



November 4, 2015

TO: Members, Subcommittee on Energy and Power

FROM: Committee Majority Staff

RE: Roundtable Discussion with Members of the Energy and Power Subcommittee
and the Transatlantic Legislators' Dialogue

I. INTRODUCTION

On November 5, 2015, at 10:00 a.m. in 2123 Rayburn House Office Building, the Subcommittee on Energy and Power will hold a roundtable discussion with members of the Transatlantic Legislators' Dialogue to discuss a broad range of energy issues that impact the collective energy security of the United States and Europe.

II. BACKGROUND

The Transatlantic Legislators' Dialogue (TLD) was officially launched by delegations of the European Parliament (EP) and the U.S. House of Representatives at the 50th inter-parliamentary meeting in 1999, although semi-annual meetings between Congress and the EP have taken place since 1972. The two delegations meet twice a year, once in Europe and once in the U.S., with the goal to strengthen and enhance the level of discourse between legislators. The most recent meeting, the 76th Inter-Parliamentary Meeting, was held in Riga, Latvia in June 2015. The TLD is chaired by U.S. Congressman Mario Diaz Balart and Member of the EP David McAllister.

As the world's two largest advanced economies, the U.S. and the EU share a very significant, mutually beneficial, and increasingly interdependent trade and investment relationship. According to the Congressional Research Service, the combined U.S. and EU economies account for roughly 46% of global gross domestic product, roughly 25% of global trade, and 15% of foreign direct investment.¹

Access to secure and affordable energy remains a challenge for the EU, which imports more than half of all the energy it consumes. Its import dependency is particularly high for crude oil (more than 90%) and natural gas (66%).² In addition, many EU countries are heavily reliant on a single supplier, Russia, which leaves them vulnerable to supply disruptions. To address these challenges, the EU has prioritized the implementation of the *Energy Union*, a comprehensive plan to create a more fully-integrated, internal energy market to allow the free flow of energy across borders.³

¹ Congressional Research Service. [Transatlantic Trade and Investment Partnership](#). July 29, 2015.

² European Commission. [Imports and Secure Supplies](#).

³ European Commission. [Energy Union](#).

Energy security has also been a priority discussion topic for the EU during negotiations on the Transatlantic Trade and Investment Partnership (T-TIP). The eleventh round of negotiations was held in October 2015. Discussions on regulations, standards, and rules are ongoing, with a goal of finalizing T-TIP's outline by the end of this year. Through Congressional oversight and legislator-to-legislator dialogue, Members of Congress have an opportunity to shape the policies and regulations under discussion. Congress must pass legislation before the final T-TIP agreement can be implemented.

Much of the discussion between U.S. and EU legislators regarding energy has focused on promoting more open and competitive markets and facilitating increased fuel and supply diversity. Europe is looking to the U.S. to help it diversify its energy supply. The joint U.S.-E.U. statement following the 76th TLD addressed this aspect of energy security:

We stressed that trade is a key element in ensuring a secure energy supply. The United States holds tremendous potential as a stable and reliable supply source, providing reassurance for allies as well as jobs and growth for its own economy. We discussed the prospect of exporting liquefied natural gas and crude oil from the United States and legislative initiatives relating to that process.

While Europe continues to face constraints on its oil and natural gas supplies, the United States has experienced a reversal of fortune. Advances in drilling and production technology and favorable economics have allowed the U.S. to become the world's leading petroleum and natural gas producer. However, a complicated regulatory process for liquefied natural gas (LNG) exports and a 1970's-era ban on crude oil exports remains in place. A number of recent studies have shown that speeding approvals for LNG exports and lifting restrictions on U.S. oil exports would encourage additional production and benefit the U.S. economy.⁴ It has also been said that U.S. LNG and crude oil exports would benefit U.S. allies in Europe. Through a series of hearings and an international forum, the Committee on Energy and Commerce received testimony from several foreign diplomats and ambassadors who share a strong interest in U.S. energy exports. While the supply challenges and future needs are unique for each country, the Czech Republic's Ambassador to the United States, Petr Gandalovič, summed up the views expressed by other U.S. allies: "U.S. energy exports would send a strong signal to the world community that democracies stick together."⁵

While U.S. crude oil exports remain generally prohibited, some progress has been made to license LNG exports. Five LNG export terminals are under construction, with the first LNG exports expected to begin in January 2016. By 2017, the U.S. is expected to become a net exporter of natural gas, and with continued production growth, the U.S. Energy Information Administration projections show that the U.S. could become a net petroleum exporter in 2021.⁶

⁴ See, e.g.: NERA Economic Consulting. [Updated Macroeconomic Impacts of LNG Exports from the United States](#). March 24, 2014; U.S. Government Accountability Office. [Changing Crude Oil Markets: Allowing Exports Could Reduce Consumer Fuel Prices, and the Size of the Strategic Reserves Should be Reexamined](#). September 2014.

⁵ See, e.g.: House Committee on Energy and Commerce. International forum entitled "[Geopolitical Implications and Mutual Benefits of U.S. LNG Exports](#)" held on October 10, 2013; Subcommittee on Energy and Power hearing entitled "[H.R. 702, Legislation to Prohibit Restrictions on the Export of Crude Oil](#)" held on July 9, 2015.

⁶ U.S. Energy Information Administration. [Annual Energy Outlook 2015](#). Released April 14, 2015.

Congress has responded to the changing energy landscape with two bills to modernize laws regulating energy exports. In January, the House passed H.R. 351, the “LNG Permitting Certainty Act,” authored by Rep. Bill Johnson, to expedite the approval process for LNG export authorizations.⁷ In October, the House passed H.R. 702, “a bill to adapt to changing crude oil market conditions,” authored by Rep. Joe Barton, to lift the 1970’s-era ban on crude oil exports.⁸ Both of these bills are awaiting further action in the Senate.

Many countries, including some in Europe, wish to import fossil fuels directly from the U.S. as a reliable counter balance to supplies from elsewhere, including Russia. Over the past year, the EU has been making important strides to diversify energy sources, suppliers, and transportation routes. As the U.S. assumes the role of a major energy producer and eventual energy exporter, legislators on both sides of the Atlantic would benefit from working together to address collective energy security.

III. ISSUES

- Transatlantic energy security and the shifting geopolitics of energy;
- Russian relations and the situation in Ukraine;
- The potential for U.S. crude oil and natural gas (LNG) exports.

IV. STAFF CONTACTS

If you have any questions regarding this hearing, please contact Brandon Mooney, Nick Abraham, or Tom Hassenboehler of the Committee staff at (202) 225-2927.

⁷ [H.R. 351, LNG Permitting Certainty and Transparency Act](#). Passed the House on January 28, 2015 by a vote of 277-133.

⁸ [H.R. 702, To adapt to changing crude oil market conditions](#). Passed the House on October 9, 2015 by a vote of 261-159.

Members of the European Parliament

Chairman of the Committee on Industry, Research, and Energy of the European Parliament

Mr	Jerzy 	Buzek CHAIR Committee on Industry, Research, and Energy Member - Subcommittee on Security and Defence Delegation for relations with the NATO Parliamentary Assembly Substitute - Committee on Foreign Affairs - Delegation to the EU-Moldova Parliamentary Association Committee - Delegation to the Euronest Parliamentary Assembly	EPP POLAND
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Members of the 77th EU-US Transatlantic Legislators Dialogue

Name		Committee	Political Group
Mr	David 	McALLISTER CHAIR Delegation for relations with the United States Member - Conference of Delegation Chairs - Committee on Foreign Affairs - Delegation for relations with the NATO Parliamentary Assembly Substitute - Committee on Constitutional Affairs - Subcommittee on Security and Defence - Delegation to the Euronest Parliamentary Assembly	EPP GERMANY
Mr	Jeppe 	KOFOD VICE-CHAIR Delegation for relations with the United States Member - Committee on Industry, Research and Energy - Special Committee on Tax Rulings and Other Measures Similar in Nature or Effect Substitute - Committee on Economic and Monetary Affairs - Delegation for relations with the NATO Parliamentary Assembly	S&D DENMARK

Name		Committee	Political Group
Ms	Marietje 	SCHAAKE VICE-CHAIR Delegation for relations with the United States Member - Committee on International Trade Substitute - Committee on Foreign Affairs - Subcommittee on Human Rights - Delegation for Relations with the Arab Peninsula - Delegation for relations with Iran	ALDE NETHERLANDS
Mr	Elmar 	BROK CHAIR Committee on Foreign Affairs Member - Conference of Committee Chairs - Committee on Constitutional Affairs - Delegation for relations with India Substitute - Committee on Employment and Social Affairs - Delegation for relations with the United States	EPP GERMANY
Mr	Reinhard Hans 	BÜTIKOFER VICE-CHAIR - Delegation for relations with the People's Republic of China Member - Committee on Industry, Research and Energy - Delegation for relations with the United States Substitute - Committee on Foreign Affairs - Subcommittee on Human Rights - Subcommittee on Security and Defence	GREENS/EFA GERMANY
Ms	Lara 	COMI Member - Committee on the Internal Market and Consumer Protection - Delegation for relations with the United States Substitute - Committee on Economic and Monetary Affairs	EPP ITALY

Name		Committee	Political Group
Mr	<p>Paolo</p> 	<p>DE CASTRO</p> <p><i>Member</i></p> <ul style="list-style-type: none"> - Committee on Agriculture and Rural Development - Delegation for relations with the United States <p><i>Substitute</i></p> <ul style="list-style-type: none"> - Delegation to the Euro-Latin American Parliamentary Assembly 	<p>S&D ITALY</p>
Mr	<p>Christian</p> 	<p>EHLER</p> <p><i>VICE-CHAIR</i></p> <ul style="list-style-type: none"> - Subcommittee on Security and Defence <p><i>Member</i></p> <ul style="list-style-type: none"> - Committee on Industry, Research and Energy - Delegation for relations with the United States <p><i>Substitute</i></p> <ul style="list-style-type: none"> - Committee on Foreign Affairs - Delegation for relations with the Korean Peninsula 	<p>EPP GERMANY</p>
Ms	<p>Neena</p> 	<p>GILL</p> <p><i>VICE-CHAIR</i></p> <ul style="list-style-type: none"> - Delegation for Relations with India <p><i>Member</i></p> <ul style="list-style-type: none"> - Committee on Economic and Monetary Affairs - Delegation for relations with the United States <p><i>Substitute</i></p> <ul style="list-style-type: none"> - Committee on Foreign Affairs - Special Committee on Tax Rulings and Other Measures Similar in Nature or Effect - Delegation for relations with the countries of Southeast Asia and the Association of Southeast Asian Nations (ASEAN) - Delegation to the ACP-EU Joint Parliamentary Assembly 	<p>S&D UNITED KINGDOM</p>

Name		Committee	Political Group
Ms	Kaja 	KALLAS <p style="text-align: center;"><i>VICE-CHAIR</i></p> <ul style="list-style-type: none"> - Delegation to the EU-Ukraine Parliamentary Cooperation Committee <p style="text-align: center;"><i>Member</i></p> <ul style="list-style-type: none"> - Committee on Industry, Research and Energy <ul style="list-style-type: none"> - Delegation to the Euronest Parliamentary Assembly <p style="text-align: center;"><i>Substitute</i></p> <ul style="list-style-type: none"> - Committee on the Internal Market and Consumer Protection - Delegation for relations with the United States 	ALDE ESTONIAN
Ms	Barbara 	KAPPEL <p style="text-align: center;"><i>Member</i></p> <ul style="list-style-type: none"> - Committee on Industry, Research and Energy - Delegation for relations with the United States <p style="text-align: center;"><i>Substitute</i></p> <ul style="list-style-type: none"> - Committee on Budgetary Control - Committee on Economic and Monetary Affairs - Special Committee on Tax Rulings and Other Measures Similar in Nature or Effect - Delegation for relations with the Arab Peninsula - Delegation for relations with the countries of Southeast Asia and the Association of Southeast Asian Nations (ASEAN) 	ENF AUSTRIA
Mr	Timothy 	KIRKHOPE <p style="text-align: center;"><i>Member</i></p> <ul style="list-style-type: none"> - Committee on Civil Liberties, Justice and Home Affairs - Delegation for relations with the United States <p style="text-align: center;"><i>Substitute</i></p> <ul style="list-style-type: none"> - Committee on Transport and Tourism 	ECR UNITED KINGDOM
Ms	Roberta 	METSOLA <p style="text-align: center;"><i>VICE-CHAIR</i></p> <p style="text-align: center;">Committee on Petitions</p> <p style="text-align: center;"><i>Member</i></p> <ul style="list-style-type: none"> - Committee on Civil Liberties, Justice and Home Affairs - Delegation for relations with the United States <p style="text-align: center;"><i>Substitute</i></p> <ul style="list-style-type: none"> - Committee on the Internal Market and Consumer Protection - Delegation for relations with Australia and New Zealand 	EPP MALTA

Name		Committee	Political Group
Mr	<p>Francisco José</p> 	<p>MILLÁN MON</p> <p><i>Member</i></p> <ul style="list-style-type: none"> - Committee on Foreign Affairs - Delegation for relations with the United States <p><i>Substitute</i></p> <ul style="list-style-type: none"> - Committee on Fisheries - Delegation for relations with the People's Republic of China - Delegation to the Euro-Latin American Parliamentary Assembly 	<p>EPP SPAIN</p>
Ms	<p>Giulia</p> 	<p>MOI</p> <p><i>Member</i></p> <ul style="list-style-type: none"> - Committee on Agriculture and Rural Development - Delegation for relations with the United States - Delegation for relations with India <p><i>Substitute</i></p> <ul style="list-style-type: none"> - Committee on the Environment, Public Health and Food Safety - Committee on the Internal Market and Consumer Protection - Committee on Transport and Tourism - Delegation to the EU-Mexico Joint Parliamentary Committee - Delegation to the ACP-EU Joint Parliamentary Assembly - Delegation to the Euro-Latin American Parliamentary Assembly 	<p>EFDD ITALY</p>
Ms	<p>Inmaculada</p> 	<p>RODRÍGUEZ-PIÑERO FERNÁNDEZ</p> <p><i>Member</i></p> <ul style="list-style-type: none"> - Committee on International Trade - Delegation to the EU-Chile Joint Parliamentary Committee <p><i>Substitute</i></p> <ul style="list-style-type: none"> - Committee on Budgetary Control - Committee on Industry, Research and Energy - Delegation for relations with the United States - Delegation to the Euro-Latin American Parliamentary Assembly 	<p>S&D SPAIN</p>

Name		Committee	Political Group
Mr	Helmut 	SCHOLZ <i>Member</i> - Committee on International Trade - Delegation for relations with the United States <i>Substitute</i> - Committee on Foreign Affairs - Committee on Constitutional Affairs - Delegation for relations with the People's Republic of China	GUE/NGL GERMANY

Abbreviations:

EPP	Group of the European People's Party (Christian Democrats)
S&D	Group of the Progressive Alliance of Socialists and Democrats in the European Parliament
ECR	European Conservatives and Reformists Group
ALDE	Group of the Alliance of Liberals and Democrats for Europe
GUE/NGL	Confederal Group of the European United Left - Nordic Green Left
Greens/EFA	Group of the Greens/European Free Alliance
EFDD	Europe of Freedom and Direct Democracy Group
ENF	Europe of Nations and Freedom Group
NI	Independent