

Congress of the United States
Washington, DC 20515

March 20, 2012

The Honorable Rodney Frelinghuysen
Chairman
Subcommittee on Energy and Water Development and Related Agencies
House Committee on Appropriations
2362-B Rayburn House Office Building
Washington, D.C. 20515

The Honorable Peter J. Visclosky
Ranking Member
Subcommittee on Energy and Water Development and Related Agencies
House Committee on Appropriations
2362-B Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Frelinghuysen and Ranking Member Visclosky,

We are writing to express our concern with the President's Fiscal Year (FY) 2013 budget cuts to the Department of Energy's Fossil Energy (FE) Research and Development (R&D) Program. America depends on fossil resources for over 75% of our energy needs and will continue to do so for decades to come. Research through this program focuses on developing affordable, safe and clean mechanisms to enhance and utilize our domestic fossil energy resources in the most efficient manner. We will be able to ensure our nation of security, job retention and growth, as well as the ability to meet our increasing energy needs.

To note some success, FE R&D has led the research to significantly reduce acid rain, as well as in other advanced pollution controls and mercury emissions reductions; and has led and/or conducted research that created technologies used in 75% of our nation's largest coal power plants. Today, FE R&D continues to lead the nation's carbon capture, sequestration and utilization efforts; and has led efforts in combustion and turbine R&D resulting in substantial gains in power plant efficiencies and reductions in power plant emissions. Furthermore, as announced in the President's State of the Union address, federal research in fossil energy has already lead directly to the technologies being used in the environmentally sound development and production of a plentiful American resource: shale gas.

The Secretary of Energy is most fortunate to have at his disposal an in-house collection of experts who live and work with the Utica and Marcellus Shale every day. The scientists at the National Energy Technology Laboratory possess a unique understanding of the techniques used to develop shale gas. DoE would be well-served to continue utilizing its own engineers, researchers, and scientists in pursuit of best practices and sound environmental processes for

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expanded use of natural gas. For NETL researchers, natural gas development is not some laudable goal written by policymakers in Washington. It's the reality happening in their backyard.

However, the President's FY13 budget proposal does not provide the investments necessary for continuing NETL's research, development, and demonstration of natural gas, clean coal, and oil production. Therefore, we request that you support funding the FE R&D Program at \$735 million. The

President's FY2013 request was \$428 million, which is almost \$25 million less than what was requested in FY2011. America's economic climate and our nation's pursuit of energy dependence will require full deployment of the technologies and industries being developed by the Office of Fossil Energy.

Our particular requests within the FE R&D program funding are as follows:


- **\$400 million for the core coal research and development program**, in order to maintain current funding for coal research and development, to improve energy and environmental efficiencies at power plants, to continue carbon capture, utilization, and storage research for existing and new power plants, and to advance fuel cells and coal-biomass to liquid fuels;
- **\$160 million for fossil energy R&D Program Direction**, in order to maintain current funding for salaries and the operation of Fossil Energy's National Energy Technology Laboratory;
- **\$50 million for natural gas and oil research & development**, in order to maintain funding to address environmental and related issues associated with unconventional natural gas and oil, including shale gas and gas hydrates research;
- **\$17 million for plant and capital equipment**, in order to implement and maintain equipment, systems, and processes to achieve federally mandated energy conservation requirements at all of NETL's laboratory and office facilities;
- **\$8 million for environmental restoration**, in order to maintain and implement federally mandated safety, health, and security programs and systems at all of NETL's laboratory and office facilities; and
- **\$100 million for Clean Coal and Carbon Capture and Storage (CCS) demonstrations**, in order to continue funding initiated in previous appropriations, and to accelerate CCS deployment through large-scale demonstrations, lowering costs and risks for private investment and commercial development.

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We appreciate your support you have provided for the Fossil Energy R&D program in the past. Your leadership and commitment to this program during the FY2012 Appropriations process has saved jobs and helped to move our country closer to energy independence through use of our abundant fossil energy resources. This year, we call on your leadership and commitment to this program, hopefully looking favorably upon our request to fund the Department of Energy's Fossil Energy Research and Development Program at \$735 million. Coal, oil, and natural gas are essential for U.S. economic growth and national security. Thank you for your consideration of our request; we will try to answer any questions you may have.


Sincerely,


David B. McKinley
Member of Congress


Mike Doyle
Member of Congress


Tim Murphy
Member of Congress


Jason Altmire
Member of Congress


Mark Critz
Member of Congress

Cc: The Honorable Harold Rogers, Chairman, House Committee on Appropriations
The Honorable Norm Dicks, Ranking Member, House Committee on Appropriations