

United States Senate

WASHINGTON, DC 20510

March 15, 2018

The Honorable Steven Mnuchin
Secretary of the Treasury
United States Department of the Treasury
1500 Pennsylvania Ave., N.W.
Washington, DC 20220

The Honorable John J. Sullivan
Deputy Secretary of State
United States Department of State
2201 C Street, N.W.
Washington, DC 20520

Dear Secretary Mnuchin and Deputy Secretary Sullivan—

We write to express our concern about the continuing development of the Nord Stream II pipeline that would carry natural gas from Russia to Germany. We oppose Nord Stream II and urge the Administration to utilize all of the tools at its disposal to prevent its construction. Senior level outreach by both of you to the leaders of the European Union nations affected by and involved with this disastrous proposal is critical to ensuring Nord Stream II is not completed.

Nord Stream II, which follows the route of the Nord Stream I pipeline from Russia across the Baltic Sea to Germany, will make American allies and partners in Europe more susceptible to Moscow's coercion and malign influence. The pipeline would be a step backwards in the diversification of Europe's energy sources, suppliers and routes. This expensive and unnecessary project would force Gazprom's customers to pay for a project that would further reinforce Russia's near-monopoly as a natural gas supplier to the region. European consumers would be paying Russia to divert its gas exports away from Ukraine, with no benefit to anyone but Gazprom. As a result, Europe would have less money to invest in real energy diversity projects, forcing continued dependence on Russia for its energy needs.

We are concerned that Nord Stream II would undermine the economy of Ukraine and other gas transit countries in Central Europe by allowing Russia to reduce or even cut off gas supplies to those countries with impunity. By circumventing Ukraine, Nord Stream II will remove one of the biggest reasons for Russia to avoid large-scale conflict in eastern Ukraine – as the Kremlin is well aware. Transporting Russian natural gas to European markets is critical to Ukraine's economy and provides Ukraine with important leverage in its relations with Russia. Nord Stream II would wholly undercut that leverage and increase Ukraine's vulnerability to Russia.

For too long, European nations have been held hostage to Russian political pressure on a whole host of issues due to their dependence on Gazprom to deliver gas needed to keep their people

warm throughout the winter. The best way to guarantee Europe's long term economic health and independence is to enable and support investment in a variety of energy sources, suppliers, and routes to meet Europe's needs and to force Gazprom to negotiate as a market actor and not a monopolist.

We appreciate the Administration's public statements opposing Nord Stream II. Secretary Tillerson, in January, reiterated that the United States opposes Nord Stream II and described it as "undermining Europe's overall energy security and stability and providing Russia yet another tool to politicize energy as a political tool." The State Department and other executive branch agencies must continue to be vocal in their disapproval of this unwise pipeline.

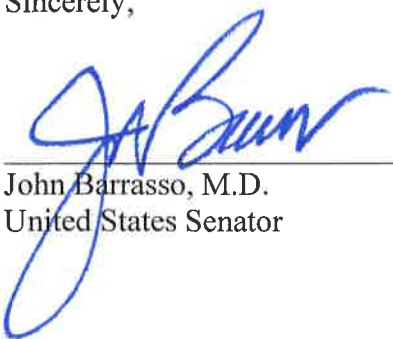
Through the *Countering America's Adversaries Through Sanctions Act* (CAATSA) and related efforts, Congress continues to send clear, bipartisan, and unambiguous signals to the Administration and to the world that we support efforts to counter Russian malign influence. Russia's efforts are designed and intended not only to damage U.S interests and influence, but also to harm our allies and partners. Russia continues to undermine the rule of law and any institution that gets in the way of the Kremlin pursuing its aggressive and self-interested foreign policy.

Section 232 of CAATSA provides the Administration with an additional tool to identify and sanction U.S. and foreign entities supporting or expanding Gazprom's near-monopolist role in providing energy to U.S. allies. It is clear that the Kremlin uses Gazprom to exert unacceptable and divisive political pressure on sovereign European governments. Russia is attempting to use this influence to break transatlantic resolve on renewing sanctions intended to compel Russia to cease its illegal aggression in Ukraine and to live up to the Minsk commitments to which it has agreed but continues to violate. Congress intended CAATSA to be a tool for the Administration to use in our efforts to support European energy security, and we encourage the Administration to carefully examine how CAATSA sanctions can be used to meet that goal.


This year will be decisive for the fate of Nord Stream II. We must ensure that our European allies understand our resolve in supporting their energy independence and the detrimental impact of Nord Stream II on their long-term interests.

We thank you for your careful consideration of our concerns. We look forward to working with the Administration on additional measures to ensure that Nord Stream II is never built, and that our European allies and partners can gain secure and lasting energy independence.

Sincerely,



John Barrasso, M.D.
United States Senator



John McCain
United States Senator



David Perdue
United States Senator



Jeanne Shaheen
United States Senator



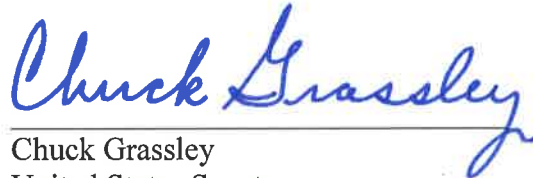
Marco Rubio
United States Senator



Bill Cassidy
United States Senator



Lisa Murkowski
United States Senator



Chuck Grassley
United States Senator



John Boozman
United States Senator



John Hoeven
United States Senator



Richard J. Durbin
United States Senator



Ron Johnson
United States Senator



Steve Daines
United States Senator



Richard Blumenthal
United States Senator



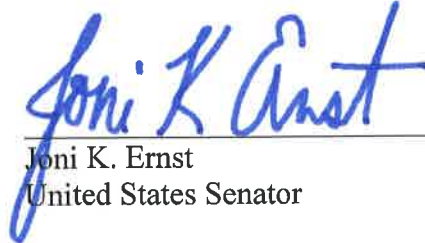
Jeff Merkley
United States Senator



James Lankford
United States Senator



Tom Cotton
United States Senator



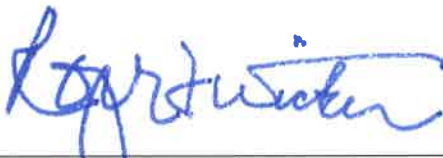
Joni K. Ernst
United States Senator



Michael B. Enzi
United States Senator



Cory Gardner
United States Senator



Roger F. Wicker
United States Senator



Joe Manchin III
United States Senator



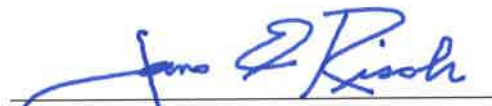
Ted Cruz
United States Senator



Johnny Isakson
United States Senator



Dan Sullivan
United States Senator



James E. Risch
United States Senator



John Cornyn
United States Senator



James M. Inhofe
United States Senator



Sheldon Whitehouse
United States Senator



Jack Reed
United States Senator



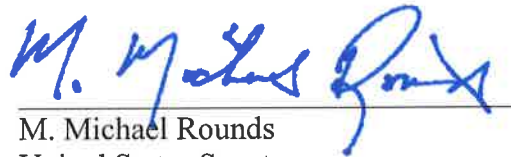
Chris Van Hollen
United States Senator



Amy Klobuchar
United States Senator



Heidi Heitkamp
United States Senator



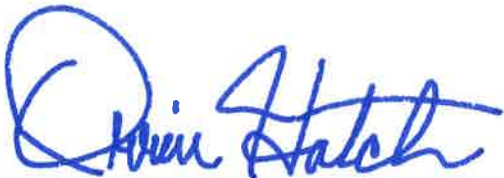
M. Michael Rounds
United States Senator



Ben Sasse
United States Senator



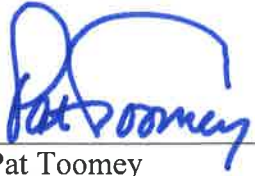
Tammy Baldwin
United States Senator



Orrin G. Hatch
United States Senator



Deb Fischer
United States Senator



Pat Toomey
United States Senator