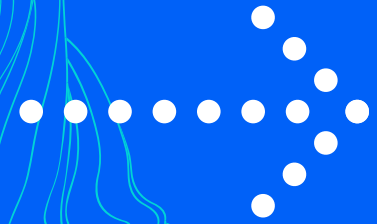


THE POLICY PATH  
TO SOLVING  
NORTH AMERICA'S  
ENERGY CHALLENGES

# Ten Steps to Achieve Energy Security



**A VISION FOR  
NORTH AMERICAN  
ENERGY**



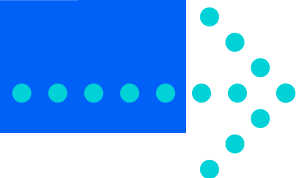
# THE WORLD IS EXPERIENCING NEW LEVELS OF INSTABILITY AND DISRUPTION

A resurgence of geo-political and energy market instability, ongoing global supply chain disruptions, and the actions of adversarial nations are threatening energy security and economic opportunity around the world.

At the same time, the need for reliable supply in energy markets is colliding with decarbonization efforts which are often regulatory and vary in how they value different forms of energy. As a result, many nations worldwide are reconsidering their energy systems and supply chains to best reflect their priorities and improve their energy security and resiliency, all while keeping energy affordable for consumers.

Country-specific goals may be a convenient way to measure outcomes, but regional efforts offer a more practical approach to implementation. North America offers an enduring solution.

THE FOLLOWING  
TEN PRACTICAL  
AND PROVEN STEPS  
SHOULD BE TAKEN  
NOW TO GUARANTEE  
THAT NORTH AMERICA  
WILL DELIVER ON OUR  
COMMON PURPOSE:



# STRENGTHENING THE FOUNDATIONS FOR PARTNERSHIP

# 1

## **CREATE A NORTH AMERICAN ENERGY COUNCIL**

The countries of North America face many challenges, both together and individually. Our shared history of energy cooperation and the vast benefits it has offered our people, merits a forum dedicated to charting the course of a North America that is stronger together. Creating an avenue for enhanced and coordinated dialogue between industry, associations, financial institutions and governments of North America will ensure effective communication of the policy ambitions of each government, as well as the needs of the industry to realize these policies.

# 2

## **PRIORITIZE GOOD CORPORATE GOVERNANCE, TRANSPARENCY, AND ACCOUNTABILITY**

The foundation of any successful industry is the guarantee of good corporate governance, transparency and accountability. The trilateral trade agreement made great strides in advancing these core tenets, but still more can and should be done to harmonize standards.

# 3

## **PROMOTE CROSS-BORDER REGULATORY HARMONIZATION**

The recent successes of the trilateral trade agreement created a framework for greater cross-border investment and cooperation, including environmental responsibility. However, our regulatory makeup continues to vary widely from country to country, creating unnecessary and costly barriers to growth.

The circulated Energy Annex of the recent North American trade agreement should be re-engaged, particularly considering recent global energy market disruptions and the reinvigoration of global net-zero ambitions.

# 4

## **SUPPORT REGIONAL NET-ZERO ASPIRATIONS THROUGH DATA SHARING**

Given the shared energy relationship and mutual dependencies and opportunities for collaboration, it is critical for our governments to prioritize a unified strategy for achieving a regional net-zero goal. Reinvigorating the North American Cooperation on Energy Information Database (NACEI) offers a promising and proven template. Our countries should also prioritize comprehensively mapping North American critical minerals, rare earth elements, uranium and other precious metal deposits to provide a navigable landscape for governments and industry to develop secure and sustainable clean energy value chains.





# BUILDING NORTH AMERICAN ENERGY SOLUTIONS TOGETHER

## 5

### DRIVE INVESTMENT IN EARLY-STAGE RESEARCH, DEVELOPMENT AND DEPLOYMENT

Public and private capital investments into energy technology will build upon regulatory harmonization to successfully deploy future innovations that underpin our regional decarbonization goals. This includes cooperation between governments, industry, financial institutions, academia and National Laboratories. New public and private funding opportunities should be established, and those under development, such as Mexico's Sonora Plan, should be encouraged.

## 6

### ENCOURAGE A TECHNOLOGY- NEUTRAL APPROACH TO FINANCING REGIONAL SUSTAINABILITY

Realizing the energy system of tomorrow requires the free flow of capital and reduction of cost barriers in a technology-neutral policy environment. Energy systems of scale should not be the casualty of climate ambitions. North American industry and governments should reconfigure and properly value environmental, social, and governance (ESG) policies to promote financial pragmatism, emissions reduction, and community access to affordable and reliable energy.

New incentives for low-carbon energy technology should also be encouraged, including those that help industry and communities overcome cost barriers. These programs should place a high value on coal-to-gas switching, coal displacement through natural gas and nuclear, and carbon removal and sequestration technologies.

## 7

### REPATRIATE AND EXPAND CLEAN ENERGY INDUSTRY, MINING, AND MANUFACTURING

The recent Minerals Security Partnership of 2022 between the United States, Canada, and the European Union offers a promising template for establishing alternative and secure supply chains. Recognizing Mexico's strengths in mining, manufacturing, and processing by including them within this framework would ensure that North American industry possesses a closed-loop supply chain guaranteeing energy security and shielding the region from disruptions that could undermine future decarbonization progress.

Building a North American clean energy value chain will also require the coordinated cross-border deployment of recent national clean energy spending programs to incentivize manufacturing and mining expansion.



# EXPORTING CLEANER ENERGY AND VALUABLE EXPERTISE

## 8

### **EMBRACE TECHNOLOGY NEUTRAL COMMERCIAL DIPLOMACY**

North America could present a united front in its efforts of commercial diplomacy. This requires a shared position within international organizations and financial institutions that prioritizes the finance and deployment of energy sources and technologies that provide emissions reductions and energy security tailored to each country's needs. Global demand for affordable, clean, and secure energy sources will continue to grow, creating an opportunity to expand the market share of North American value chains.

## 9

### **LEVERAGE NORTH AMERICA'S COMPARATIVE ADVANTAGE FOR THE BENEFIT OF THE WORLD**

To empower our global partners, North America should maintain and increase support for infrastructure that leverages our strategic geographic position, specifically regarding liquefied natural gas (LNG). This could take the form of projects like Mexico's Trans-Isthmus Corridor, a commercial bridge linking the Atlantic and Pacific Oceans. It could also carry more regionally focused impacts, including by expanding regional hub-and-spoke small-scale LNG trade, which offers to successfully decarbonize power and industrial sectors in small and island economies.

## 10

### **EMBRACE NUCLEAR ENERGY AS A RESERVOIR OF GLOBAL CLEAN ENERGY POTENTIAL**

Nuclear energy is perhaps the greatest opportunity to ensure the long-term energy security and independence of our global partners. Leveraging fuel supplies in Canada, innovation in the United States, and manufacturing capacity in Mexico, could present a resilient zero-carbon value chain.

In addition to regional efforts, North American governments should coordinate and streamline the transfer of nuclear technology for global deployment while also cooperating with partner countries by sharing best practices, demonstrating nuclear safety and benefits, and promoting domestic workforce training and development.