

**Ambassador's Remarks for Panel Discussion**  
***U.S-Poland Energy Roundtable***  
**09:00 on Wednesday May 11, 2011**  
**Ministry of Economy, Room ABC**

Panie Ministrze, szanowni państwo, drodzy goście.

I am delighted to be here with you today to talk about how our countries' governments and companies can increase our bilateral cooperation, trade, and investment in a variety of different energy sectors.

Before I get started, let me welcome my good friend, Pan Minister Korolec, who has so kindly agreed to host us here at the Ministry of Economy. As many of you know, he participated in the first U.S.-Poland Energy Roundtable in Washington last year. His support for organizing the second roundtable here in Warsaw highlights the vitality of the U.S.-Polish economic relations and the priority our countries place on greater cooperation in the field of energy.

Let me also thank Chairman Dariusz Lubera and the Polish Chamber of the Power Industry and Environmental Protection for taking the lead in organizing this year's Roundtable jointly with the United States Energy Association. As may recall, USEA spearheaded the first U.S.-Poland Energy Roundtable.

Finally let me also welcome our two distinguished guests from Washington: first my co-panelist Edward McGinnis, Deputy Assistant Secretary for International Nuclear Energy Policy and Cooperation. And from the Department of Commerce, Deputy Assistant Secretary for Manufacturing Peter M. Perez. It's great to have you both here.

We meet here at a tumultuous time. In the past few months, we've seen regimes toppled. We've seen democracy activists take to the streets in North Africa and in the Middle East. We've witnessed a terrible earthquake, a catastrophic tsunami, a nuclear emergency that has battered one of America's strongest allies and closest friends in the world's third largest economy. The United States has led an international effort in Libya to prevent a massacre and maintain stability throughout the broader region.

We're all heartbroken by the lives that have been lost as a result of these events. We're deeply moved by the thirst for freedom in so many nations, and we're moved by the strength and perseverance of the Japanese people.

These events underscore the importance of today's session. Because fundamentally diversifying our sources of energy and developing new sources that do not contribute to carbon emissions is a matter of security for Poland, for Europe, and for the United States.

With this in mind, President Obama outlined a blueprint for America's energy security in his speech at Georgetown University on March 30. His formula calls for increasing domestic sources of energy, increasing energy efficiency, and developing new and better clean energy technologies. It includes careful consideration of nuclear power, an option President Obama has said, we can't take off the table.

Energy security is a focus of the U.S.-Polish alliance; it is one of the pillars of our relationship. I have witnessed firsthand the importance of this issue. Presidents Obama and Komorowski discussed prospects for nuclear energy cooperation together in the Oval Office last December. Foreign Minister Sikorski and Secretary Clinton regularly discuss energy security. In the past year or so, our governments have signed three agreements on energy cooperation.

That dialogue will continue later this month when President Obama visits Warsaw on May 27-28. He will have separate meetings with President Komorowski and Prime Minister Tusk to discuss the issues of greatest concern to our two nations, including energy. Simply put, the security and prosperity of our two countries and of the entire transatlantic community depend on having secure supplies of affordable energy. For this reason, we look forward to Poland's EU Presidency and its objective of enhancing EU policy on energy security.

Energy security means having diversity in our fuel mix, multiple sources of supply, and numerous points of delivery. Domestic supplies are, of course, most desirable, because they are secure and close to the consumer. The United States and Poland are both working to develop new secure, domestic fuel sources.

At the same time, we have been looking for cleaner, more efficient ways to our existing resources, including coal. To further develop this cooperation, our governments signed a memorandum of understanding on clean and efficient energy cooperation in early March during Minister Sikorski's visit to Washington in early March. Now let me outline a number of areas in which we are already making valuable progress.

Shale gas has garnered the greatest amount of attention thus far. U.S. companies pioneered the technology and methods of producing gas from shale rock. This has made us nearly self sufficient in gas and driven down prices on the world market.

Since you may have read reports about environmental concerns related to shale gas, let me emphasize that the Obama Administration is taking a close look into this. The U.S. Environmental Protection Agency began an in-depth 4-year study in 2010 and will issue initial results in late 2012. Whatever EPA concludes, good environmental regulations and constructive dialogues with local communities are vital to the industry's long-term success and to our energy security.

Poland has some of the most promising untapped shale resources. The U.S. Energy Information Administration estimates that Poland's shale gas resources to be 5.3 trillion cubic meters. At Poland's current rate of consumption, that would be a 300-year supply. Those are big numbers, even if only a fraction turned out to be commercially viable. But, before we get too carried away with talk of a Polish shale gas Eldorado, we take a look at the assessment that the U.S. Geological Service and the Polish Geological Institute are now preparing and plan to release in September.

Currently, several major U.S. oil and gas companies are now actively exploring and drilling test wells alongside companies from Poland and elsewhere. Their work sites are located in various parts of Poland's shale belt, which runs from the Trójmiasto area in the north to the Lublin area in the south east. My sources tell me that initial results are encouraging. In fact, I had a chance to visit one U.S. firm's drilling site outside Warsaw and was thoroughly impressed by the attention to safety and environmental protection.

Only time and their hard work can tell us whether shale gas production in Poland will be commercially viable. In the meantime, the Polish Government has a golden opportunity to consider changes in legislation that would take into account the special characteristics of the shale gas industry.

We will be discussing this topic as well as the prospects for shale gas together at a conference jointly sponsored by the Ministry of Foreign Affairs and the U.S. Embassy on May 18 at the Copernicus Science Center. I look forward to seeing some of you there.

One area of our cooperation that doesn't make the headlines, but which is still making a difference is wind energy. The United States is a world leader in wind energy and an active supporter of other countries' moves toward renewable energy production. In Poland, U.S. companies like AES and Invenergy are developing wind farms and helping to fuel the remarkable growth in Poland's wind energy production. Poland is starting from a very low base and is only half way to its target of producing 15% of its energy from renewables by 2020. Thus, there is still ample opportunity to grow the business and advance cooperation between our governments and research institutions.

The same goes for biomass, where U.S. companies are providing top-notch technology. Under the Global Methane Initiative, the U.S. Environmental Protection Agency is working with the Polish Ministry of Environment to promote the recovery of methane from landfills. By capturing and burning untapped domestic sources of the methane, we can generate heat and power and address climate change. That's because, the global warming impact of methane is 20 times more powerful than that of CO<sub>2</sub>.

Given our significant coal resources, the United States and Poland share an interest in developing and deploying new technologies that would allow us to burn coal cleanly and without contributing to global warming. At the Polish Institute of Aviation here in Warsaw, I have met Polish researchers from General Electric exploring affordable, clean methods of coal gasification. Scientists from the U.S. Department of Energy and Poland's Central Mining Institute are working on ways to increase the efficiency of coal-fired power plants and on carbon capture and storage. We also work together with a variety of other countries in the Carbon Sequestration Leadership Forum, an initiative launched in 2003 by our own Department of Energy.

Finally, let's take a look at nuclear energy, which is a priority for both our countries. As I said earlier, I would like to express on behalf of my government and my country our deepest sympathy for and solidarity with the people of Japan. The massive earthquake, the tsunami it generated, and the resulting nuclear crisis that hit Japan ranks among the worst natural disasters in human memory. As a staunch ally, the United States has assisted Japan in a variety of ways as it copes with this staggering series of events.

When the crisis at Fukushima occurred, public concerns about nuclear power increased around the world. This is understandable, and we should increase our focus on safety. President Obama and the U.S. Nuclear Regulatory Commission are doing just that. But, as President Obama has said, nuclear energy does not contribute to carbon emissions, and is an option we should not take off the table.

For decades, nuclear power has provided a safe, domestic source of energy that does not pollute the air or cause global warming. And given the world's growing demand for energy, it is hard to imagine how we could get by without nuclear power. It would be nice if renewables could meet all our energy needs – hopefully one day they will – but there are still important technological and cost hurdles that we must overcome before that dream can become reality. In the meantime, we will need nuclear power as a component of our energy mix.

The United States is the world's leading producer of nuclear energy, producing nearly twice as much as its nearest competitor. We have 104 nuclear power plants that produce 20% of our electricity. American companies, such as Westinghouse and GE developed nuclear power plant technology that is now in use around the world. A number of other countries have based their own nuclear power plant designs on American technology.

Poland's government has recognized the need to diversify its energy mix. As you probably know, over 90% of Poland's electricity is generated from coal, which is very carbon intensive. Thus, nuclear power will allow Poland to achieve greater energy security and move concretely toward a lower carbon economy.

The United States and Poland are committed to industrial and commercial cooperation on nuclear power. Minister Trojanowska and senior officials from the U.S. Departments of Commerce and Energy issued a joint declaration to this effect last July.

The United States and Poland share a commitment to the safe operation of our nuclear power plants. Last September, the heads of the U.S. Nuclear Regulatory Commission (NRC) and the Polish Atomic Energy Agency (PAA) signed an agreement on nuclear safety cooperation. Shortly afterwards, NRC began a joint training program in Poland and is offering. NRC also offers a wide variety of U.S.-based training courses at no charge and would welcome the participation of Polish regulators.

We are working to support the development of the human capital Poland will need to build, operate, and regulate its nuclear power sector. The government and the private sector will need a cadre of qualified professionals and the current supply is insufficient. Accordingly, the U.S. government is supporting Polish universities, such as the Warsaw University of Technology, as they establish formal training and joint research programs with American counterparts like Oregon State University and North Carolina State University.

In addition, I have worked closely with the Polish-American Freedom Foundation to offer Polish science and engineering students the chance to do an internship with American high-tech companies. I am pleased to say that GE and Westinghouse are among the main contributors to this program. I am certain that this will be of great benefit to the Polish students, the U.S. companies, and – most of all – the future success of Poland’s nuclear power program.

In the end, whether we’re talking energy security or climate change, one thing is crystal clear. There is no one-size-fits-all solution for every country. Likewise, there is no single technology that can meet our needs all by itself. We see the wisdom of using a wide variety of energy technologies. And that’s good business for everyone in this room.

Panie Ministrze, Szanowni Goście, Dziękuję bardzo za uwagę.

Życzę Państwu udanej konferencji i dużego sukcesu w biznesie.