

Male Unknown Speaker - And Now ladies and Gentlemen please welcome our first panel delivering the future of renewable energy and nuclear power our moderator is Matt Sonnesyn Vice President Infrastructure Energy and Environment Business Roundtable and he's joined by Brendan Bechtel, Chairman and CEO, Bechtel Group.

Matt Sonnesyn Vice President Infrastructure Energy and Environment Business Roundtable - Well I'm really excited to be here with you all this morning and especially to be here with Brendan Bechtel whom you all know as the leader of one of the largest construction and engineering firms in the world for us at Business Roundtable where he's one of our 200 CEO members we know him as a passionate Advocate who's incredibly effective at explaining how important it is to make America more competitive in the global marketplace so this couldn't be a better conversation for us to have Brendan um thanks for being here with us let's start with energy infrastructure it's a central part of Beal's business and has been I think gosh for a century um what is the energy transition that we're now in mean for Beal.

Brendan Bechtel, Chairman and CEO, Bechtel Group - Yeah thanks Matt I think um first before we dive in I just want to say how pleased and proud I am to be here in support of Chair Lewis and the EXIM team um at the risk of sounding really nerdy and wonky at Bechtel we're we are EXIM super fans uh we could do the work that we do around the world and help project American values um show people what American capitalism could do to lift people lift people up uh both of economic and social development we couldn't do that without our partners at EXIM with whom we've been working for decades and decades and it's um it's the first talking point I always use when I'm when I'm talking to people in government or the administration about the kind of diplomatic tools available for spreading American values around the world so I will say I've been getting a lot of feedback from uh our deployed teams around the world in places like um Guyana and Senegal and Saudi that right as we're headed into a meeting room uh chair Lewis and her team are headed out of the same meeting room so we seem to overlap in all these all these places but I think um you know the reason I'm here is because EXIM plays such an important role in US economic uh growth and in economies of all the countries where we do our projects um Matt to answer your question more directly for the energy transition the way I'm talking about it with our Bechtel teams is the energy transition is by far the biggest opportunity of Our Generation it is it is going to require a um a wholesale reconfiguration of existing physical energy assets is going to require a whole new generation of new energy assets um and the supporting infrastructure around it um it's really it's really driving our new projects right now uh both in the US and around the world same for our peers and competitors um to be more specific we have a rapidly growing Renewables business right now we're both a developer of Renewables projects we've got about 10 Renewables projects where we're actually you know lining up the financing and

development ourselves and then doing the engineering construction we're also out competitively bidding for work the biggest constraint for us right now is the talent to deliver the projects um we've got uh we're kind of the leading designer and builder of liquefied natural gas projects done on the Gulf Coast right now again a huge surgent demand in a in a post Russia Ukraine world uh for friendly LNG from the west and then nuclear power having just finished up um having just finished up at vogle uh for Southern Company and their Partners the First new nuclear plant to come online in 35 years in the United States and we'll maybe talk a little bit about how we want to take that that uh Team USA solution to Poland um and then other examples of the energy transition we have a business that does engineering construction and project management for the manufacturing and Technology SE uh sector where we're um we're building uh designing and building a large semiconductor Fab in Ohio that you might have heard the president talking about more than I would like um uh and just because it keeps ratcheting up expectations but wonderful problem to have and then again everything related to the EV life cycle battery supply chain critical minerals uh sort of huge growth and opportunity that that we see um and we're really proud to be working on the there pass project um within the Americas uh here in the United States which will be first new lithium producer in the US at a long time so that's just a quick drive by on the ways that the energy transition is driving our business today.

Matt Sonnesyn Vice President Infrastructure Energy and Environment Business Roundtable - Yeah so it sounds like you guys are all in at Bechtel and trying to deliver for this transition in all kinds of projects here and globally um let's think about that global market for a minute it seems to be growing we hear a lot about that from other members of business Round Table too other companies are also trying to line up to get engaged but how would you assess the US position to compete in that Marketplace overall are we primed to be competitive what can we do to be a better leader globally in this space.

Brendan Bechtel, Chairman and CEO, Bechtel Group - Matt Sonnesyn Vice President Infrastructure Energy and Environment Business Roundtable - Yeah I think Matt there's first I think it's a huge opportunity for the US to exert its leadership globally um and the opportunity in the US at home and abroad to lead is I think it's just an extraordinarily big opportunity um it based on our math we believe that the sort of global energy markets related to clean energy broadly it's about a 23 trillion dollar market globally between now and the end of this decade in terms of investment 23 trillion with A and T so um large addressable Market um the US is not the only one seeing this opportunity I will say things like the infrastructure bill you the clean energy provisions of the IR the chips act these are all I think really strong industrial policies stimulating growth in these sectors here at home in the US uh one of the reasons I'm here in support of EXIM is I think we need to figure out how to take that kind of

approach and whole of government approach abroad with us as we as we build up our capability to do this work here in the US how do we think about exporting that leadership and capability abroad um the US is not the only country that realizes what a big opportunity this is um and I think one of the things that that chair Lewis and I were talking about this morning is what we're seeing from some of EXIM's peer uh export Credit Agencies they're competitors for lack of a better word around the world and I think that's a real um you know there's a competition on right now in the world to attract companies like Bechtel or our peers from other countries to go to new countries and help them uh with their energy transition and I think realizing that EXIM's operating in a competitive environment uh is an important thing for Team USA including American companies and EXIM to continue to win um we talked this morning a little bit about the need to lean in and continue to be Innovative as EXIM always has been to continue to be a great partner as they always have been but figure out how to get to Commitment decision timelines a little bit faster if we could that requires companies and partners like Bechtel to know what EXIM staff and teams are going to need to work their way through their process which not EXIM's fault is a bit more onerous than some of their competitors in other places so companies that want to partner need to understand what those requirements are and in some cases take some risk to make sure we can get the information in time and develop the information that the EXIM team needs to guide our applications through the process um but I think it is at the end of the day it's a competitive environment for export credit capital and financing around the world um and if we want to be part of a team USA solution that's going to win we got to work together on it I think that um I think that already EXIM is picking up the mantle of figuring out how to help you companies like ours win the strategic competition with companies from places like China um it's a it's I imagine many of you in the room similarly are finding that particularly in the developing world you're engaged in very direct competition with Chinese state owned Enterprises that benefit from a whole of government approach that would be wildly inappropriate here in the United States but it would be helpful if there could be a little bit more of a joined up effort um when we're trying to compete in other parts of the world uh I think that there are some exciting things happening uh right now that will help get us closer to that I think the um I think the PGII effort uh that Amos Hawkin is helping lead that's uh the president announced in India which is really meant to be sort of the administration's response to the belt and Road initiative in which EXIM is already playing a really important role I think speaks to the value that the administration and Congress see that EXIM can provide in helping American companies win the strategic competition um I do think that in general I think everyone in government is going to have to figure out if we want to win that strategic competition how do we do things faster um how do we do them in a more competitive way and how do we make it easier for companies that want to engage to engage um the kinds of reforms needed I would say across the

government to get this done are going to require bipartisan support uh so that's something that we're out advocating hard for and um we know because we've seen it that when for example the administration decides that Project X and Country Y is really important strategically and geopolitically we know that with that clear uh guidance and support that things can happen faster because we've seen it and I might talk a little bit about an example of that.

Matt Sonnesyn Vice President Infrastructure Energy and Environment Business Roundtable - um and so it can be done and we just got to figure out how do we make that the normal course of business I think yeah so Brendon let's dig into that just a little bit about the role that EXIM can play in the competition you're facing globally um as I listened to you I think about in permitting we've had such a challenge in the country getting permits to move quickly to be able to get the federal government to keep processes moving across multiple agencies and we've created a new Central Permitting point in the federal government they have a dashboard they really focus on those projects I hear you talking about we need to focus on key projects globally um is there a lesson to be taken from what we what we're starting to do to improve permitting or are there lessons we could be taking from competitors we'll never out Chinese the Chinese we shouldn't try but we might learn something from countries like the UK in how we could be doing this a little bit better as we compete with others around the world.

Brendan Bechtel, Chairman and CEO, Bechtel Group - Yeah and I would it's a great point and so the Matt and Brendan show is pretty infrastructure and permitting Focus so I'm gonna I'm GNA be mindful of our audience to not go too far down that track other than to say I think anyone who is particularly in the project world and uh working with EXIM or works at EXIM I think should have an interest in permit reform both in the US and around the world because there's so much project development risk at the front end of project when they're going through that that permitting process and we know that both as a designer and builder of projects and a developer of projects but Matt you're right I don't I don't think that we need to be that creative I think that there are great examples um I actually think Canada has been an interesting example where no one would accuse the Canadians of not being environmentally conscientious or thoughtful about stakeholder engagement but they're able to do in two years what takes us typically 10 to 12 years in some cases and of course there's lots of examples in the US of you think about the kind of um you know grid and transmission projects particularly up in the Pacific Northwest needed to deal with uh adding more Renewables to the grid and some of those transmission projects have been in kind of operating D Loops for 12 to 14 years and they're constraining the ability to actually develop and get new interconnects for Renewables so I do think while it's not an EXIM issue I think um I think EXIM's ability to put money to work on the right kinds of projects would be

helped if we had both uh at home and abroad we had a more consistent approach to permitting that was more predictable.

Matt Sonnesyn Vice President Infrastructure Energy and Environment Business Roundtable - Yeah so just as we can learn from the Canadians on permitting and some others around the world is there something we can learn as we talk about that bipartisan support for change um and that is a sweet spot for us too is there something we can learn from the UK or others on the export import Bank side of what we could be doing globally are there things that we could be talking to policy makers about

Brendan Bechtel, Chairman and CEO, Bechtel Group - Yeah I think this is and this is something where I think uh this is something that we do when we talk to policy makers about policies that are important to us and other companies in the room that do that I encourage you to think about doing the same um you know EXIM has some restrictions on the way they operate right now which it again it's not EXIM's fault but it makes EXIM a little bit less competitive or creative or responsive as compared to some of the other institutions like UKF um some of those things are around National content restrictions some of those are around how owner the process is that you have to go through to clear your technical analysis and your credit analysis and your environmental analysis and we would never Advocate that we need to soften those or that we need to do away with those good sort of Acts of diligence but are there ways that companies that need quick commitments to be able to get in and win a project particularly when competing against sort of European or Asian uh teams that have different export Credit Agencies they're working with um are there things that are there things that we could do that would again allow us to get to that commitment Point faster and more predictably and I think that there are some conversations that that companies um that are working with EXIM could be having with policy makers to educate them about how much value EXIM brings to the table what an enabler they are of our ability to win and deliver abroad and um so I do think that that's something we should continue to push on

Matt Sonnesyn Vice President Infrastructure Energy and Environment Business Roundtable - Let's come back to one of the examples you raised in your comments a minute ago um you were talking about your role in nuclear yeah um and that's an area where Bechtel in particular has a unique competitive strength um so I think about us around the world the Chinese control 80% of every stage of the solar um supply chain from the raw materials to the solar panels it's a huge challenge if we're trying to think about how to move into renewable or clean energy but in nuclear you have unique expertise you've just completed uh first commercial reactor in the United States in 30 years now you're talking about something with Poland tell us a little bit more about our role there

Brendan Bechtel, Chairman and CEO, Bechtel Group - Yeah so I think and this is this is a project where we're actively working with EXIM right now and I think it's a I think it's a best practice uh case study in what we hope um more of a whole of government uh approach looks like so um with our partner Westing House who I understand had some Representatives on panels yesterday today um Westing House is the technology provider and licensor for the ap1000 large scale Advanced reactor um we were partnered with them to finish the southern nuclear and partners project uh vogle um uh got that brought online we're now looking to well we are taking that uh experience in Partnership to Poland where for PEJ the state electric utility um off the back of a US Poland government toover agreement that includes the department of energy and the nuclear Regulatory Commission here helping set up helping the poll set up their own civilian nuclear power program basically from scratch with their us partners which is happening because the polls want to replace what used to be Russian gas volumes powering combine cycle gas power plants in Poland with American provided nuclear technology and Engineering construction expertise um so I think a great example where a government toover partnership was formed uh we had a total wind at our back and support from the Department of energy we um we've had great engagement with EXIM as we're in the engineering phase of the project and we look forward to working with EXIM on what will be a very large capex um loan to help fund the actual construction of three of these big thousand megawatt nuclear units in Poland really deepening that geostrategic economic relationship between Poland and US as a direct response to what's happened with Russian aggression in the neighborhood and I think it's a you know it's a great policy outcome it's a great geopolitical outcome it's a great strategic competition outcome it's uh it's an excellent win for us companies we're engaged in a similar competition in the Czech Republic right now you we'll see what happens with that but I think and this is a classic EXIM case study I think in taking a successfully developed winning value proposition for the United States and taking that and exporting it to our partners around the world um and uh we feel like EXIM has really had our back on that effort so I think it's a it's a best practice case study.

Matt Sonnesyn Vice President Infrastructure Energy and Environment Business Roundtable - Well thanks Brendan I see the shot clock has turned red on us so I think that means that we have to wrap up but really appreciate your thoughts on this great opportunity for the United States that's in front of us with clean energy technology with the Investments that we can be making and with EXIM as a partner how we can be more competitive in doing that especially in light of what other countries are pursuing for their policies appreciated your point on the need for bipartisanship and this really should be as we think about how to compete with China how we're going to engage in that Global partnership for infrastructure investment and Poland was another great example thank you for those insights thanks Matt.

Brendan Bechtel, Chairman and CEO, Bechtel Group - And before with my 3 seconds left, I just want to say to our EXIM colleagues in the room thank you thanks for your partnership uh thanks for hanging in there with us we couldn't do what we do around the world without your support and um we just really appreciate your professionalism and your commitment to helping Team USA win whenever we can so thanks verymuch