

U.S. Department of Commerce Civil Nuclear Trade Advisory Committee (CINTAC) Meeting

Sixth Charter, 2018-2020 Thursday, February 20, 2020, 9:00am - 4:00pm EST

> Herbert C. Hoover Building 1401 Constitution Ave NW, Room 1412 Washington, DC 20230

MEETING MINUTES

8:30 – 9:00 Arrival, Coffee, and Networking

9:00 – 9:05 Welcome and Introductions

- Jonathan Chesebro, Designated Federal Officer of the CINTAC, U.S. Department of Commerce
- Chris Colbert, CINTAC Chair
- Jeff Harper, CINTAC Vice Chair

9:05 – 9:30 Update from ITA Leadership

- Speaker: Brian Lenihan, Deputy Assistant Secretary for Manufacturing
- DOC asked what impact the coronavirus was having on companies. Members noted several impacts including delayed payments in China, contracts not being signed on time, meeting cancellations due to travel bans, difficulty traveling to China to work on nuclear plants.
- Member questions and comments:
 - U.S. industry would welcome input into where U.S. government (USG) signs Nuclear Cooperation Memorandums of Understanding (NCMOUs). Would be helpful if NCMOUs could help other countries adopt U.S. regulatory standards.
 - U.S. industry and USG need to structure U.S. civil nuclear exports in a package deal.
 - START II (Strategic Arms Reduction Treaty) is only one currently in force need other agreements in place.
 - Saudi Arabia is a priority market where it would be useful to have U.S. regulatory standards in place.

9:30-10:30 Briefing on European Energy Security and Diversification Act (EESDA) of 2019

- Update on how bill (text available here) will support U.S. public and private sector investment for European energy projects and diversify Europe's energy supply.
- Speakers:



- Kirsten Cutler, Senior Science Advisor, Office of Nuclear Energy, Safety and Security, Bureau of International Security and Nonproliferation, U.S. Department of State
- Carl Kress, Regional Director for East Asia / Middle East, North Africa, Europe and Eurasia, U.S. Trade and Development Agency (USTDA)
- State Department Comments (attach PPT)
 - EESDA provides new tools for USG to create economic opportunities at home and abroad. The Act enhances USG coordination and diplomatic efforts to work with European and Eurasia regarding energy security.
 - EESDA focuses on early stage project support (feasibility studies, research evaluations and technology workshops) and late stage project support (financing, advisory services).
 - Eligibility: projects must be in Europe or Eurasia; needs to improve electricity generation and electricity storage projects. Nuclear energy projects permitted
 - Prioritization for projects that link energy systems between countries, enhance energy market integration, ability to attract private sector funding, and potential to use U.S. goods and services during project implementation. Countering Russian Influence Fund includes \$1 billion over four years to catalyze funding for projects.

USTDA Comments

- Overview of USTDA provided:
 - Has previously done work in nuclear sector and is currently evaluating what it can do in this sector. Budget recently increased from \$50 million to \$80 million annually. Work in lower and middle income countries and in some cases high income countries.
 - Two main product lines: feasibility studies and technical assistance (with local in-country project sponsor); reverse trade missions (RTM) to connect people and ideas.
 - May be able to play supporting role for small modular reactor (SMR) development. Technical workshops aim to foster regulatory development in countries. USTDA is demand driven U.S. industry and foreign countries can propose potential projects.
- o EESDA supports energy broadly and USTDA works in all these areas (e.g. grid development, renewable energy).

• Discussion:

 Members asked how USTDA can support U.S. companies in Europe. USTDA noted that it is considering a RTM with Romania and that companies can sign up for USTDA's newsletter to receive information on upcoming USTDA events.



- Members asked what USTDA considers Eurasia. USTDA noted that it operates in low to middle income countries (using World Bank standards regarding country income level) in Europe, including Turkey. USTDA does not operate in Russia and high-income countries (although it has some new flexibility regarding its ability to operate in high-income countries).
- Members asked if USTDA programs are cost shared with a company. USTDA noted
 that projects are usually 50-50 cost share but that there is flexibility. TDA does grants
 (not loans). If a company receives significant business as a result of a TDA project,
 TDA may recoup a success fee where the company re-pays TDA for what it spent on
 the project.

10:45 – 12:00 CINTAC 2020 Goals

- Members discussed CINTAC goals prior to its August 2020 charter expiration, including:
 - o Industry guidance could help shape how EESDA is implemented.
 - o More industry engagement on NCMOUs, including receiving advance notice about where they will be done and input into NCMOU text.
 - Discussing how CINTAC can have more engagement with other USG agencies, including research into what joint advisory committees exist for industry to advice multiple USG agencies.

12:00 – 12:45 Working Lunch: Subcommittee breakout sessions

• Subcommittees had breakout sessions to In line with subcommittee identify priorities, refine recommendations, and identify next steps.

12:45 – 1:30 Subcommittee Report Out & Review Recommendations

• Subcommittees reconvened and reported out on desired next steps.

- International Subcommittee
 - Would like to recommend that USG negotiate more NCMOUs. Noted that the EESDA is a positive development for industry.
- Communications Subcommittee no update.
 - Would like to recommend that USG negotiate more NCMOUs. Noted that the EESDA is a positive development for industry.
- Market & Finance Subcommittee
 - Noted that of the subcommittees five planned actions, two have been completed. By August, the subcommittee would like to draft a paper with a summary of the global civil nuclear financing marketplace which notes what



each country can offer in terms of financing and highlight actions that USG can take to improve U.S. financing tools.

- Infrastructure Subcommittee
 - Plans to work with DOC to roll out Civil Nuclear Toolkit. Would like to research what USG cross agency advisory committees exist and if their charters are relevant to CINTAC.
- Regulatory and Policy Subcommittee
 - Continuing work on a risk-based framework for export authorizations. Would like to develop a regulatory education toolkit for TeamUSA so that USG better understands process that U.S. industry goes through for export controls. Planning to propose expanded letter regarding NCMOUs where NCMOU text could request assurances from partner countries.

1:30 – 2:30 **TeamUSA Update**

- USG representatives provided updates on activities and responded to industry questions.
- National Economic Council: Administration strongly supportive of nuclear energy. Nuclear Fuel Working Group (NFWG) Report being finalized and will be released.
- Office of Science and Technology Policy: President's proposed budget requests \$1.4 billion for DOE's Office of Nuclear Energy the highest in recent years. \$150 million in budget for uranium purchasing and enrichment activities. Virtual Test Reactor (VTR) funding increase to \$295 million in proposed budget.
- EXIM Bank: EXIM now has a working Board. Lots of interest in supporting nuclear transactions. EXIM working closely with TeamUSA and individual companies. Congress is notified when EXIM Board approves a project and needs to not disapprove for EXIM to move forward. EXIM's engineering multiplier program can support services and is a faster process than higher dollar value projects. Includes
- U.S. NRC: USG tracking United Kingdom's January 31, 2020 deadline to exit Euratom and the EU. A transition period exists until end of 2020 so that there is a seamless transition from Euratom 123 agreement to bilateral U.S.-UK 123 agreement. NRC Regulatory Information Conference (RIC) planned for March 2020 will have panel sessions on export controls and NRC licensing of advanced reactors.
- State Department: NCMOUs with Poland and Romania signed in 2019 and more are being planned. State Department working to re-direct programmatic support to issues companies are facing recently launched an infrastructure initiative to help emerging countries establish regulatory frameworks. Also launching FIRST program to help support SMR deployment in other countries.
- Commerce Department: ITA organizing annual IAEA U.S. Industry Program trade mission in September 2020. Industry-led trade missions to Poland and the Czech Republic are planned for March 30 April 4, 2020. Commerce recently supported an



- industry-led civil nuclear trade mission to Brazil on the margins of the U.S.-Brazil Energy Forum in Rio de Janeiro, Brazil.
- Department of Energy: DOE published RFI on advanced reactor demonstration program on February 5 (closes February 26). DOE Assistant Secretary for Nuclear Energy recently visited India to support civil nuclear trade mission and co-chair U.S.-India Energy Working Group. DOE planning webinars on NICE Future and clean energy topics and workshops with Japan on decommissioning and SMRs. In June 2020, IFNEC is planning to organize a Steering Committee meeting in Jordan and would like industry participation.
- Discussion/Q&A
 - Member request for list of NRC MOUs with other countries on regulatory cooperation. NRC noted that information on its technical exchange agreements is noted on its website.
 - State Department released funding opportunity in early January regarding infrastructure funding opportunities – down select to occur that matches needs of countries with offerings that different entities can provide.
 - Member question regarding if NFWG plans to address back-end of fuel cycle.
 USG noted that Report is still deliberative and focuses more on front-end of fuel cycle.
 - Member asked if NCMOUs planned with African countries. USG noted that it has heard from industry that there is strong interest in African countries, especially Ghana and Kenya, and that this is taken into consideration when determining future NCMOUs.
 - Member question regarding if USG agencies can help encourage DFC to finance nuclear projects. USG noted its awareness of the issue and the Administration's strong support of nuclear energy. Given this, a DFC prohibition does not align with USG goals to support civil nuclear industry.
 - Member question regarding if it is a violation of federal procurement rules if DOE national labs provide free services. DOE noted that national labs don't provide free services, that DOE is aware of industry views that national labs compete with industry. DOE noted that labs aim to be complementary to industry and not as competitors.
 - Question regarding if EXIM seeking to amend its charter. EXIM noted that it does not have plans to amend its charter, which currently runs for seven years.

2:30 – 3:00 Conclusions and Next Steps

• Members agreed to hold CINTAC conference call on April 9 to finalize letter to the Secretary with its final recommendations.

3:00 – 4:00 Public Comment & Adjourn



- NEI noted that it will send materials to industry soon regarding it is planned trade missions to Poland and Czech Republic.
- Alex Burkart highlighted political value of NCMOUs and noted that they should be made publicly available; noted that Part 810 export licenses offer many opportunities to export U.S. civil nuclear technology prior to a 123 agreement being in place with a country; noted that EXIM Bank's engineering multiplier program is useful for industry and other countries; suggested that Part 810 process could be made more efficient; noted that more public-private partnerships for infrastructure development in other countries is needed; highlighted utility of USTDA programs and the benefits of its support for civil nuclear projects; noted that U.S. spent fuel take back for long-term storage would help U.S. industry better compete internationally.

ATTENDEES:

CINTAC Members

- Margaret Harding Principal, 4 Factor Consulting
- Robert Coward Member, American Nuclear Society
- H.M Hashemian President, Analysis and Measurement Services Corporation
- Colleen Deegan Vice President, Bechtel Corporation
- Glenn Neises Nuclear Director, Burns & McDonnell
- Joseph Miller Director, Advanced Technology Programs, BWX Technologies, Inc.
- Michael Whitehurst Director, Business Development, Centrus Energy Corp.
- Gary Wolski Vice President, Nuclear Division, Curtiss-Wright
- Russell Neely Chief Operating Officer, Edlow International Company
- Colin Austin Senior Vice President of International Business, EnergySolutions
- Robert Kalantari President and CEO, Engineering, Planning and Management
- Donald Hoffman President & CEO, EXCEL Services Corporation
- Ralph Hunter Vice President, Exelon Corporation
- Woody Lawman Director of Sales, Navy and Nuclear Products, Flowserve Limitorque
- Jarret Adams CEO, Full On Communications
- Brandon Brooks Strategic Development Manager, General Atomics
- Charles Goodnight President, Goodnight Consulting
- Robert Sweeney President & CEO, IBEX Engineering Services, Inc.
- Paul Amico Director, International Operations, Power Services Group, Jensen
- Seth Grae President & CEO, Lightbridge Corporation
- Juan Subiry Vice President, Market and Product Strategy, NAC International
- Edward Kee CEO, Nuclear Economics Consulting Group
- Neil Numark President, NUMARK Associates
- Christopher Colbert Chief Strategy Officer, NuScale Power
- Scott Singer Vice President, Chief Security and Information Officer, PAR Systems
- Art Wharton Vice President, Market Development, Studsvik Scandpower Inc.



- Pete Gaillard Licensing Manager, Terrapower, LLC
- David Blee President & CEO, United States Nuclear Industry Council
- Graham Cable Vice President, Global Growth & Strategy, Westinghouse Electric Company
- Jeffrey Harper Vice President, Strategy and Business Development, X Energy, LLC

U.S. Government

- Jonathan Chesebro, Designated Federal Officer of the CINTAC, U.S. Department of Commerce
- Kirsten Cutler, Senior Science Advisor, Office of Nuclear Energy, Safety and Security, Bureau of International Security and Nonproliferation, U.S. Department of State
- Carl Kress, Regional Director for East Asia / Middle East, North Africa, Europe and Eurasia, U.S. Trade and Development Agency (USTDA)
- Michelle Scott, Senior Advisor for Commercial Activities, U.S. Department of Energy, Office of Nuclear Energy
- Ashok Pasricha, Managing Director Technical, Export-Import Bank of USA
- Lauren Mayros, International Policy Analyst, Office of International Programs, U.S. Nuclear Regulatory Commission
- Peter Habighorst, Export Control and Nonproliferation Branch Chief, U.S. Nuclear Regulatory Commission
- Nick Sherman, Director for Nuclear Energy, National Economic Council
- Dr. K. Michael Goff, Assistant Director for Nuclear Energy, Office of Science and Technology Policy

Members of the Public

- Carol Berrigan, Senior Director, Federal Programs, Nuclear Energy Institute (NEI)
- Jay R. Kraemer, Of Counsel, Fried, Frank, Harris, Shriver & Jacobson LLP
- Peter Jeydel, Associate, Steptoe
- Dr. Alex Burkart, former Senior Level Advisor for Nuclear Energy at the U.S. Department of State's Bureau of International Security and Nonproliferation
- Kate Davy, Assistant Manager, Operations, Analysis and Measurement Services Corporation (AMS)
- Ryan O'Hagen, Marketing Manager, AMS