

Statement of Francis R. Fannon
Nominee to be Assistant Secretary for Energy Resources
Senate Committee on Foreign Relations
February 15, 2018

Thank you, Senator Gardner for your gracious introduction.

Chairman Corker, Ranking Member Menendez, and distinguished Members of the Committee, I am honored to appear before you as the President's nominee to serve as Assistant Secretary of State for Energy Resources. I am thankful to President Trump and Secretary Tillerson for the confidence they have placed in me to undertake this critical role.

I am proud that members of my family joined me today. I would like to introduce my wife, Mercer, whose partnership and support are foundational to any success in career and life I have been fortunate enough to achieve. I am delighted that my two eldest daughters, Madeline and Charlotte, are here today, and suspect that our 23-month-old, Phoebe, is watching from home with my mother-in-law, Marsha Planting. Seated next to Mercer are my aunt and uncle, Isabel and Richard Lynch.

I would like to acknowledge my parents, Frank and Susana Fannon who are watching the livestream. Through their sacrifices, they taught me that the American dream is very much alive. That with dedication and effort, anyone can achieve great things, and that success is not determined by where you are from, but where you choose to go.

My grandparents, mother, and her sisters immigrated to the United States from Argentina in 1969. They left everything behind in hopes to realize a better life, an aspirational life that only America could offer. My personal family history and experience have shaped me in many ways and gave me a personal appreciation for other cultures and nations.

I came to Washington without contacts or a job, but with the unwavering desire to serve. After working for the late Senator Pete V. Domenici and home state Senator Ben Nighthorse Campbell, I realized my greatest professional privilege until this day, to serve as energy counsel to the Senate Committee on Environment & Public Works. While at EPW I helped the committee with energy issues and drafted key provisions of the bipartisan Energy Policy Act of 2005. That legislation helped to unleash American innovation and set the conditions for today's energy abundance.

Thanks to our resource wealth, American energy plays an ever more vital role in American diplomacy. The U.S. can more freely confront oppressive and illegitimate regimes now that American production buffers global markets against supply shocks, and American energy and technology strengthens the economies of partners who share our values.

In the private sector, I sought to leverage that abundance to advance American values and sustainable operations across five continents. I worked with and led cross-functional, globally

located, and culturally diverse teams. I saw firsthand how energy and resource projects can catalyze development, and the benefits of constructive government engagement.

In this capacity, I worked with the Department on multiple energy projects, and can attest that its dedicated foreign and civil service experts serve the country with great distinction. Given the rapidly changing energy landscape, the dynamic foreign policy environment, and the way in which energy overlaps with foreign policy, it is critical to have a strong, informed and enabled Energy Bureau or ENR.

If confirmed, I hope to work with the Committee on by focusing on three objectives – Energy Security through Diplomacy, Governance, and Electricity for All.

Secretary Tillerson has stated that “enhancing energy security by ensuring access to affordable, reliable, diverse, and secure supplies of energy is fundamental to national security objectives.” ENR is uniquely positioned to lead American diplomatic energy security interests, in coordination with other agencies. If confirmed, I pledge to promote energy diplomacy as a means to foster collaboration among nations and oppose the weaponization of energy for geopolitical ends.

Developing countries may have considerable resource endowments, but lack institutional frameworks and transparent rule of law. U.S. companies often view these above-ground conditions as prohibitive risk profiles. Yet, they are prime targets for state-owned enterprises hostile to liberal democratic values. ENR’s governance programs can support transparency reforms, reduce potential for exploitation, and advance U.S. energy security objectives.

According to the International Energy Agency, 1.2 billion people lack access to electricity and 2.7 billion lack clean cooking facilities. Energy poverty are development and geopolitical security challenges. A country’s inability to provide reliable electricity is indicative of broader capacity limitations, and a precursor to domestic unrest. If confirmed, I look forward to identifying ways that the Bureau can build and broaden its work in this area.

Mr. Chairman, Ranking Member, and Members of the Committee, thank you for the opportunity to be here today. I look forward to your questions.