

**Oral Testimony of Richard J. Powell**  
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**House Committee on Ways and Means Subcommittee on**  
**Trade**  
**Promoting Sustainable Environmental Practices Through**  
**Trade Policy**  
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Good morning Chairman Blumenauer, Ranking Member Smith and members of the Committee. My name is Rich Powell, and I lead ClearPath. We advance policies to accelerate breakthrough innovations that reduce emissions in the energy and industrial sectors.

Given this Committee's vital role in America's energy trade policy, and how that relates to the global climate challenge, I will discuss three key topics today:

- First, we need to think globally, and lead with American innovation.
  
- Second, we must unleash American energy resources and manufacturing.

- Third, we can lower global emissions and grow our economy by exporting clean.

Look, the climate is changing, and global industrial activity is contributing. We hear that from heavy industry, energy, and agriculture. Everyone is clear: it's time to talk solutions.

But far too often, energy and climate policy is oversimplified to false choices. Renewables versus fossil fuels, economy versus environment, emissions reductions around the world versus inaction here at home — these false choices ultimately cloud potential solutions.

Here's the truth: We can invest in innovative emissions reduction technologies alongside improved trade policies. Ultimately, we need both.

In 2022, estimated global investment in clean energy is a huge \$1.5 trillion.

The world expects U.S. leadership on clean energy, and trade is a critical piece. For instance, agreements like the USMCA promote American industrial standards abroad. These create the

international economic conditions for clean technology, while preventing a race to the bottom.

Critical minerals are another example. The IEA estimates global demand for minerals for energy systems will quadruple by 2050 to hundreds of billions of dollars. Currently, China dominates the supply. Our dependence increases global emissions and handicaps American businesses.

To attract industry back, we can't disadvantage American industry by saddling it with endless permitting, nor should we neglect resources like natural gas, geothermal or nuclear energy.

If we improve the ability to build and develop domestically, we could return manufacturing to the U.S., where production is more efficient and environmental performance is far superior to China and Russia. American steel, for example, has the second lowest CO<sub>2</sub>-intensity globally. Yet, America is still the world's largest steel importer. Increasing domestic steel production and exports are therefore strong climate policies.

Getting the domestic policies right allows us to scale up our clean technologies by driving down costs. And we already have a model

to follow - the hydraulic fracturing revolution resulting from DOE-sponsored research, development, and deployment efforts. Now a \$100 billion annual market, increased gas use led the 20% U.S. emissions reduction since 2005.

We should also accelerate American nuclear fuel production and expedite deployment of advanced nuclear energy. Today, we lead the world in advanced nuclear-related patents, but Russia dominates uranium mining and enrichment capacity, limiting our full market potential.

Nearly 50 countries have markets for advanced nuclear power, but Russia and China currently account for about two-thirds of reactors under contract worldwide.

Another clean technology, geothermal, could power 10% of the country if properly tapped and lead numerous U.S. exports abroad..

The U.S. is well-positioned to lead globally in low-carbon hydrogen production from natural gas with carbon capture, and from nuclear and renewable electricity.

We made significant innovation progress recently. The bipartisan Infrastructure Investment and Jobs Act includes significant funding for energy programs originally authorized by the Energy Act of 2020. We know that with great investment, comes great accountability - so ClearPath launched a tracker to follow the progress of those programs, which you can find at [clearpath.org](https://clearpath.org).

Boston Consulting Group recently estimated the export market for key American clean energy technologies including steel, hydrogen, energy storage, direct air capture, and advanced nuclear could reach \$330 billion annually by 2050 - and enable 20 gigatons per year in global emissions abatement.

To start, we should fast-track export permits to get our clean fuels to global allies. This year, U.S. LNG became a critical lifeline to Europe as they continue to wrench themselves from Russian gas. Just as importantly, a DOE life cycle analysis shows American LNG exports can be 30% cleaner than Russian natural gas.

The U.S. can also be a dominant exporter of clean hydrogen as Japan, South Korea, and the EU build it into their decarbonization efforts.

On civil nuclear exports, Russia's aggression has other countries increasingly recognizing that building with Russia's state-owned Rosatom locks them into a century-long dependency. Thankfully, Eastern European countries are buying American – Poland signed up for several U.S. AP1000 reactors, and Romania plans to build NuScale SMRs. At \$40 billion, the Poland agreement will be the largest clean energy deal on the planet in 2022.

Today, Russia and China offer significantly stronger nuclear financing abroad. To remain competitive - we need a national strategic plan for nuclear exports as proposed by the recently introduced International Nuclear Energy Act, and better leverage from the ExIm Bank and the U.S. Development Finance Corporation.

For years, the United States led negotiations on a high-standards Environmental Goods Agreement with the support of Reps. Brady, Smith, DelBene, and other members of this subcommittee. We must reopen that negotiation. An EGA would help open international markets to U.S. clean technologies by reducing their price abroad, out competing China's Belt- and-Road.

To address a massive global challenge like climate, no country will use a single clean power technology – each will need to find the right mix given its national circumstances, resource endowments, and pre-existing industry. American can supply those futures.

Thank you again for the opportunity to testify.