

## **Peabody Position Statement on Paris Accord**

Peabody believes that the prior Paris Accord could not be followed without substantially impacting the U.S. economy, increasing electricity costs on families and businesses, and requiring the power sector to rely on less diverse and more intermittent energy sources.

Peabody would encourage the U.S. government to advance multiple improvements in any subsequent agreement.

- The former U.S. pledge to reduce greenhouse gas emissions, and related actions, must be substantively modified so as to avoid adversely impacting economic growth, job preservation, electricity grid reliability and power costs to families and businesses.
- Proposed pledges should undertake rigorous cost-benefit analyses and recognize a true all-of-the-above energy strategy that acknowledges coal's role as an important part of the global energy mix.
- International policies (including those of development banks) should strongly encourage the construction of high-efficiency, low-emission (HELE) coal-fueled power plants in developed and developing countries. This should also be supported by the Green Climate Fund. Japan, for instance, currently has plans to build over 40 HELE coal-fueled power plants and the international community should support similar options for the United States and the rest of the world.
- Development of HELE technologies in the developing world should also be encouraged through the support of multilateral development banks.
- Research and development funding for carbon capture, use and storage, and other clean coal technologies, must be maintained and increased where appropriate. While it is clear that achieving a low-carbon future comes at a very high price, that price soars higher if carbon capture technologies aren't employed. Government studies have shown that the costs of achieving the goal of the Paris Agreement could more than double without the inclusion of carbon capture, and researchers have found that excluding carbon capture increases the median estimated mitigation costs from about 2 percent of global GDP to 5 percent.

Ultimately, technology is the appropriate path to meeting the world's needs for energy security, economic growth and environmental solutions, and any international agreements must reflect those realities.

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