Peabody Chairman and CEO Calls on Regulatory Utility Commissioners to Embrace Low-Cost Energy Plan to Keep the U.S. Globally Competitive

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ST. LOUIS, July 18, 2011 /PRNewswire/ -- Peabody Energy Chairman and Chief Executive OfficerGregory H. Boyce today outlined low-cost, coal-based electricity solutions as the engine for jobs and economic growth to keep America competitive in global markets and maintain a strong energy system.

Boyce delivered the keynote address at the National Association of Regulatory Utility Commissioners (NARUC) summer meeting in Los Angeles, stating: "Energy, jobs and the economy are the most important global issues that we face. Low-cost energy is economic oxygen. It is vital to job creation and healthy industry and gross domestic product (GDP) growth. Affordable energy puts people on the payroll. It keeps jobs at home, powers industry and enables America to compete globally. Coal is the only fuel capable of meeting U.S. and global electricity demand."

The world faces unprecedented energy needs, Boyce explained. By 2050, global GDP is forecast to increase 270 percent, electricity generation will increase 130 percent and world population is expected to exceed 9 billion people, with the vast majority living in cities.

Boyce called good energy access a basic necessity and a human right: "We cannot fail the 3.6 billion people around the world who still lack basic energy. We cannot lose sight of the 2 billion energy consumers born over the next two decades. In the next 20 years, we are on course to have as many as 5 to 6 billion people who will need modern electricity."

Boyce said that the United States must maintain a pro-people, pro-business economy. Greater use of coal creates a path that will allow America to achieve its energy, economic and environmental goals, the 'Three Es.'

Peabody is advancing a plan that calls for ensuring at least half of new generation comes from advanced coal plants that are ultra efficient, and typically have an emissions rate that is one-fifth that of the existing U.S. fleet. Even carbon dioxide emissions are 15 percent lower than the existing fleet and such plants are carbon capture ready. The Peabody Plan also calls for commercializing carbon capture and storage (CCS) and deploying coal conversion technologies.

"The United States faces critical decisions that will chart the course for our energy future for the coming decades," said Boyce. "Our energy policy must promote a balanced portfolio of fuels so that we maintain a competitive economy that creates jobs."

Boyce offered commissioners an approach to help achieve the nation's Three E goals:

1. Create a pro-electricity regulatory environment that keeps energy affordable for job creation and economic growth;
2. Encourage new coal and nuclear units for baseload electricity and use gas and renewables for variable power; and
3. Advocate for continual upgrades of the existing fleet.

"All of us are engaged in vital work for people and economies," said Boyce. "Low-cost coal-based energy is the solution that will lift billions from poverty. It will strengthen economies and create a stronger future for families and businesses than we have today."

"All fuels are needed to create more energy. I say let's make jobs and the economy number one by making energy number one."

NARUC is the national association representing the State Public Service Commissioners who are responsible for the safe and reliable operation of the utility infrastructure at reasonable rates. Founded in 1889, the Association provides a venue to set and influence public policy, share best practices, and foster innovative solutions to improve regulation.

Peabody Energy is the world's largest private-sector coal company and a global leader in clean coal solutions. With 2010 sales of 246 million tons and nearly $7 billion in revenues, Peabody fuels 10 percent of U.S. power and 2 percent of worldwide electricity.

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