



**INTERNATIONAL
BROTHERHOOD
OF ELECTRICAL
WORKERS®**

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July 7, 2015

The Honorable Bob Corker
Chairman
Senate Committee on Foreign Relations
United States Senate
423 Senate Dirksen Office Building
Washington, DC 20510

The Honorable Benjamin L. Cardin
Ranking Member
Senate Committee on Foreign Relations
United States Senate
444 Senate Dirksen Office Building
Washington, DC 20510

The Honorable Ed Royce
Chairman
House Committee on Foreign Affairs
United States House of Representatives
2170 Rayburn House Office Building
Washington, DC 20515

The Honorable Eliot Engel
Ranking Member
House Committee on Foreign Affairs
United States House of Representatives
B360 Rayburn House Office Building
Washington, DC 20515

Dear Chairmen and Ranking Members:

On behalf of the approximately 750,000 active members and retirees of the International Brotherhood of Electrical Workers (IBEW), I write regarding the China 123 Agreement due to expire on December 30, 2015. The IBEW fully supports this job-supporting trade agreement and encourages Congress to allow it to enter into force.

As you know, before U.S. companies can obtain an export license for nuclear equipment or materials, the U.S. must conclude a bilateral agreement for civil nuclear trade, known as a 123 agreement. The purpose of 123 Agreements – named for the appropriate section of the Atomic Energy Act of 1954 – is to prevent the diversion of U.S. commercial nuclear materials, components, and technology from their intended peaceful purpose. When the Atomic Energy Act became law, the U.S. controlled most of the commercial nuclear generation market. We could easily dictate the terms and conditions of any 123 Agreements. However, over the last 60 years much has changed, and the U.S. no longer controls the market. Countries must no longer accept U.S. terms. A case in point are contracts awarded by Vietnam and Jordan for nuclear equipment manufactured in Russia and Japan.

Renewal of the China 123 Agreement would allow the United States to continue to export American-made products designed for the peaceful use of nuclear power to China, thus putting a dent in the U.S.-China trade deficit. Renewal of the Agreement will not only allow exports to continue but to expand. Already, Westinghouse has four of its AP1000 nuclear reactors under construction in China with eight more planned. The company expects to have 20 AP1000's under construction in China over the next five years. As an example of domestic jobs supported by the Agreement, IBEW members employed by Curtiss-Wright in Cheswick, Pennsylvania build the large coolant pumps used in the AP1000 reactor.



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Renewing China's 123 Agreement will have large benefits for IBEW and other American workers.

International trade, as it has been practiced by the United States, has not been good for American workers. Too often trade agreements have been used to send American manufacturing overseas and with it, good-paying middle-class jobs. While renewal of the China 123 Agreement will not fix this problem on its own, it is an example of how international trade can benefit American workers. I respectfully request Congress allow the Agreement to enter into force and without onerous restrictive provisions that will threaten American jobs.

Sincerely yours,

Lonnie Stephenson
International President

LRS:cs

Copy to All Members of the Senate Foreign Relations Committee
All Members of the House Foreign Affairs Committee