

The Essential Role of Clean Coal to Fuel a New Energy Age: Peabody Energy CEO Testifies Before House Energy Committee

PRNewswire-FirstCall
WASHINGTON

Peabody Energy Chairman and Chief Executive Officer Gregory H. Boyce today outlined a technology and regulatory path forward to achieve near-zero emissions from coal in offered testimony before the U.S. House of Representatives Select Committee on Energy Independence and Global Warming.

"Clean coal plays an enormous role in meeting three vital needs that Americans face: energy security, economic stimulus and environmental solutions," said Boyce, who was one of four panelists invited to address the 111th Congressional committee. "So, while some others call coal a bridge to the future, I say that coal is the future."

Coal is the solution to provide clean, made-in-America energy, and the United States has the world's largest supply right under its feet, said Boyce. "Coal is the primary global generation source and the world's fastest-growing fuel."

"Nearly half of America's electricity is powered by coal at a fraction of the cost of other fuels," he said. "As we contemplate decisions that will affect every American, we must focus on the millions of citizens who are forced to make the tough choice between putting food on the table and keeping the lights on."

Greater deployment of clean coal technology also will reindustrialize the U.S. economy through green jobs and infrastructure. A 2009 study by the National Coal Council concluded that deployment of coal with carbon capture and storage (CCS) would increase U.S. gross domestic product by \$2.7 trillion, create 28 million job-years from new construction, and support 800,000 permanent jobs over the next 40 years.

"The only path to meet CO₂ goals is through technology. A strong energy bill that advances CCS is the best way to achieve both our energy and environmental goals," said Boyce. "Greater deployment of advanced energy technologies including coal with carbon capture and storage would create tremendous economic stimulus, reindustrializing our economic base and putting people to work."

Coal with CCS also is a low-cost, low-carbon energy solution. U.S. coal used for electricity generation has more than tripled since 1970, when the first major Clean Air Act was written. Criteria pollutants have been reduced by 84 percent per megawatt-hour. Technology can lead to a low-carbon world. Boyce outlined these six steps:

- Build supercritical combustion plants with improved efficiencies, which in the United States typically have CO₂ emissions that are 15 percent below the existing fleet, and more than 40 percent below the oldest of plants being replaced.
- Demonstrate CCS. The technology works. Statoil's Sleipner project in the North Sea has been storing 1 million tons of CO₂ annually for 15 years.
- Complete large-scale CCS demonstrations. World leaders increasingly are calling for rapid CCS deployment.
- Develop coal-to-gas with CCS. One of the benefits of coal-to-gas technologies is the inherent ability to capture a pure CO₂ stream, so the ultimate cost of capturing and storing CO₂ is reduced.
- Deploy commercial-scale IGCC technology with CCS.
- Retrofit the world's existing fleet of coal plants with CCS technologies to improve CO₂, just as the nation has done successfully for many other emissions.

"Today, 3.6 billion people around the world lack adequate access to electricity. And by 2030, the world will need the equivalent power of five more Americas to fuel the world's population growth," said Boyce. "How will we satisfy this growth? With coal... which is expected to grow faster than the rate of all other fuels combined."

Peabody Energy is the world's largest private-sector coal company and a global leader in clean coal solutions. With 2009 sales of 244 million tons and \$6 billion in revenues, Peabody fuels 10 percent of U.S. power and 2 percent of worldwide electricity, lighting cities on six continents. Peabody is energizing the world, one Btu at a time.

CONTACT:

Vic Svec
(314) 342-7768

Beth Sutton
(928) 522-7008

First Call Analyst:
FCMN Contact: ctaylor@peabodyenergy.com

SOURCE: Peabody Energy

CONTACT: Vic Svec, +1-314-342-7768, or Beth Sutton, +1-928-522-7008,
both of Peabody Energy

Web Site: <http://www.peabodyenergy.com/>
