



CHINA'S ENERGY CROSSROADS

Forging a New Energy and Environmental Balance



Launch of the 2014 Energy Security Report

Tuesday, November 18 • The Reserve Officers Association • 8:30 a.m.–12:00 p.m.

8:30 a.m.	Registration and Refreshments	
9:00 a.m.	Welcome	MEREDITH MILLER <i>The National Bureau of Asian Research</i>
	Introduction	JOHN HEMPELMANN <i>The Henry M. Jackson Foundation</i>
9:10 a.m.	Opening Remarks	ADMIRAL DENNIS C. BLAIR <i>Sasakawa Peace Foundation USA; The National Bureau of Asian Research Board of Directors</i>
9:40 a.m.	<i>China's Energy Crossroads</i>	
	Moderator	MIKKAL E. HERBERG <i>The National Bureau of Asian Research</i>
	Presenters	ERICA DOWNS <i>Eurasia Group</i>
		LI ZHIDONG <i>Nagaoka University of Technology</i>
		CHEN WEIDONG <i>CNOOC Energy Economics Institute</i>
10:40 a.m.	Coffee Break	
10:50 a.m.	<i>Toward a New Energy and Environmental Balance? Strengthening U.S.-China Cooperation on Climate Change</i>	
	Introducer	MIKKAL E. HERBERG <i>The National Bureau of Asian Research</i>
	Presenters	LI BIN <i>Embassy of the People's Republic of China in the United States of America</i>
		JOANNA LEWIS <i>Georgetown University</i>
		CRAIG GANNETT <i>The Henry M. Jackson Foundation</i>
12:00 p.m.	Conclusion	LARA IGLITZIN <i>The Henry M. Jackson Foundation</i>

Featured Publication

CHINA'S ENERGY CROSSROADS 2014 Energy Security Report

This year's Energy Security Report details major shifts underway in Beijing's energy security strategies, and how the country will impact market, geopolitical, and environmental outlooks for the Asia-Pacific more broadly. Essays include:

China's Energy Policymaking Processes and Their Consequences

Philip Andrews-Speed
*Energy Studies Institute,
National University of Singapore*

China's Search for Oil and Gas Security: Prospects and Implications

Mikkal E. Herberg
*The National Bureau of Asian Research;
University of California, San Diego*

Peak Coal in China: Rethinking the Unimaginable

Li Zhidong
Nagaoka University of Technology

The Key Drivers of China's Environmental Policies

Benjamin Shobert
The National Bureau of Asian Research

Forging a New Energy and Environmental Balance: Conclusions and Implications for the Asia-Pacific

Mikkal E. Herberg
*The National Bureau of Asian Research;
University of California, San Diego*

Free copies of the report are available for a limited time at www.nbr.org.

The National Bureau of Asian Research would like to thank to the Asian Development Bank, Chevron, ConocoPhillips, ExxonMobil, and the Henry M. Jackson Foundation for their generous support of the 2014 Energy Security Program. We are also grateful to the Woodrow Wilson International Center for Scholars for cohosting the program's June workshop and to the Ronald Reagan Building and International Trade Center for cosponsoring that event.

ADMIRAL DENNIS C. BLAIR

ADMIRAL DENNIS C. BLAIR served as Director of National Intelligence from January 2009 to May 2010. He led sixteen national intelligence agencies, administering a budget of \$50 billion and providing integrated intelligence support to the president, Congress, and operations in the field. Prior to this appointment, he held the John M. Shalikashvili Chair in National Security Studies with the National Bureau of Asian Research (NBR) and served as Deputy Director of the Project for National Security Reform.

Before retiring from the Navy in 2002, Admiral Blair served as Commander in Chief of U.S. Pacific Command, the largest of the combatant commands. During his 34-year Navy career, he served on guided missile destroyers in both the Atlantic and Pacific fleets and commanded the Kitty Hawk Battle Group. Ashore, he served as Director of the Joint Staff and held budget and policy positions on the National Security Council and several major Navy staffs.

Admiral Blair is active as a director and advisor to many organizations globally. He is an advisor to NBR's Pacific Energy Summit and has served as Summit Co-Chair since 2011. He also serves as Co-Chair of the Commission on the Theft of American Intellectual Property, which released the findings of its work in a major report in May 2013. He is the Chairman of the Sasakawa Peace Foundation USA, and a member of the Energy Security Leadership Council of Securing America's Future Energy, the Aspen Homeland Security Council, and on the Board of Trustees of Freedom House.

From 2003 to 2006, Admiral Blair was President and Chief Executive Officer of the Institute for Defense Analyses, a federally funded research and development center based in Alexandria, Virginia, that supports the Department of Defense, the Department of Homeland Security, and the Intelligence Community.

A graduate of the U.S. Naval Academy, Admiral Blair earned a master's degree in history and languages from Oxford University as a Rhodes Scholar and was a White House Fellow at the Department of Housing and Urban Development. He has been awarded four Defense Distinguished Service medals and three National Intelligence Distinguished Service medals, and has received decorations from the governments of Japan, Thailand, Korea, Australia, the Philippines, and Taiwan.

CHEN WEIDONG

CHEN WEIDONG is Chief Energy Researcher of CNOOC Energy Economics Institute (Office for Policy Research). Mr. Chen has over twenty-five years of experience in China's offshore oil and natural gas industry. He joined CNOOC in 1982 and from May 1998 to September 1999, he was Deputy Manager of the Geophysical Exploration Department of CNOOC. He then served the China Offshore Geophysical Exploration Company from September 1999 to December 2001. From December 2001 to September 2002, he was Deputy General Manager of COSL before the Company was restructured into a limited liability entity. Next, from September 2002 to December 2005, he was Vice President of China Oilfield Services Limited and Secretary of Board of Directors. He has been Executive Vice President of China Oilfield Services Limited and Secretary of its Board of Directors, as well as Chief Strategy Officer since December 2005.

Mr. Chen received a Bachelors degree from Shandong Oceanic Institute in 1982, majoring in Geophysical Exploration, and an MBA from Peking University in July 2001. He graduated from China University of Political Science and Law with a Masters in July 2005.

ERICA DOWNS

ERICA DOWNS is a Senior Analyst for Asia at the Eurasia Group. She focuses on China, with a particular emphasis on China's energy sector. She also follows China's overseas investment and lending and the geopolitical implications of China's international commercial activities.

Prior to joining Eurasia Group, Erica was a fellow in the John L. Thornton China Center at the Brookings Institution. Previously, she worked as an energy analyst at the Central Intelligence Agency and as a lecturer at the Foreign Affairs College in Beijing, China. She has published extensively on China's energy policies, oil industry, cross-border investments and related foreign policy issues. She provides commentary for publications including *Bloomberg*, *The Financial Times*, *The New York Times*, *The Wall Street Journal* and other outlets.

Erica holds a PhD and an MA from Princeton University and a BS from Georgetown University's School of Foreign Service.

CRAIG GANNETT

CRAIG GANNETT is a partner in the law firm of Davis Wright Tremaine LLP, where he co-chairs the firm's Energy & Environmental Practice Group. He focuses his practice in the fields of electric utility regulation, renewable energy development, and climate change-related regulation. He advises clients on a broad range of regulatory matters, including those relating to hydroelectric dams, wholesale electricity transactions, transmission lines, the creation and trading of renewable energy credits, and the impacts of potential changes to the Columbia River Treaty. As a former Senior Counsel to the U.S. Senate Committee on Energy and Natural Resources, he advises with respect to the Federal Power Act, the Clean Water Act, the National Environmental Policy Act, and the Endangered Species Act, as well as EPA climate change regulations under the Clean Air Act. Mr. Gannett also teaches Climate Change Law at the University of Washington School of Law, and is a Vice-President of the Henry M. Jackson Foundation.

JOHN HEMPELMANN

JOHN HEMPELMANN is one of the founding partners and the Chairman of Cairncross & Hempelmann, a full-service Seattle law firm. He has over 40 years of experience and is recognized as one of the premier land use, natural resources, and real estate development attorneys in the state of Washington. Mr. Hempelmann has worked extensively to help form the legislation that governs Washington's land use law. Mr. Hempelmann assists clients with real estate development projects, including their land use, zoning and environmental matters, and with their natural resource permit processes. He is active in several community and civic efforts, and has served as president of the Henry M. Jackson Foundation since 2009.

MIKKAL E. HERBERG

MIKKAL E. HERBERG is Research Director of the Energy Security Program at the National Bureau of Asian Research (NBR). He is also a senior lecturer on international and Asian energy at the Graduate School of International Relations and Pacific Studies, University of California, San Diego.

Previously, Mr. Herberg spent twenty years in the oil industry in Strategic Planning roles for ARCO, where from 1997 to 2000 was Director for Global Energy and Economics, responsible for worldwide energy, economic, and political analysis. He also headed country risk analysis, responsible for advising the executive management on risk conditions and investment strategies in countries and regions where ARCO had major investments. His previous positions with ARCO included Director of Portfolio Risk Management and Director for Emerging Markets.

Mr. Herberg writes and speaks extensively on Asian energy issues to the energy industry, governments, and major research institutions in the Asia-Pacific region and Europe, including the United States, China, and Japan. He is cited frequently in the media, including *The Wall Street Journal*, *The Washington Post*, *South China Morning Post*, *Asahi Shimbun*, *Reuters*, *NIKKEI News*, *Caijing*, and *National Public Radio*.

LARA IGLITZIN

LARA IGLITZIN is Executive Director of the Henry M. Jackson Foundation. Arriving at the Foundation in 1992 as a program officer, she developed the Foundation's human rights program in Russia. Ms. Iglitzin did her undergraduate work at the University of Washington in Russian and East European studies, and received master's degrees in Russian history and Russian studies from the University of Pennsylvania and Georgetown University respectively. She specialized in U.S.-Soviet relations and early 20th century political history. Her master's thesis was dedicated to the impact of the Jackson-Vanik Amendment on Soviet foreign policy. Prior to her work at the Foundation, Ms. Iglitzin managed the Congressional Roundtable on U.S.-Soviet Relations in Washington, D.C. Active in the national grantmaking community, she helped to establish the group Philanthropy for Active Civic Engagement and served as board president for three years. She was also integral to the creation of the International Human Rights Funders Group. Ms. Iglitzin has published a dozen articles in national and regional publications on Russian politics and human rights.

JOANNA LEWIS

JOANNA LEWIS is Assistant Professor in the Science, Technology and International Affairs (STIA) Program at Georgetown University's Edmund A. Walsh School of Foreign Service. Her research focuses on energy, environment and innovation in China, including renewable energy industry development and climate change policy. She is currently leading a National Science Foundation-funded project on International Partnerships and Technological Leapfrogging in China's Clean Energy Sector. Her recent book, *Green Innovation in China: China's Wind Power Industry and the Global Transition to a Low-Carbon Economy*, was awarded the 2014 Harold and Margaret Sprout Award by the International Studies Association for best book of the year in environmental studies. Dr. Lewis is a Lead Author of the Intergovernmental Panel on Climate Change's Fifth Assessment Report. She has worked with the Pew Center on Global Climate Change, Lawrence Berkley National Laboratory, the Asia Society, and the Energy Foundation China Sustainable Energy Program, among other governmental, non-governmental and international organizations, and has been a visiting scholar at Tsinghua University, the Wilson Center and the East-West Center. She holds a PhD in Energy and Resources from the University of California, Berkeley and a BA in Environmental Science and Policy from Duke University.

LI BIN

LI BIN is Counselor for Economic Affairs for the Embassy of the People's Republic of China in the United States of America in Washington, D.C., a position that he has held since July 2011. Prior to this, Mr. Li served as the Deputy Director General of the Department of Foreign Affairs of the State Development Planning Commission (SDPC), now the National Development and Reform Commission. Before that, he was Deputy Division Chief in 1994 and Division Chief in 1999. Mr. Li was in charge of American affairs, European affairs, and multilateral affairs during the past ten years. He is especially familiar with China-U.S. economic cooperation and U.S. companies operating in China, and received his education in English.

LI ZHIDONG

LI ZHIDONG is a professor at the Nagaoka University of Technology; a visiting researcher at the Institute of Energy Economics, Japan (IEEJ); and a visiting professor at the Energy Research Institute, National Development and Reform Commission, China (ERI/China). He graduated from the Renmin University in 1983 and received a PhD in Economics from Kyoto University, Japan, in 1990. He worked as a professional economist at the IEEJ from 1990 to 1995, mainly focusing on econometric analysis of the world energy outlook and world oil market modelling. He has been a major contributor to a joint Chinese-Japanese study project focusing on China's economy, energy and environment from 1999 to 2003. Dr. Li is the author or co-author of a number of published books, as well as several articles published in academic and professional journals.

MEREDITH MILLER

MEREDITH MILLER is Senior Vice President of Trade, Economic, and Energy Affairs & Outreach and Director of the Washington, D.C., office at the National Bureau of Asian Research (NBR). Ms. Miller manages NBR research programs on economic, energy, and trade issues in Asia and guides engagement with Congress as NBR leverages its network of experts to bring objective, detailed analysis of strategic developments in Asia to policymakers. She also leads NBR's media and online outreach programs.

Ms. Miller has experience in both the public and nonprofit sectors. She served at the U.S. Department of State as the Deputy Director for the Office of Economic Policy in the Bureau of East Asia and Pacific Affairs and as an analyst in the Bureau of Intelligence and Research. Prior to joining the State Department, Ms. Miller worked at the U.S.-Vietnam Trade Council on a technical assistance program to support completion of a bilateral trade agreement between the United States and Vietnam as the last step toward full normalization of relations between the two countries. She holds an MA in International Relations from the Paul H. Nitze School of Advanced International Studies (SAIS) at Johns Hopkins University and a BA in Anthropology from the University of Michigan.



BACKGROUND ON NBR'S ENERGY SECURITY PROGRAM

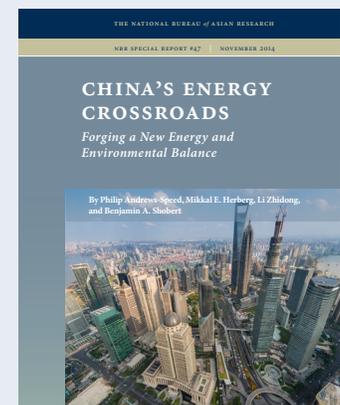
Now in its tenth year, NBR's Energy Security Program convenes top energy and geopolitical experts from industry, research, and policy for an assessment of the developments taking place in Asian energy markets and their implications for geopolitics. To inform and strengthen the public policy dialogue, experts share insights and recommendations through a number of channels, including an invitation-only spring workshop, NBR's annual Energy Security Report, and a public fall launch event.

PROGRAM THEMES

- **“China’s Energy Crossroads”** (2014) details major shifts underway in Beijing’s energy security strategies, and how the country will impact market, geopolitical, and environmental outlooks for the Asia-Pacific more broadly.
- **“Asia’s Uncertain LNG Future”** (2013) explored how and to what extent countries in the Asia-Pacific are integrating liquefied natural gas into their energy security strategies and the key geopolitical and market implications for both the United States and Asia.
- **“Oil and Gas for Asia: Geopolitical Implications of Asia’s Rising Demand”** (2012) explored how Asia’s rising energy demand, coupled with angst over prices and the reliability of future oil and LNG supplies, is shaping the strategic and economic agendas of Asia’s major powers.
- **“Asia’s Rising Energy and Resource Nationalism”** (2011) examined if there is a connection between energy insecurity and state efforts to control major sea lanes, the impact of Asia’s national oil companies on the global industry, and the emergence of rare earth elements as an arena for national competition.
- **“Pipeline Politics in Asia: The Intersection of Demand, Energy Markets, and Supply Routes”** (2010) analyzed the growth in overland pipelines in industrializing Asia and the resulting implications for Asian regional politics and energy security geopolitics.
- **“The New Energy Silk Road: The Growing Asia–Middle East Energy Nexus”** (2009) assessed the likely evolution of Asia’s involvement in Middle East oil and gas development, including how Asia may affect future oil and gas supply development and the implications for U.S. policy.

All reports are available for download at www.nbr.org.

2014 ENERGY SECURITY REPORT



To download the full report visit: www.nbr.org

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For more information on NBR's Energy Security Program, please contact Clara Gillispie at eta@nbr.org or 202-347-9767.

The National Bureau of Asian Research would like to thank the following for their generous support of the 2014 Energy Security Program:



HENRY M. JACKSON
FOUNDATION

NBR's Trade, Economic, and Energy Affairs Group

Fostering collaborative solutions to shared challenges in the Asia-Pacific

NBR's Trade, Economic, and Energy Affairs Group collaborates with a broad range of U.S. and Asian specialists from industry, research, and policy to conduct innovative research and convene high-level dialogues. Guided by an in-house research team and a select group of senior advisors, the group's research focuses on three broad areas: (1) energy security and policy, (2) energy and the environment, and (3) trade, investment, and economic engagement.

Highlighted Initiatives include:

Pacific Energy Summit

As economies in the Asia-Pacific region continue to grow at astonishing rates, the Pacific Energy Summit aims to foster economic and energy security in the Asia-Pacific by developing practical solutions to the dual challenges of rising energy demand and global climate change. The annual, invitation-only Summit convenes 200 global leaders to articulate practical and tenable policy solutions to energy and environmental challenges.



PACIFIC
ENERGY SUMMIT

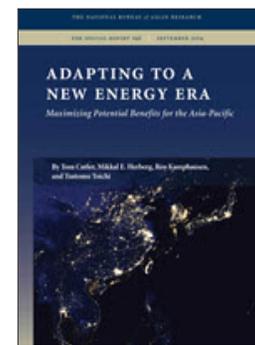
Energy Security Program

Dramatic developments are taking place in Asian energy markets, and these changes will affect the geopolitical situation in the Asia-Pacific region. Rising demand has led to increasing dependence on energy imports and a growing sense of energy insecurity among the major Asian powers. To address these issues, this initiative convenes senior policy and industry leaders and Asia energy specialists from across the region for high-level discussions on Asia's energy policies and their geopolitical implications. Experts share insights and recommendations through an invitation-only spring workshop; NBR's annual Energy Security Report, which compiles expert essays on each year's specific topic; and a public fall launch event.



Adapting to a New Energy Era

An unexpected boom in U.S. and Canadian production of shale gas and tight oil has accelerated an already steady decline in U.S. imports of Middle East oil and gas. At the same time, China, Japan, and the rest of Asia have emerged as major importers of oil and natural gas from the Persian Gulf. This initiative aims to provide in-depth and academically rigorous research into how the United States, Japan, and other countries can craft stronger diplomatic, strategic, and economic tools to support common energy security interests.

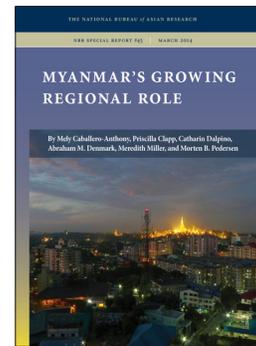


“NBR does a terrific job at getting great people, with great ideas, and making it into a process of dialogue and interaction that leads to recommendations that are very useful in the policymaking process.”

— Robert Hormats, *Former Under Secretary of State for Economic Growth, Energy, and the Environment, Department of State, United States*

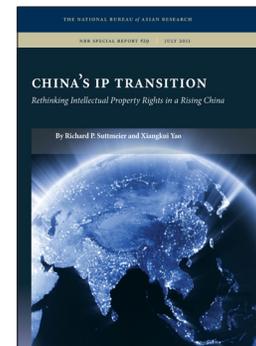
Myanmar’s Growing Regional Role

Myanmar’s recent domestic reforms and improved relations with the United States, European Union, Japan, and the Association of Southeast Asian Nations have opened the door for the country to be an important regional player. To better understand the challenges and opportunities presented by these shifting dynamics, this multi-year project brings together top experts from the United States, Myanmar, and the Asia-Pacific to deepen regional understanding. NBR’s Myanmar initiative seeks to develop a comprehensive framework for the future of the country’s engagement with partners in the region.



Innovation and IP Policy

Economies in the Asia-Pacific have shown unprecedented growth rates in recent years, and the United States aims to engage with the many burgeoning economies in the region. As India, China, and others work to further develop their economies, intellectual property and innovation policies have increasingly appeared in national and international discussions. To assess these key issues, NBR has developed projects looking at intellectual property protection and innovation policy development in the Asia-Pacific and how emerging players in the region continue to shape global discourse on the future of these policies.



Pacific Energy Forum

Broad and fundamental global energy shifts, along with rapidly evolving technologies and capabilities, suggest that Asia and North America need to fundamentally reconsider their current energy relationship. The Pacific Energy Forum gathers experts and leaders from Asia, the United States, and Canada to assess the key policy questions that will shape the future trans-Pacific energy relationship and enhance energy and environmental cooperation among key actors in the region.



For more info on these programs, please contact the Trade, Economic, and Energy Affairs group, at eta@nbr.org.