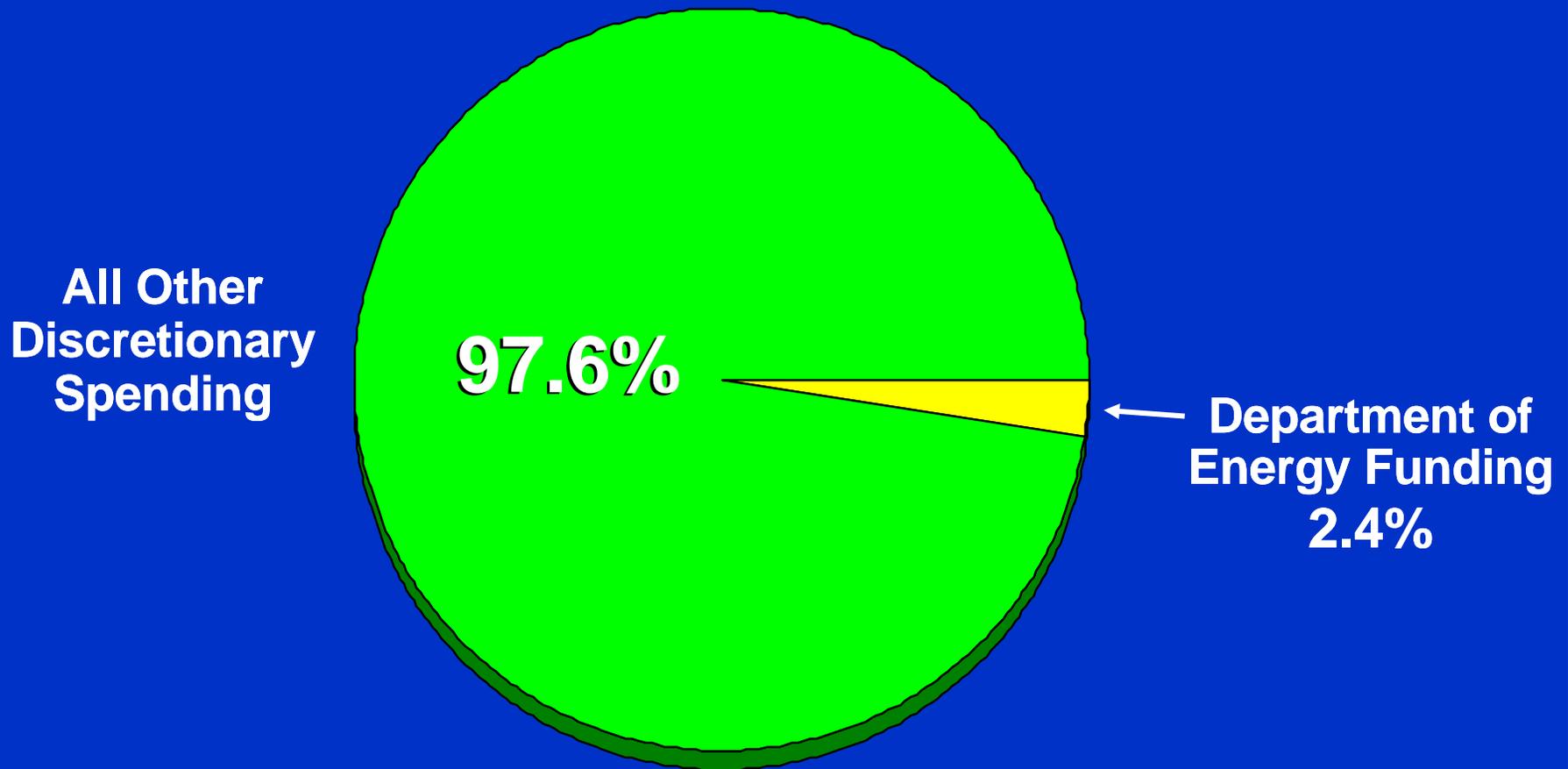
ted under international trade agreements, they are not supposed to give special advantages to exports — something that China's critics accuse it of doing. The Chinese government has strongly denied that any of its clean energy policies have violated W.T.O. rules.

Although solar energy still accounts for only a tiny fraction of American power production, declining prices and concerns about global warming give solar power a prominent place in United States plans for a clean energy future — even if critics say the federal government is still not doing enough

Continued on Page 4

Department of Energy Funding as Share of Discretionary Spending

2012



Source: OMB

Note: President Obama's budget request for 2012.

Key Energy Tax Expenditures

| | <u>2012 Cost</u> |
|---|------------------|
| Oil and Gas Tax Incentives | \$3.5 B |
| Coal Tax Incentives (including carbon capture / storage) | \$600 M |
| Renewable Energy Production Tax Credit | \$1.7 B |
| Energy Efficient Home Improvements Tax Credit | \$2.3 B |

Source: OMB

Obama Budget Energy Proposals

- **\$29.5 B in discretionary funding for Department of Energy in 2012**
 - **\$2.5 B increase from 2011 CR level**
- **Increase support for solar, biomass, wind, geothermal**
- **Advance development of low carbon coal technologies**
- **Invest in transmission infrastructure to improve energy efficiency and reliability**
- **Increase support for basic research and science**

Key Components of Next Energy Bill

- Invest in new clean sources of electricity
- Boost energy efficiency in homes and businesses
- Develop advanced vehicles
- Promote alternative fuels
- Increase domestic oil and gas production