

June 8, 2017

The Honorable Robert Lighthizer U.S. Trade Representative Office of the U.S. Trade Representative 600 17th Street, NW Washington, DC 20508

## Dear Ambassador Lighthizer:

As you seek Congressional input regarding improvements to the North American Free Trade Agreement (NAFTA), we, the undersigned, ask you to consider the following principles to protect American energy consumers and producers and enhance U.S. energy security.

NAFTA has played a key role in all North American energy markets including electricity, renewable, oil, and natural gas, as each market is highly integrated with and remains dependent on vital energy infrastructure and trade crossings that border the United States, Canada, and Mexico. Free trade – and free trade agreements (FTA) such as NAFTA – allows the United States to maximize the benefits of being the world's largest energy producer.

The North American energy industry has undergone dramatic changes since NAFTA entered into force twenty-three years ago. Specifically, the United States has exponentially increased resource production, making it the global leader in oil and natural gas production. Mexico has opened its energy sector to foreign investment for the first time in over seventy-five years. In Canada, investment and innovation in oil sands, liquefied natural gas or LNG, and energy infrastructure projects have turned Canada into a top five energy producer.

## Therefore, we offer the following points:

- Free flows across U.S.-Canada-Mexico borders of all energy products including electricity, oil, and natural gas, as well as derived products such as refined products, petrochemicals or other energy-intensive manufactured goods;
- **Zero tariffs** for the imports and exports across the United States, Mexico, and Canada of all energy products;
- Open access for U.S. investors to Mexico and Canada's energy markets, with competitive and transparent bidding for (a) licenses (such as oil and natural gas mineral licenses) and (b) sourcing of labor and materials;
- **Protections for U.S. investors** in Mexico and Canada consistent with U.S. law and practice;
- Safeguard and strengthen intellectual property rights;
- Free flow of data across the United States, Mexico, and Canada borders;

As you seek input from other stakeholders, members of Congress, and the public, we hope you consider including these principles in any new free trade agreements as a way to protect American energy consumers and ensure our energy supply continues to grow.

Sincerely,

JOHN CORNYN

United States Senator

HEIDI HEITK AMP

United States Senator

TED CRUZ

United States Senator

STEVE DAINES

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