

INTRODUCTORY STATEMENT

Mr. Chairman, Senator Murkowski, Members of the Committee, thank you for inviting me to participate in this roundtable. My name is Steve Bolze, I am the CEO of GE Power & Water, \$28B advanced power generation and water technology business. Our products span gas, renewables, distributed power, nuclear and water re-use technologies.

GE has a deep heritage in the Gas industry. A number of different GE businesses play a role across the gas value chain – from extraction, to transport, to processing and to end uses such as power generation. We are committed to developing solutions, based on advanced technology, that reduce environmental impact and increase operational efficiency across the entire natural gas life cycle.

I would also say that my perspective on natural gas is heavily influenced by my travels around the world. As the CEO of a business with 70% of its sales outside the US, I spend much of my time on the road, visiting power generators and energy ministers around the world who are looking for ways to deploy natural resources for economic growth and to improve quality of life.

Based on my vantage point as a global energy technology provider, I offer these four observations about natural gas resources in the US:

- 1. US natural gas supply is a global megatrend and the world is watching how we manage it.**
 - a. Everywhere I go, from Brazil to Saudi Arabia to China, one of the first questions I get asked by customers and government officials alike, is how the US is managing its natural gas reserves
 - b. For example, in January, I attended the World Economic Forum in Davos, and the hottest topic of conversation, among all industries, was the natural gas phenomenon in the US
 - c. Other countries are watching how we deploy technology, industry best practices, and smart policy, to make the most of this endowment.
 - d. Many of the countries watching have their own natural gas reserves, and will not stand still. They will ultimately use those resources to compete on the global stage.

- 2. Industry and government leaders from around the world would love to have the domestic benefits available to the US as a result of natural gas reserves.**
 - a. Natural gas is a domestic, abundant, cleaner fuel source
 - b. Exploration, production, and usage of natural gas creates jobs
 - c. Technology developed to deploy natural gas is ultimately exportable around the world, which creates another wave of jobs and economic benefit
 - i. Just a side note here, we manufacture natural gas fired power turbines in Greenville, SC. Over the last 4 years, 89% of the turbines rolling out of

Greenville have been exported to countries outside the US – the biggest green technology export in the country. We're very proud of our US employees powering the world.

- 3. From a power generation point of view, natural gas is the “great diversifier.”**
 - a. Countries around the world seek to diversity their power sources.
 - b. Natural gas power generation is a great way to diversify the energy portfolio
 - i. It's cleaner than most other fossil fuel options
 - ii. It firms up the intermittency of renewables, actually enabling more renewables on the grid
 - iii. It is deployed quickly and predictably
 - iv. It is great option for distributed power and for emergency power, adding resiliency to the power gen portfolio

- 4. Technology is critical to making the most of this natural resource.**
 - a. Across the natural gas value chain, the US is currently leading the world in industry best practices and technology development.
 - b. Technologies that are:
 - i. Reducing environmental impact, from reducing emissions to water treatment and re-use
 - ii. Increasing operational efficiency of gas producers and users, meaning we get more value from the resource
 - iii. Increasing resource recovery, ensuring a stable, long-term supply
 - iv. And increasing demand for natural gas, from power generation to transportation
 - c. And as I stated before, all of these technologies will have a market in the rest of the world as other countries engage in developing newly accessible natural gas resources.

To conclude, I would reiterate my opening statement:

US natural gas supply is a global megatrend and the world is watching. It is a space the US should and needs to lead, with advanced technology, industry best practices, and smart policy.

Thank you for the opportunity to offer my perspective on this critical subject.