

April 24, 2015

The Honorable Bob Corker
Chairman
Committee on Foreign Relations
U.S. Senate
Washington, D.C. 20510

The Honorable Ben Cardin
Ranking Member
Committee on Foreign Relations
U.S. Senate
Washington, D.C. 20510

The Honorable Ed Royce
Chairman
Committee on Foreign Affairs
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Eliot Engel
Ranking Member
Committee on Foreign Affairs
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Corker, Chairman Royce, Ranking Member Cardin and Ranking Member Engel:

The undersigned organizations write today in strong support of renewing the U.S.-China Agreement for Cooperation on the Peaceful Uses of Nuclear Energy, also known as the U.S.-China Section 123 agreement.

The renewal agreement was transmitted by the President of the United States to Congress on April 22. Unless it is brought into force before the current agreement expires in December, U.S. nuclear suppliers will lose their access to the world's largest market for commercial nuclear goods and services. This would result in the loss of billions of dollars in U.S. exports and the possible loss of thousands of American jobs.

Chinese contracts awarded to U.S. nuclear suppliers have already created billions of dollars in U.S. exports and tens of thousands of jobs across more than 30 states. Four of the 26 nuclear plants currently under construction in China are supplied by the United States at a reported project value of \$8 billion. In addition to nuclear power plants, U.S. companies are currently supplying China with equipment and a broad range of services, including engineering and construction, fuel-cycle and training. U.S. and Chinese firms have also partnered in valuable joint ventures as well as research and development projects.

The expansion of China's nuclear generating capacity has only begun. To meet rapidly growing energy demands, China is planning to roughly triple its nuclear capacity by 2020. By 2030, nuclear capacity is planned to reach 150 gigawatts—one-and-a-half times that of the United States. In the near term, China is expected to procure an additional six nuclear plants from the United States, with contracts for another 20 plants to follow. Across the nuclear supply chain, U.S. companies foresee a vast and growing commercial opportunity in China's nuclear energy growth.

Failure to renew the U.S.-China Section 123 agreement would not prevent China's nuclear energy development—China has multiple non-U.S. suppliers—but it would harm multiple U.S. national interests. It would freeze U.S. nuclear suppliers and American workers out of the Chinese market and inflict permanent damage on the U.S. nuclear supply chain. It would also isolate the United States from one of the future centers of nuclear energy, limiting U.S. influence on nuclear safety, security and nonproliferation in China and around the world.

The undersigned organizations urge your support for a clean and expeditious approval of the renewal U.S.-China Section 123 agreement.

American Association of Exporters and Importers

Coalition for Employment through Exports

National Association of Manufacturers

National Foreign Trade Council

Nuclear Energy Institute

U.S. Chamber of Commerce

US-China Business Council