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Chairman Cardin, Ranking Member Risch, members of the Committee, thank you for the opportunity to discuss the importance of continuing the Administration's support for Ukraine at this critical juncture.

For over a year, Vladimir Putin tried to break the will of the Ukrainian people through attacks on energy infrastructure, seeking to achieve through missile and drone strikes on civilian targets what Russia's troops had failed to achieve on the battlefield. In response, with our G7+, private sector, and humanitarian partners, we have worked jointly to help Ukraine to keep the lights on and houses warm, ensuring that Putin's effort to weaponize winter ends in failure.

For Ukraine, this coming winter promises to be even more challenging than last. Ukraine's power generation capacity has degraded about 50 percent since the start of the war. Ukrainian energy workers have labored day and night to repair, restore, and harden the grid and generation facilities, often by cannibalizing parts from elsewhere. But most spare parts by now have been consumed and Russia has recently resumed its bombardment of power plants and refineries.

During the November 2022 NATO Ministerial in Bucharest, Secretary Blinken launched a new coordination group of G7+ states to mobilize and coordinate broad support for the restoration of Ukraine's power grid. Since then, my team in the Bureau of Energy Resources has convened 43 meetings of the group at various levels, to include three chaired by Secretary Blinken. We spoke to technical experts to develop workarounds, identified partners that might have older equipment that could be repurposed, and reached out to companies and governments about a specific list of needs developed by Ukraine.

But our G7+ partners have done even more, providing hundreds of millions of dollars in energy-related assistance, including grid repair equipment, power generators, and support for heating points. The European Commission and its partners managed a complex logistics chain and successfully delivered over 7,000 tons of equipment from 35 countries.

Since February 2022, and thanks to Congressional action on prior supplements, the United States has mobilized \$520 million in energy sector funding. Led by colleagues at USAID and

DOE, the United States has delivered thousands of tons of critical energy sector equipment. We also delivered a mobile gas turbine power plant, which can provide emergency backup power to critical infrastructure for the city of Kyiv.

We cannot let up now.

The World Bank estimated that after last winter Ukraine needed at least \$411 billion to rebuild its infrastructure. That was eight months ago. Every day that number grows. Electricity grid damage alone amounted to \$10 billion in 2022.

Ukraine's economic future depends on involvement by the private sector and energy is key to unlocking the industrial recovery. The recent appointment of Secretary Pritzker as a Special Envoy for Ukraine Economic Recovery will intensify these efforts.

American energy companies have stepped up enormously in support of Ukraine and Europe's energy security. American companies like Halliburton, EQT, and GE are providing equipment to Ukrainian partners and are keenly focused on future commercial opportunities.

We are working together to build a better future for and with Ukraine – modern, cleaner, and with a more distributed power sector that is fully integrated with Europe – even serving as a power exporter to its neighbors.

Another front of Putin's war against Ukraine has been his manipulation and cutoffs of energy supplies to Europe. That effort too has failed, thanks significantly to the European Commission's rapid response through its RePowerEU package and U.S.-EU cooperation through the Energy Security Task Force and Energy Council. U.S. LNG producers stepped up to surge supplies to Europe as our partners turned away from Russia as an energy source. Since 2022, U.S. exporters have supplied the EU with approximately 90 million tons of LNG, three times as much as the next largest supplier and 70 percent of U.S. LNG exports went to Europe.

Europe's shift away from Russian energy has happened much faster than predicted and makes a permanent shift in the international energy map. Russian natural gas now represents only 15 percent of the EU's imports, compared to 45 percent in 2021.

This war has laid bare the fact that Putin's regime is an unreliable supplier of energy. This shift will result in real, long-term losses for Russia, in terms of both its global energy influence and its future energy revenues.

According to the IEA, by 2025, Russia's oil production will be degraded by two million barrels per day compared to 2021, and natural gas will be down by 200 bcm per year.

The IEA also projects Russia's share of globally traded oil and gas to fall 50 percent by 2030, with its net income from gas sales, specifically, to fall from 75 billion USD in 2021 to less than 30 billion USD by 2030.

This has huge implications for a country that historically has relied on its oil and gas revenues for 45 percent of its federal budget.

All the while, our successful implementation of the oil price cap has continued to limit the impact of Russia's war against Ukraine on global prices.

On the sanctions front, we continue working to degrade Russia's status as a leading energy supplier by targeting entities involved in the expansion of Russia's future production and export capacities, so that it can never again wield its energy resources as a tool of coercion.

In sum, the energy pillar of our Ukraine/Russia strategy is working and Congress' continued support of our efforts is vital to U.S. interests. Putin is targeting Ukraine's energy infrastructure because he sees it as central to his war aims. The energy sector funding that is included in the National Security Supplemental is essential to Ukraine's success on the battlefield.

Thank you and I look forward to the discussion.