

ALEX FLINT

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June 23, 2014

The Honorable Jeb Hensarling
Chairman
Committee on Financial Services
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Maxine Waters
Ranking Member
Committee on Financial Services
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Hensarling and Ranking Member Waters:

In advance of your hearing, "Examining Reauthorization of the Export-Import Bank," I would like to underscore the importance of the Bank to the ability of the U.S. nuclear energy industry to compete on a level playing field in the large and growing market for nuclear technology, equipment and services. If U.S. suppliers are successful in this market, they will add billions of dollars to U.S. exports and support tens of thousands of American jobs.

U.S. nuclear energy suppliers can compete and win on a level playing field. Advanced U.S. reactor technology, world-leading U.S. operational expertise, and broader partnerships with the United States in nuclear energy hold strong appeal to international nuclear energy customers.

However, a global market free of government influence is not the one that U.S. nuclear energy companies compete in today. U.S. companies compete against a growing number of foreign firms – many of which are state-owned and benefit from various forms of state support. All foreign nuclear energy competitors are backed by national export credit agencies (ECAs) or other state financing.

Export credit agencies play an essential role in financing nuclear power projects. ECA support is almost always a bidding requirement for international nuclear power plant tenders. In the emerging markets where commercial nuclear energy opportunities are concentrated, financing is often the most critical factor. Although risk in nuclear power projects is typically low, commercial lenders are unwilling to participate in financing nuclear power plants without an export credit agency's playing a role as a result of higher capital requirements mandated under the Basel III accord.

Beyond their substantial benefits to U.S. exports and job creation, U.S. commercial nuclear exports provide the United States with substantial influence over other nations' nonproliferation policies and

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practices, and help to ensure the highest possible levels of nuclear power plant safety and reliability around the world. U.S. commercial nuclear exports also maintain U.S. leadership in nuclear energy technology and support the U.S. manufacturing base.

We recommend that your Committee approve long-term reauthorization of Ex-Im Bank to assure our foreign customers that the United States is a reliable supplier. We would also recommend that, as the Committee considers reforms to the Bank, it pursue only measures that would enhance the Bank's operations and usefulness to U.S. exporters. Initiatives that would impair Ex-Im Bank's ability to support increased U.S. exports and American jobs would not be "reforms."

A strong and reliable Ex-Im Bank will enable U.S. nuclear energy suppliers to compete for and win international nuclear energy tenders, and advance multiple U.S. national interests. For these reasons, we would appreciate your support for a long-term reauthorization of Ex-Im Bank.

I appreciate the opportunity to share these additional comments with the Committee and am available to discuss any of these matters in greater detail.

Sincerely,

A handwritten signature in black ink, consisting of a stylized, looped initial followed by a long horizontal line extending to the right.

Alex Flint