

**Written Testimony of
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Subcommittee on Europe, Energy, the Environment and Cyber**

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Chairman Keating, Ranking Member Fitzpatrick, and members of the subcommittee, thank you for the opportunity to discuss the Administration's efforts to support Europe's energy security.

Putin's unprovoked war on Ukraine has caused a major shift in Europe's approach to its energy security and has upended the world's energy map. It has made clear the dangers of over-reliance on a single supplier—particularly one who uses its energy resources as a tool of coercion. It also underscores that the clean energy transition strengthens our collective energy and climate security. The United States and Europe are strongly united in our determination to stand up to Russia, to ensure Europe's energy security, and accelerate the clean energy transition in a just and equitable manner. The EU intends to end its dependence on Russian energy supplies and, eventually, all fossil fuels so that Russia can no longer use energy as a weapon. The United States is working tirelessly, bilaterally and multilaterally, to assist with these goals.

My Department of Energy colleague and I are joining you after an International Energy Agency (IEA) governing board meeting. The U.S. is leveraging multilateral diplomacy at the IEA to help address global oil shortfalls, and to support united efforts to assist European countries as they seek alternative supplies and a rapid energy transition. This is not a simple task, and European leaders have acknowledged that it will take

time to fully transition away, especially for those member states that are relatively more dependent on Russian energy supplies. In 2021, Russia provided approximately 45 percent of the EU's total natural gas imports and 27 percent of oil imports.

Putin's war and subsequent natural gas cutoffs to Poland, Bulgaria, Finland, the Netherlands, and others have destroyed the illusion that Russia is a reliable supplier of energy or partner to Europe. Leaders across Europe now fully embrace the imperative to diversify their energy sources and suppliers and the United States stands ready to support these efforts. The EU's announcement in March that its REPowerEU plan aims to cut European dependence on Russian natural gas by more than half by the end of this year and to achieve full independence from Russian fossil fuels by 2027 was an important signal.

As early as last fall, we warned Russia was laying the groundwork to deliberately leave Europe with extremely low levels of natural gas in storage for the winter. Working closely with European allies and partners, in September 2021 when no new gas supplies were available on the open market, we implemented a coordinated, purposeful strategy to increase natural gas supplies to Europe. The United States engaged major natural gas producers around the globe to understand their capacity and willingness to surge natural gas output and allocate these volumes to European buyers. This work produced tangible successes, including allies like Japan agreeing to redirect LNG cargoes to Europe. We engaged major global buyers and suppliers of LNG to ensure their flexibility with existing contracts to enable diversion to Europe. We will continue these global efforts to ensure that gas supplies are delivered and distributed to those who need them most.

President Biden's March 25 announcement with European Commission President von der Leyen establishing a joint task force on European energy further illustrates the close transatlantic cooperation on energy security. The task force has two priorities: first, diversifying Europe's LNG suppliers, and second, accelerating a reduction in Europe's overall natural gas dependence and demand. Through the Task Force, we

committed to help Europe attract 15 billion cubic meters (or bcm) of additional natural gas supplies from across the globe by the end of 2022. We also committed to working with EU Member States toward the goal of ensuring demand for approximately 50 bcm a year of additional U.S. LNG supplies, until at least 2030. In turn, Europe agreed to fast-track regulatory approvals for LNG infrastructure and identify demand for that amount, to spur U.S. investments and infrastructure buildout. To keep this new infrastructure aligned with climate goals to reduce the greenhouse gas intensity of all new LNG infrastructure, designers will be cognizant of the technical requirements needed to become compatible with low-carbon fuel alternatives like hydrogen and ammonia.

Increasing LNG to Europe, however, cannot fully resolve European dependence on Russian energy. Reducing demand and advancing the clean energy transition are key short- and long-term goals of this Task Force. European countries have varying degrees of dependency on Russian fossil fuels, and fossil fuels writ-large, and each will require its own set of technological, regulatory, and market-based tools to decarbonize. We are collaborating with clean and renewable energy technology providers to help reduce overall natural gas demand, including U.S. companies that continue to play an important role in the clean energy transition. We can achieve this demand reduction goal by accelerating deployment of clean energy and decarbonization technologies, such as heat pumps, smart thermostats, efficient grid technologies, energy efficiency and productivity improvements, battery storage, offshore wind, nuclear energy, and clean hydrogen. We were cooperating on these goals well before the onset of Putin's war, and this work will continue to ramp up. For example, I traveled to Tallinn, Estonia, and Riga, Latvia this past May to reaffirm our strong partnership with the Baltic region and commitment to their energy security. I conveyed that we have their backs, full stop.

Finally, it is worth noting that we are all seeing and feeling the impacts of high energy prices due to Putin's war of choice against Ukraine. In March and again in April, the United States and IEA announced

collective releases from the Strategic Petroleum Reserve and IEA member reserves. Together with the United States' commitment, these releases add a combined 240 million barrels to global supply. It is both the largest release from the United States and the largest release from other IEA countries in history, and it will support American consumers and the global economy. These actions are another result of the Administration's unwavering focus on doing everything in his power to help American families who are paying more out of pocket for gasoline as a result of Putin's war of choice against Ukraine.

Since Putin accelerated his military build-up around Ukraine this past winter, gas prices have increased by nearly a dollar per gallon, because less oil is getting to market. We will continue to take every action we can to increase supply in the immediate term so families can pay for gasoline. We will also continue working with the international community to achieve U.S. energy independence that reduces demand for oil and bolsters our clean energy economy. The increasingly high prices we are seeing, however, truly underscore the importance of transitioning to clean energy, including renewable sources that inherently moderate price volatility, while reinforcing the need for energy diversification. While the proximate cause of this increase in gasoline prices is Putin's war on Ukraine, the only way to truly shield ourselves from similar price volatilities is to address our dependence on fossil fuels for our transportation needs.

Strengthening Europe's energy security is high priority for the Biden Administration. These critical times have only underscored our commitment. Together, with our partners and allies, we will accelerate Europe's independence from Russian fossil fuels and bolster global energy security, in line with our shared climate and energy access goals.

Thank you. I look forward to addressing your questions.