

AFL-CIO Industrial Union Council

Arch Coal

Carbon Utilization Research Council

ClearPath Action

Cloud Peak Energy

**International Brotherhood of
Boilermakers, Iron Ship Builders,
Blacksmiths, Forgers and Helpers**

Peabody Energy

SMART-Transportation Division

United Mine Workers of America

President Donald J. Trump
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

March 10, 2017

Dear President Trump:

We very much appreciate your commitment to revitalizing the coal industry. As representatives of top coal companies, labor unions and organizations focused on the continued use of our fossil fuel resources, we look forward to collaborating with your administration to help grow our economy, improve our energy security and put American families back to work.

One crucial means of doing so is to secure a future in which the U.S. can effectively and sustainably use our abundant coal and gas resources.

Success will require targeted and robust federal investment in fossil energy technologies and a strong public-private partnership.

Public-private partnerships through the Department of Energy's Office of Fossil Energy are responsible for many innovative breakthroughs since its creation in 1977, including cost-effective horizontal drilling and hydraulic fracturing technologies being used in our historic shale gas boom.

They've also led the United States to become a global leader in advanced coal generation technologies that U.S. companies are today selling in overseas markets. These technologies are also responsible for major improvements in our air quality since the 1970s, during a time when coal use nearly doubled.

Technology has also ensured electricity generated from coal and gas is affordable, enabling our nation to enjoy significant growth in GDP.

In light of recent calls for dramatic cuts to the federal budget, we want to stress that every dollar allocated to fossil energy research is an investment in the long-term future of America's coal and fossil fuel industry.

And this federal investment yields significant benefits.

There are technologies under development in DOE's fossil energy technology portfolio that will improve the performance and costs of fossil fuel technologies, make coal more competitive and enhance our energy

security. That includes technology that captures carbon and uses it to increase domestic oil production through a process called enhanced oil recovery.

The National Coal Council reports that more than 100 billion barrels of oil could be recovered using carbon-induced enhanced oil recovery with advanced technologies, and that process has already resulted in 2 billion barrels of U.S. oil produced to date.

Just one example of the effectiveness of this public-private partnership is the Petra Nova project in Texas, which will be the world's largest project capturing carbon dioxide (CO₂) from coal generation. The captured CO₂ has economic value as it is used in nearby oil fields, where it will produce 75 million barrels of oil. Thanks to smart federal and private investments, the project is on time and on budget. In the end, a \$190 million DOE grant unleashed more than \$800 million more in capital and infrastructure investment.

Unlocking the potential for this technology will make American exports more attractive abroad, as global fossil fuel consumption is expected to grow and supply 80% of the world's energy needs by 2040. American natural resources and ingenuity can satisfy the world's growing appetite for affordable energy.

These are proven investments and we can't stop now.

Similar federal investments in R&D for wind and solar power reduced their costs, and together with favorable policies, those technologies are competitive in today's electricity markets. With targeted federal investments in R&D, carbon capture technology can be cost competitive in the same way that has been done with wind and solar power. We need to level the playing field for our coal and fossil fuel resources.

Federal support plays a major role in commercializing technology and making it cost-viable for the private sector.

The private sector, and in particular the power sector, is ill-suited to drive research or support high-capital, commercial investments in first-of-its-kind technologies with the need to provide reliable and affordable power, 24 hours a day and 7 days a week. Deployment of cutting-edge technologies, such as the case with Petra Nova, would not happen without public-private partnerships.

American energy security would prosper through both a balanced electricity portfolio and expanded domestic oil production yielded by these advanced fossil energy technologies. Along the way, thousands of high-wage jobs will be created in engineering new designs, building out the necessary pipelines, transmission lines and other infrastructure, and producing more domestic natural resources.

We look forward to working with incoming Secretary of Energy Perry on these efforts, and hope your administration will support these important federal investments to secure America's energy future.

Sincerely,

Glenn Kellow
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Peabody Energy

Cecil E. Roberts
International President
United Mine Workers of America

Colin Marshall
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cc: Vice President Mike Pence
Secretary of Energy Rick Perry