BEFORE THE

NATIONAL COAL COUNCIL

UNITED STATES DEPARTMENT OF ENERGY

FEDERAL ADVISORY COMMITTEE MEETING

TRANSCRIPT OF PROCEEDINGS

11 April 2018 Washington, D.C. USA

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22		
23		Continued
1		

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20		Axens North America, Inc.
21	GEORGE DUGGAN	Vice President Coal Marketing
22		BNSF Railway
43		

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1		

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21	ROBERT M. PURGERT	President
22	·	Energy Industries of Ohio
23		Continued

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7	PETER SALDITT	President
8		Underground Segment Komatsu Mining Corp.
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10		Savage Services
11	JOHN SCHULTES	CEO & Founder New Steel International,
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17	CAROLYN SLAUGHTER	Director Environmental Policy
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21		Arch Coal
22		
23		Continued
1		

		10
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3		Fuel & Water Resources Tri-State Generation &
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11	SCOTT TEEL	Vice President
12		Fuel Services Southern Company Operations
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20	KEMAL WILLIAMSON	President Americas
21		Peabody
22	XIAOLIANG YANG	CCS Team Global Lead World Resources Institute
23		(China)

1	SPEAKERS:	
2	Hon. STEVEN WINBERG	ignated Endowel Officer
3	National Coal Council Designated Federal Officer Assistant Secretary for Fossil Energy	
4	United States Department of Energy	
5	THOMAS J. PYLE President	
6	Institute for Energy Research & American Energy Alliance	
7	ATTENDEES:	
8	JACK ADAMS	Director
9		Government Affairs Calgon Carbon Corporation
10	SY ALI	Principal Clean Energy Consulting
11	DOUGLAS ARCHER	Program Manager
12	DOUGLAS ARCHER	U.S. Department of Energy
13	CHARLES ATKINS	Ramaco Coal, LLC
14	MITCHELL BAER	Associate Vice President Policy Analysis
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16	MARTIN BAKER	Dentons
17	PETER BALASH	Senior Economist U.S. Department of Energy
18		NETL
19	DARREN BOSSIE	Deputy Director Secretarial Boards &
20		Commissions U.S. Department of Energy
21	DVI ANI DDOMN	-
22	DYLAN BROWN	Reporter E&E News
23		Continued

1	ATTENDEES (Continued):	
2	DANIEL CARDENAS	CEO National Tribal Energy
3		Association
4	LELAND COGLIANI	Senior Consultant Lewis Burke Associates
5	DONALD COLLINS	CEO
6 7		Western Research Institute
8	DAN CONNELL	Director, Market Strategy & Business Development
9		CONSOL Energy, Inc.
10	JARAD DANIELS	Director, Strategic Planning & Global
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12		Carbon Management U.S. Department of Energy
13	CYRIL DRAFFIN	Energy Initiative Project Advisor
14		Massachusetts Institute of Technology
15 16	MICHAEL ECKARD	Director, Federal Affairs FirstEnergy
17	RANDY EMINGER	Executive Director
18		Energy Policy Network
19	JEFFREY EPPINK	President & Founder Enegis, LLC
20	JOE EVERS	Corporate Counsel & Manager of External
21		Relations Westmoreland Coal Company
22	MAOHONG FAN	Professor
23		University of Wyoming

1	ATTENDEES (Continued):	
2	JOHN FISCHER	Managing Director Engineer Procure
3		Construct, LLC
4	RANDY GENTRY	Deputy Director Chief Research Officer
5		U.S. department of Energy NETL
7	SHEILA GLESMANN	Managing Consultant Emission Strategies, Inc.
8	DIETRICH GROSS	Vice CEO Jupiter Oxygen Corp.
9	JEREMY HARRELL	Managing Director, Policy
		ClearPath Foundation
11	CLARK HARRISON	Principal Development and Diligence LLC
13	RICHARD HOGGAN	President Millcreek Engineering Co.
14	MARTY IRWIN	Environmental Specialist
15 16		Indiana Department of Environmental Management
17	DANIEL JACK	President & Principal CDT Insurance Group, LLC
18	MICHAEL JONES	Consultant Lignite Energy Council
19	ALISON KERESTER	Executive Director
20		Global Syngas Technologies Council
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1	ATTENDEES (Continued):	
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3		Energy Technology Systems Office of Clean Coal &
4		Carbon Management U.S. Department of Energy
5	ANTHONY KU	Director Advanced Technologies
6		National Institute of Clean & Low Carbon Energy
7		(NICE)
8	JOSHUA LEARN	Coal Reporter S&P Global
9	STEPHEN LEE	Reporter
10		Bloomberg Environment
11	RUYU LI	Administrator PowerChina America
12		Development Ltd.
13	HEATH LOVELL	VP - Public Affairs Alliance Coal, LLC
14	DOUGLAS MATHENEY	Special Advisor to the
15		Secretary Fossil Energy
16		U.S. Department of Energy
17	MICHAEL McKENNA	President MRW Strategies
18	GREGORY MERLE	President
19		Riverview Energy
20	NANCY MOHN	Consultant
21	ROD OSBORNE	Manager, Energy Group Battelle Memorial
22		Institute
23		Continued

1	ATTENDEES (Continued):	
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3		U.S. Department of Energy NETL
4	MASSOOD RAMEZAN	Senior Technical Advisor KeyLogic Systems
6	RACHEL ROGIER	Federal Affairs Representative Arch Coal
7 8	DANIEL ROLING	President & CEO Novadx Ventures Corp.
9	FADI SHADID	Industry Economist Energy Information Administration U.S. Department of Energy
12	GEORGE SKOPTSOV	President H Quest Vanguard, Inc.
13 14 15	MICHELLE SNEED	Director Office of Secretarial Boards & Councils U.S. Department of Energy
16 17 18	CHUNSHAN SONG	Distinguished Professor of Fuel Science & Professor of Engineering EMS Energy Institute at Penn State University
19	CONRAD STEWART	National Tribal Energy Association
20	JUDD SWIFT	CEO Synfuels Americas
21 22 23	TOMAS TARKA	Senior Engineer U.S. Department of Energy NETL

1	ATTENDEES (Continued):	
2	AUDREY TAUCHER	Taucher International
3	OSAMU USUI	Deputy General Manager Mitsubishi Heavy Industries America
5	DOVANNI MAT CH	
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7	KARL WEISS	Vice President MH&U Caterpillar
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10	EDDIE JOE WILLIAMS	Federal Representative
11		Southern States Energy Board Office of the President
12	TOMASZ WILTOWSKI	Director
13	IOMASZ WILIOWSKI	Advanced Coal & Energy Research Center
14		Southern Illinois University
15	SAM WOODS	Business Development
16	SIII. NOODS	Manager Navajo Transitional Energy
17		Co.
18	HAO YU	Student George Washington
19		University
20		
21		
22		
23		

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	1	BEFORE THE
	2	NATIONAL COAL COUNCIL
	3	UNITED STATES DEPARTMENT OF ENERGY
	4	FEDERAL ADVISORY COMMITTEE MEETING
	5	Meeting was held pursuant to Invitation
	6	at the New Hampshire Conference Room, the Wink
	7	Hotel, 1143 New Hampshire Avenue, NW, D.C., USA,
	8	commencing on the 11th day of April, 2018, at 7:00
	9	p.m. ET.
	10	TRANSCRIPT OF PROCEEDINGS
	11	MS. GELLICI: Ladies and Gentlemen,
	12	Ladies and Gentlemen, if you will kindly make your
	13	way to your seats we'll proceed with that. Thank
	14	you.
19:02:16	15	Thank you for finding your way to your
	16	seats. Thank you.
	17	Thank you very much. Appreciate you
	18	finding your way to your seat. Thank you.
	19	Thank you very much. The bar will be
19:02:39	20	open for dinner. Thank you.
	21	(Whereupon, remarks were made among
	22	those present, off the Record, after which the
	23	following occurred:)
	i	

```
1
                         MS. GELLICI: Thank you for making your
         2
             way to your seat, please.
         3
                          Steve, you can do this better than I am.
         4
             They'll get quiet when you're up here.
19:03:38
         5
                          Okay, thank you, everyone. If you could
         6
             finally make your way to your seats, we would like
         7
             to get started with our program for this morning.
         8
                         Everyone is hungry. Thank you for
         9
             making your way to your seat. We greatly
19:03:54
        10
             appreciate it.
        11
             CALL TO ORDER AND OPENING REMARKS:
        12
                         ASSISTANT SECRETARY WINBERG: All right.
        13
             All those guys standing around the bar, sit down.
        14
                          I'd ask everyone to sit down, please.
19:05:16
        15
             Okay.
        16
                          So, this is a rowdier group than I
        17
             remembered when I was at the, on the National Coal
        18
             Council, and I think that's a good thing that
        19
             people are rowdier. Hopefully that means you're in
19:05:31
        20
             a good mood, or at least a better mood than you
        21
             were a year ago or a year and a-half ago.
        22
                          (Whereupon, applause was had.)
        23
                         ASSISTANT SECRETARY WINBERG:
```

```
1
             welcome to the kickoff of the 2018 spring meeting
         2
             of the National Coal Council. I feel like I need
             to apologize on behalf of the Department of Energy
             for being a little tardy in getting this thing
19:06:09
             moving, especially to Janet and her staff.
         6
                          You know, we're new at the government
         7
                    We're trying to figure it out, and it turns
             game.
         8
             out -- This will surprise you, but it turns out
         9
             that when you get into the federal government,
19:06:25
        10
             there is an overabundance of bureaucracy.
        11
             knew?
        12
                         And, so, due to that bureaucracy, it
        13
             just took us a little bit longer. I'd like to
        14
             stand up here and a assure you that we will be more
19:06:46
        15
             expeditious next time, but it is the government, so
        16
             I don't know that I can.
        17
                          But, I will do my level best to be more
        18
             expeditious, and to push all the paperwork through
        19
             so that you all can do the job that we need you to
19:07:07
        20
             do.
        21
                          (Whereupon, applause was had.)
        22
                         ASSISTANT SECRETARY WINBERG:
                                                        And, on
        23
             that note, I, I do want to thank you all for being
```

```
1
             here tonight, and I want to thank everyone who
         2
             helped organize tonight's program. Special thanks
             to NCC Chair Greg Workman.
                         Greg.
19:07:31
                          (Whereupon, applause was had.)
         6
                         ASSISTANT SECRETARY WINBERG:
                                                        Thank you.
         7
                         Deck Slone?
         8
                         MR. SLONE:
                                     Here.
         9
                         ASSISTANT SECRETARY WINBERG:
                                                        Thank you.
19:07:39
        10
                          (Whereupon, applause was had.)
        11
                         ASSISTANT SECRETARY WINBERG: Members of
        12
             the Executive Committee for their leadership, and
        13
             especially to Janet and to Orynthia for all the
             hard work and putting up with us at the DOE, and
19:07:54
             being patient with us. So, thank you very much.
        15
        16
                          (Whereupon, applause was had.)
        17
                         ASSISTANT SECRETARY WINBERG: I know
        18
             many of you, and it was great catching up with a
        19
             number of you at the reception. I didn't get to
19:08:06
        20
             catch up with everybody, but I see a lot of
        21
             familiar faces here.
        22
                         For those of you that don't know me, I'm
        23
             Steve Winberg. I happen to be the Assistant
```

```
1
    Secretary for Fossil Energy, and I'm proud to be
 2
    there.
 3
                 (Whereupon, applause was had.)
                 ASSISTANT SECRETARY WINBERG: And, this
5
    applause has to stop, because food is coming,
6
    right? And, I want to get a drink.
7
                 Yeah, I've -- Before coming to DOE I
8
    spent 39 years in the fossil energy industry,
9
    mostly on coal, but also some on natural gas.
                                                     My
10
    last career stop was at Battelle.
11
                 I was there for about three years.
12
    Prior to that I was with Consol Energy, and I ran
13
    the R&D Group of Consol Energy of both coal and
14
    natural gas.
15
                 And, prior to that I was with
16
    Consolidated Natural Gas, but always in emerging
17
    technology arena. And, so, I worked on not only
18
    emerging technology, but also a lot of policy
19
     issues.
2.0
                 I go back to the electric and gas
21
    deregulation days, so I go back a fair piece.
                                                     I'm
22
    getting used to the idea of being on this side of
23
    the podium as opposed to being over with the real
```

19:08:26

19:08:43

19:08:58

19:09:10

1 people, and, and I can tell you that the last 19 2 weeks or so have been a real whirlwind for me. 3 I've had the opportunity to travel with the Secretary of Energy. We went over to the 19:09:38 Middle East, and here's one thing I can tell you 6 about our Secretary: 7 Everywhere that he goes, he sells 8 American technology and he sells American energy: 9 Coal, natural gas, and, of course, the technology. 19:09:55 10 And, I think -- And, I've watched him in action. 11 He does a tremendous job at it. So, I'm 12 honored to be, to be able to work for Secretary 13 Perry. 14 I look forward to being with you 19:10:11 15 I, I think I'm going to be able to be tomorrow. 16 with you all day tomorrow, and so I think we're 17 going to have an excellent program. 18 And, I know you're probably eager to get 19 started after all this time that we've wasted, so 19:10:25 20 this evening is to enjoy the meal, enjoy our colleagues in the industry, get to know each other 21 a little bit better. 22 23 And, I'm going to introduce Tom Pyle,

```
1
             from the American Energy Alliance. I, I think
         2
             we're going to wrap up by 9:00 o'clock this evening
             and we'll get down to business 8:30 tomorrow
             morning.
19:10:52
         5
                         Right? Okay.
         6
                         So, I'm sorry. Greg will introduce
         7
             tonight's speaker, Tom Pyle.
         8
                         I didn't read my notes very well. So,
         9
             without further ado, let's get under weigh so we
19:11:06
        10
             can hear our speaker and then enjoy our dinner and
        11
             comradery and begin tomorrow morning, 8:30 sharp.
        12
                         So, thank you, everyone.
        13
                          (Whereupon, applause was had.
        14
             present broke for dinner, after which the following
19:11:18
        15
             occurred:)
        16
                         MS. GALLICI: Thank you for the portion
        17
             of our program. If you could finally find your way
        18
             to your seat.
        19
                         Thank you very much. I hope you enjoyed
20:09:12
        20
             your dinner.
        21
                         I'm glad everybody's been enjoying the
        22
             conversation. I wanted to call to the podium our
        23
             chairman, Greg Workman.
```

```
1
                          And, if you will please join me, this is
         2
             Greg's last meeting for us as Chair. So, if you
             would please join me in welcoming, and I'll do
             that.
20:09:34
         5
                          (Whereupon, applause was had.)
         6
                          THE CHAIR:
                                      Thank you, Janet.
         7
                          Certainly a bitter-sweet day for me, but
         8
             I've enjoyed serving as Chair, and you'll hear you
         9
                    Maybe I might be it tomorrow.
             more.
20:09:51
        10
                          But, it's been a wonderful ride.
        11
             Certainly an interesting, bright group.
        12
                          I've just been so impressed with the
        13
             National Coal Council the last few years.
        14
             energy and the enthusiasm, really done some great
20:10:05
        15
             things.
        16
                          So, keep it up.
                                           I'll be around.
        17
             going anywhere.
        18
                          So, my job tonight is to introduce our
        19
             very dynamic and interesting speaker, so let me get
20:10:16
        20
             about that and let, let's hear from him. He's got
        21
             some interesting points for us.
        22
                          But, so, Tom Pyle is the president of,
        23
             of the Institute for Energy Research and its
```

1 advocacy arm, the Energy, American Energy Alliance, 2 In this capacity Tom brings a unique background of public- and private-sector experience to, to manage IER's Washington, D.C.-based staff 20:10:43 and operations. 6 He also develops the organization's 7 free-market positions which we're interested to 8 learn about, and implementation of efforts with 9 stakeholders, including lawmakers, energy agency 20:10:57 10 officials, industry leaders, consumers, and the 11 media. 12 He recently managed the Department of 13 Energy as part of the presidential transition team, as well. So, prior to his current position, Tom 20:11:09 15 was President and founder of Pyle Consulting, an 16 active public-affairs and lobbying, lobbying firm 17 with a wide range of private-sector and 18 not-for-profit customers. 19 He also served as vice president of 20:11:24 20 Cassady and Associates. So, I worked through 21 the -- I'll skip through some of Tom's -- I did 22 think one thing that was interesting. 23 He's a poly-sci graduate from University

```
1
             of California. We had so interesting discussions
         2
             on that.
         3
                         But, it's very interesting that the coal
             sector coming out of poly-sci and California.
20:11:46
             that certainly creates for a dynamic individual.
         6
                         And, so, without further ado, please
         7
             welcome, or join me in welcoming Tom.
         8
                          (Whereupon, applause was had.)
         9
             KEYNOTE PRESENTATION:
20:12:07
        10
                         MR. PYLE: Thank you very much, Greg,
        11
             for that kind introduction.
        12
                         And, I want to thank Janet, also.
        13
             is to Secretary Winberg, members of the National
             Coal Council, and all the folks at DOE for letting
20:12:18
        15
             me share some time with you tonight.
        16
                         Lastly I'd like to thank some of you in
        17
             the room who have supported my organization over
        18
             the years because we can't do what we do without
        19
             your help. So, you know who you are, and thank you
20:12:32
        20
             very much.
        21
                         Great to be here tonight on yet another
        22
             slow news day. I don't think anybody is happy to
        23
             see that Paul Ryan's actually stepping down, but,
```

1 except maybe for Scott Pruitt. 2 And, also, we, we do wish Speaker Ryan the very best, and are grateful for the work that he and President Trump have done with the source 20:13:00 and standing in federal energy and environmental 6 policy. 7 We especially appreciate the leadership 8 of President Trump's energy dream team, Secretary 9 Perry, Secretary Zinke, and Administrator Pruitt. 20:13:14 10 So, there are many challenges that lie ahead for 11 coal, but at least we now have an Administration 12 that recognizes and appreciates its value to 13 society. 14 I'd like to talk to you tonight about 20:13:26 15 where we are, how we got here, but more 16 importantly, where we go from here. To set the 17 stage, share a quote from one of my favorite books, 18 The Rational Optimist, by Matt Ridley. 19 Quote, the big firms that survive will 20:13:43 20 do so by turning themselves into evolvers. 21 market evolves, and we need to do so as well. 22 That much I firmly believe is the key to 23 coal's future. For those who are unfamiliar with

1 my organization I'd like to talk briefly, just 2 briefly about who we are. 3 Since founding the American Energy 4 Alliance a decade ago, we've prided ourselves in being an effective voice of the energy policy 6 Organization's built on supporting the arena. 7 principles of the free market. 8 Our mission is to free energy producers 9 and suppliers from arbitrary government 10 interventions in order to allow them literally to 11 deliver power to the people. So, when it comes to 12 coal, we share the vision expressed by William 13 Stanley Jenks over one hundred years ago in his 14 seminal work The Coal Quest. 15 He said, quote, day by day it becomes 16 more evident that the coal we happily possess in 17 excellent quantity and abundance is the mainstream, 18 mainspring of modern material civilization. 19 material, material energy of the country, and 20 universal aid, the factor in everything we do. 21 With coal, almost any feat is possible 22 or easy. Without it, we are thrown back into the 23 laborious poverty of early times.

20:14:07

20:14:21

20:14:38

20:14:56

1 While generally he was a peak coal 2 disciple and was right about the importance of coal, he wrongly predicted its demise. The world has hundreds of years' of coal, and America's 20:15:25 supply is the most out of all of them. 6 But, coal faces a very different 7 challenge, Impervious to all the market forces, 8 industrial and renewable policies, and a movement 9 that has dedicated billions of dollars towards 20:15:42 10 demonizing this product as the culprit for a dying 11 plant. 12 Where once it was the biggest fish in 13 the energy pond, coal now finds itself struggling to find its place. Before President Obama took 20:15:56 15 office, coal was responsible for 48 percent of 16 electric generation in America. 17 In 2017, it was down to 30.1 percent. 18 And, it's projected by EIA to provide 28.5 percent 19 of the U.S. electricity next year. 20:16:12 2.0 Ten years ago we had over, we had 600 21 coal-fired plants in the United States. Today we 22 have fewer than 400. 23 As of February, 2018, there were 810

individual coal-fired electric generating electric 1 2 power plants, representing a total of approximately 260,000 megawatts of electric generating capacity. For, for perspective, there were 317 megawatts of 20:16:42 coal-fired electric, electric generating capacity 6 in 2010. 7 Some of coal's competitors, namely 8 renewables, have emerged due to a combination of 9 government handouts, and a slew of Regulations 20:16:57 10 designed to kneecap the fossil-fuel industry. 11 call it the Tanya Harding approach to energy 12 policy. 13 But, the dominant market competitor for 14 coal share in electricity is natural gas. 20:17:14 15 addition to sitting atop the world's best coal 16 resources, the U.S. is awash in natural gas. 17 The Shell revolution has fundamentally 18 transformed the domestic energy outlook, and the 19 world along with it. A decade ago no one would 20:17:31 20 have predicted the natural, the natural-gas boom. 21 Our own EIA completely whipped this one. 22 In 2009's Annual Energy Outlook, EIA wrote, quote: 23 Coal continues to provide the largest

1 share of energy for U.S. electric generation in a 2 reference case, with only a modest increase, from 49 percent in 2027, to 47 + in 2030. In 2005, the U.S. produced about 19 20:18:04 trillion cubic feet of gas. In the course of the 6 next ten years that figure climbed to almost 29 trillion cubic feet, an increase of over 50 8 percent. 9 Naturally, the price plummeted in that 20:18:19 10 same timeframe. In June of 2008, the inflation 11 adjustment price of gas per million BTUs was over 12 \$15. By the spring of 2012, the price was just a tick above \$2.00. 13 14 And for the last three and a-half years 20:18:36 it's been below \$4.00 consistently. But, 15 16 advantages remain for coal over natural gas. 17 Coal is less vulnerable to disruption 18 than gas, and, as a result, rate payers can be 19 insulated from price shocks, and coal a, is a 20:18:55 20 healthy part of the fuel mix. 21 One addition, additional feature that is 22 often overlooked is that a substantial portion of 23 natural gas for electricity generation are

1 essentially inter-, interruptible. This was a 2 natural accommodation to the logistical challenge of having one pipeline feeding a particular area or facility. 20:19:19 Customer in a given area who needs 6 guaranteed supply would pay to have a first claim 7 to avoid shortages, with other customers on 8 interruptible contracts getting what, if any, is 9 left. According to the EIA, in 2016, about 16 20:19:36 10 percent of all natural gas nationally was provided 11 by interruptible contracts. 12 But, this masks wide regional 13 variability. In the Northeast, interruptible 14 contracts account for fully 45 percent of, of 20:19:50 15 natural, natural-gas supplies and power plants. 16 When you're dealing with a generating 17 system and a heating system drawing from the same 18 straw, interruptibility becomes a very real 19 possibility. The cold temperatures this past 20:20:06 20 winter in the Northeast saw this phenomena in 21 action. 22 During winter, the home heating system 23 takes priority, and home heating demands soared.

1 Generators were will left scrambling for 2 natural-gas supplies, with spot prices spiking, with LNG having to import, having to be imported from Russia to try and meet demand. 20:20:32 5 Few people understand or discuss this, 6 but as natural-gas use for electricity generation 7 grows, it will become a significant issue. 8 what's happening in New England is a case study for 9 what looms ahead if you completely turn away from 20:20:47 10 coal. 11 I saw New England's recent Operational 12 Fuel Security Analysis shows that coming years 13 could be disastrous for New Englanders. politically compelled shift to wind and solar 20:20:59 15 energy driving reliable coal and electricity 16 generation into premature retirement, and the 17 resulting insufficiency of secure fuel arrangements 18 will lead to rolling blackouts in the future. 19 And, contrary to the expectations of the 20:21:14 20 wind and solar bowls, the closures of coal plants 21 like Braden Point often pave the way for natural 22 gas, not renewables. Again from the report, quote: 23 More renewable resources can help lesson

1 the fuel's fuel security risks, but are likely to 2 drive coal- and oil-fired generation retirements requiring high LNG imports to counteract the loss of storage requirements. 20:21:44 5 In 2000, natural gas represented 18 6 percent of New England's electricity fuel mix. 7 2017, that figure had climbed to 45 percent, and by 8 2025, ISO New England forecast natural gas was 50 9 percent, six percent, 56 percent of New England's 20:22:04 10 electricity. 11 In that same timeframe, coal has dropped 12 from 12 percent of the mix, to three percent, and 13 will be nonexistent by 2025. This is not New 14 England dependent on a fuel source that cannot be 20:22:23 15 stored on site and deployed during times of peak 16 demand as we saw this past January. 17 On the government side, coal is 18 experiencing unprecedented left-right hook of 19 generous handouts to renewables, and a host of 20:22:37 20 crushing Regulations like the MATS rule 21 specifically designed to drive the utility industry 22 away from the use of coal. 23 Electricity markets today are burdened

1 by a tangle of government intervention and 2 regulatory tape which gives credence to Secretary Perry's statement that there is no free market in the energy industry. 20:23:01 For decades the renewable industries has 6 been the beneficiary of distortionary policies like 7 the production tax credit, renewable portfolio 8 mandates, and purpose, and the list goes on and on 9 This has made electricity more expensive and on. 20:23:16 10 for the public, and has made resilience a live 11 issue for the industry. 12 The wind PTC is the mother of all 13 renewable subsidies. It has been extended and 14 adjusted multiple times since 1992, costing 20:23:33 15 taxpayers an estimated more than \$17 billion to 16 date, and projected to cost another 37 and a-half 17 billion dollars over a ten-year window to 2026. 18 If those numbers aren't enough, you can 19 add another 13 billion in subsidies from the Obama 20:23:55 20 stimulus, which mostly went to wind projects, as 21 well as a projected more than 24 billion over the 22 next ten years going into the investment tax credit 23 received mostly by solar companies.

Currently 29 States and the District of 1 2 Columbia have renewable portfolio mandates, with another eight States setting a voluntary goal for renewable energy. An assessment of the 20:24:20 Massachusetts RPS prepared by, prepared by the 6 Northeast Clean Energy Council, described the 7 dynamic between renewable mandate and reliable coal 8 power in stark terms. 9 Quote: As more renewables come on line, 20:24:36 10 they act as must-take resources, causing generation 11 from conventional sources, resources like natural 12 gas and coal, to reduce or be displaced. Even in a 13 base case, the anticipated growth of renewables 14 results in the retirement of all but one New 20:24:56 15 England coal unit during the study period. 16 Of course, that's precisely the purpose 17 of the RPS. On their own, these and a myriad of 18 other giveaways with the renewable industry would 19 likely not have severely impacted coal. 20:25:14 2.0 In fact, the most pernicious aspects of these policies is the effect to the taxpayer. 21 22 quote Matt Ridley once again, to get a toehold in 23 the electric market at all, wind power requires the

1 aggressive transfer from ordinary working people to 2 rent from rich landowners. As a rule of thumb, a wind turbine generates more value in subsidy than it does in electricity. 20:25:44 Warren Buffet, a major wind producer, 6 also understands this phenomenon. In 2014, he 7 said: 8 We get a tax credit if we build a lot of 9 wind farms. That's the only reason to build them. 20:25:57 10 They don't make sense without the tax credit. 11 But, when you combine this with the 12 right hook of the regulatory burdens placed 13 squarely on coal, the Government has had a devastating impact on this industry. I don't mean 20:26:13 15 to recite all the burdens right here as we pain, 16 painfully went through them together, especially 17 during the Obama years. 18 And, imagine where we would be if we 19 were a year and three months into the Hillary 20:26:30 20 Clinton Administration. 21 (Whereupon, a general response was had.) 22 MR. PYLE: My organization is helping on 23 this front. And, while much work needs to be done,

1 it's important to remember that President Trump has 2 already delivered some big wins for coal. 3 Three big improvements that weren't 4 headliners but mean a lot to the people in this 20:26:50 room were the lifting of the federal coal leasing 6 ban, the steam protection rule CRA, and the 7 reassessment of the so-, the so-called social cost 8 of carbon. 9 According to a study we published in 20:27:04 10 2016, the long-term benefits of keeping the coal from federal lands in the Powder River Basin to 11 12 coal leasing would generate nearly 90 billion in 13 the U.S. economy, producing over 260,000 jobs each 14 year, with over 16 billion in additional annual 20:27:25 15 wages. 16 We can give thanks that Congress and 17 President Trump axed the Interior Department's 18 Stream Protection Rule. The Department estimated, 19 estimate that SPR would have led to additional 20:27:40 20 annual compliance costs of 52 million, and would 21 have put hundreds of thousands of jobs at risk. 22 The Regulation would have had the 23 largest impact on the people of West Virginia,

1 Ohio, Kentucky, and Pennsylvania, States that were 2 already, have already endured years of costing Regulations due to Obama's war on coal. President Trump also immediately 20:28:05 adjusted the social, the social cost of carbon to 6 less than \$6 in the year 2020, versus the Obama 7 Administration 2020 estimate of \$45. At nearly 8 every agency the Trump Administration is working to 9 make energy production simpler and easier across 20:28:24 10 the board, without sacrificing legitimate 11 environment protections. 12 Nowhere is this more evident than at the 13 EPA, where 22 regulatory actions have already been 14 finalized, saving the economy an estimated billion 20:28:42 15 dollars in regulatory costs. They have ended the 16 practice of sue and settle, and planned to end use 17 of secret science in rulemaking. 18 And, of course, the most significant 19 Regulation for all of the coal industry, the 20:28:56 20 so-called Clean Power Plan, is well on its way out 21 of being, replaced or reissued, repealed, I should 22 say, or reissued in a manner consistent with the 23 Clean Air Act and proper relations between EPA and

	1	the States.
	2	The CPP, which we called "Creating
	3	Poverty Plan," was never about clean power. The
	4	Nation's electricity generation fleet was already
20:29:22	5	very clean and getting cleaner, as shown by the
	6	nearly 70-percent reductions in criteria since
	7	1970.
	8	The Plan was really about instituting
	9	more federal control over a dispersed system and
20:29:35	10	driving up the cost of reliable electricity, in
	11	line with the previous Administration's climate
	12	ideology.
	13	The result would have been residents in
	14	more than 40 States experiencing
20:29:49	15	double-digit-percentage increases in their
	16	electricity rates by 2030. Beyond its implications
	17	in terms of dollars and cents, the Plan wasn't
	18	competitive federally, as the EPA claimed, but
	19	coercive federal intervention and a misapplication
20:30:05	20	of the Clean Air Act.
	21	It extended EPA's power in unprecedented
	22	ways, and marked a clear deviation from the
	23	Agency's traditional role.

1 I know that there's some disagreement in 2 this room about the path forward with a power plan, but our aim is to create a play to scrap it altogether. I've joked earlier about Administrator 20:30:29 Pruitt's headlines, but because of the important 6 work he is doing to reform EPA, we've gone to the 7 mat to support him, and have joined forces with 8 dozens of conservatives to encourage President 9 Trump to, hashtag, stand with Scott. 20:30:47 10 Looking ahead, we need to capitalize on 11 this unique program to make strides towards a more 12 efficient, effective system by rolling back the 13 government mandates and other Policies that have 14 gotten us into this mess in the first place. 20:31:00 15 But, it will take years to secure our 16 energy freedom through the legislative process. 17 the meantime, my thoughts are what the coal 18 industry can focus on in the confines of this 19 political entitlement environment in what I call 20:31:14 20 the three Es, efficiency, emerging tech, and 21 exports. 22 Now, I'm not going to stand up here and 23 act like I'm the smartest guy in the room.

1 you're thinking about these things, and that you're 2 the ones who have to grapple with all these challenges. But, from my vantage point, these are 20:31:33 5 promising opportunities. Number one, we have to 6 find a way to make coal plants more efficient. 7 There's a mismatch between the size of 8 coal plants and the requirements of many systems. 9 For the time being, large central-station power 20:31:49 10 plants are probably a thing of the past. 11 System operators are going to prefer to 12 have lest lumpy, more nimble features. We need 13 lumpy, more -- less lumpy, -- Sorry. -- and more 14 nimble power plants. 20:32:06 15 And, let's face it. Unless the 16 economics improve dramatically, it's highly 17 unlikely we'll build any new power plants. 18 The Trump Administration has begun to 19 approve the new sources of energy plants, which 20:32:14 20 currently kills the ability for coal-fired, 21 coal-powered generation to innovate and upgrade by 22 requiring deadlines for Permit decisions. 23 They can go further still. The most

1 modern and efficient technology, technologies and 2 environmental controls for coal-fired power plants that we see being deployed in Asia are not used in the U.S. because of this cost. 20:32:39 While some of that is the cost of the 6 upgrades themselves, it is also the length and 7 arbitrariness of the NSR process make it not even 8 worth trying. 9 Number two, along with being nimble has 20:32:52 10 to come the ability to adapt and evolve. Maybe the 11 time has come to think radically about what this 12 resource can be used for. 13 If natural-gas prices stay low, can we find nontraditional uses for coal? Newly emergent 14 20:33:07 15 ideas like carbon fiber, as Oak Ridge National 16 Laboratory used to build a submersible for the U.S. 17 Navy with a treating center. 18 If carbon fibers do fine as coal 19 biproducts, what about using coal and coal 20:33:23 20 biproducts to recover rare-earth elements? 21 again, we've virtual-, we've got a virtually 22 unlimited supply beneath our feet, but we need to 23 find a way to make it profitable.

1 Number three, we need a rampable market. 2 Coal is going to shrink as a percentage of our market here at home, but that isn't the case across the Pacific. 20:33:41 In 2018, it's expected that we'll export 6 100 million tons, or 13 percent of production. 7 That's up from eight percent in 2016. 8 Where are these markets? India, which 9 desperately needs generation capacity; China, the 20:34:00 10 world's biggest consumer; in Japan, using coal to 11 make up for its lost nuclear capacity. 12 The International Energy Agency expects 13 coal and coal-fired capacity do increase by 50 percent over today's platform by 2040. Exports are 20:34:16 15 a great opportunity to utilize this tremendous 16 natural resource we have in the economic and 17 political environment worldwide. 18 Gas is cheap here, but foreign 19 companies, primarily in Asia, can import our coal 20:34:31 20 for less than they can import natural gas, at least 21 for now. One promising example is Cloud Peak's 22 deal with Fukushima Prefecture, which will account 23 for almost a-quarter of all Cloud Peak's exports.

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1
                         Of course, the white whale in the export
         2
             market is China. Coal is supplying 62 percent of
             China's total energy needs, according to 2016 data
             and VP's statistical review of world energy.
20:35:01
         5
                         China, however, is focusing on
         6
             supercritical and ultrasupercritical power plants.
         7
             Not only is China building efficient coal plants in
         8
             its own country, but Chinese companies are helping
         9
             to build and finance hundreds of coal-fired power
20:35:16
        10
             plants around the world, many of which are in
        11
             Africa.
        12
                         Of China's 100 top plants, 90 are
             ultrasupercritical, while the United States has
        13
        14
             just one ultrasupercritical plant. Of the 920
20:35:29
        15
             gigawatts of coal capacity in China, 19 percent is
        16
             ultrasupercritical, 25 president is supercritical,
        17
             and 56 percent is subcritical.
        18
                         Ultimately, China plans to increase its
        19
             coal-fired plants to almost 1,100 gigawatts, which
20:35:47
        20
             is over three times the coal-fired capacity of the
        21
             United States.
        22
                         The market might not be here in America
        23
             today, but there is a market for what you're
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1 producing, nevertheless. We just need to find a 2 way to get it there. 3 On the political side of things, our 4 eyes are on the Washington State Pollution Control Hearings Board Hearing for the Millennium 6 Application to export coal from Long View, 7 Washington. This is the exact sort of project that 8 pro-energy, pro-coal, pro-prosperity crowds need to 9 throw its weight behind. 10 The Millennium Project will bring with 11 it nearly 3,000 jobs and 780 million for 12 construction, plus 16 million in ongoing wages. 13 For a county with ten, ten percent unemployment, 14 that's huge. 15 There is no sugar-coating this. Coal is 16 in a disadvantaged position due to the emergence of 17 domestic natural gas. But, just as we couldn't 18 predict the Shell revolution, other market forces 19 could just as easily change that equation. 2.0 We know that LNG exports are only going 21 to increase, which will eventually exert upward 22 pressure on domestic gas price. Perhaps that way 23 coal can reestablish itself in the mix, alongside

20:36:07

20:36:24

20:36:38

20:36:55

	1	our growing exports.
	2	The bottom line is that we are sitting
	3	on top of nearly 500 billion short tons of
	4	recoverable resource, and we've got to find a way
20:37:18	5	to make it profitable. We can work together to
	6	remove the government interventions that have held
	7	us back.
	8	When it was announced that I was
	9	appointed to the Trump Transition Team, one of you
20:37:30	10	in this room warned me against assuming that the
	11	election had changed anything about the broader
	12	policy in energy landscape. He was right.
	13	Unless we confront the all-out assaults
	14	from the environmental left in your industry, you
20:37:46	15	will continue to lose ground. You may I see it
	16	differently, but it's my stance that the time for
	17	cooperation and placating the environmental left is
	18	over.
	19	The idea that the environmentalists care
20:37:58	20	at all about the future of coal or coal miners is
	21	obviously false. But, it's time to make the case
	22	that by attacking coal, they're really attacking
	23	this country's ability to power itself with

	1	resilience and reliability.
	2	My organization, the National Energy
	3	Alliance, has never been afraid to take the slings
	4	and arrows. But, you must also stand up.
20:38:24	5	The "enviros" have put a lot of us on
	6	our heels, and some energy players have begun to
	7	kowtow to the dogma of the climate issue. This is
	8	not only in strategy.
	9	Some of the most significant and
20:38:38	10	successful oil and gas companies have now, for
	11	example, endorsed the idea of a carbon tax. Has
	12	this got the "enviros" off their backs?
	13	Of course not. Instead, they're getting
	14	sued for, for providing America the transportation
20:38:53	15	fuel that drives our economy.
	16	This should be a lesson to the coal
	17	industry. No concessions to the environmental
	18	lobby are in your best interest.
	19	They are dead set not on limiting your
20:39:08	20	business, but destroying it. It's time to go on
	21	the offensive to let the public know that coal is
	22	fundamentally the tool to improve people's lives.
	23	If, if the deep decarbonization movement

1 is successful, they will only succeed in siphoning 2 resources away from the real demands of life: transportation, healthcare, education; in other words, the things that bring people happiness. 20:39:36 5 The case where affordable energy rests 6 on those grounds, these resources and our ability 7 to bring them to people across the globe matter for 8 the things that we care about the most. 9 situation you face as an industry is no easy one. 20:39:56 10 We can help by clearing the policy mine 11 fields. But, you need to defend the immense value 12 coal provides to all Americans, and get more 13 creative in how you bring this resource into the 14 marketplace. 20:40:09 15 I'll close with this, again from Matt 16 Ridley: You can regret the sinful, the sinful 17 profligacy, prof-, profligacy, profligacy of the 18 modern world, which is the conventional reaction. 19 Or, you can conclude that were it not for fossil 20:40:28 20 fuels, 99 percent of people would have to live in 21 slavery, while the rest have a decent standard of, 22 standard of living. 23 And, that's why we'll always be needing

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1
             coal.
                    Thank you.
         2
                          (Whereupon, applause was had.)
         3
                          MR. PYLE: I guess I'm supposed to take
             questions.
20:40:57
                          MS. GALLICI: Thank you, Tom.
         6
                          Tom has graciously agreed to, to take a
         7
             few questions.
         8
                          And, thank you, Tom, so much for your
         9
             remarks tonight.
20:41:00
        10
                          MR. PYLE: Sure.
        11
                         MS. GALLICI: You've given us lots of
        12
             stuff for us to think about going forward into our
        13
             meeting tomorrow.
        14
                          Does anybody have a question for Tom?
20:41:08
        15
                          (Whereupon, no response was had.)
        16
                          MS. GALLICI: So, so, I'll start with
        17
             one while you're thinking of it.
        18
                          You mentioned about new, new uses for
        19
             coal and I'm very interesting what your group is
20:41:21
        20
             doing. We have a lot of people in this room that
        21
             are very interested in new markets for coal, and
        22
             I'm curious to know about what your thoughts are,
        23
             and to how we can promote that and advance that,
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1
             and what your group might be doing for it.
         2
                         MR. PYLE: Well, as I mentioned, we've
             got, we've got to build, you know, the ability to
             export the resource. We've got to fight these
20:41:45
         5
             battles.
                         Washington State I think --
         7
                         MS. GALLICI: I'm sorry. By "new
         8
             markets for coal, " I'm talking about noncombustible
         9
             non-power-generation markets. Sorry.
20:41:58
        10
                         MR. PYLE: Oh, sorry.
        11
                         MS. GALLICI: Sorry. Yes.
        12
                         MR. PYLE: Well, I mean, really, you
        13
             guys are the ones that can, can do that. I mean,
             you've got the expertise and the ability working
20:42:05
        15
             with DOE and the, and the, and the Labs to find,
        16
             find ways to, to eke out more value for the
        17
             resource.
        18
                         Our job, as I mentioned, is to fight the
        19
             government side; to, to push back against the
20:42:20
        20
             marketing hazards that really have, have
        21
             contributed immensely to the reductions in, in our
        22
             ability to, to use the resource in a more
        23
             traditional way.
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1
                          So, I leave it to the smart guys in
         2
             order to figure those things out.
         3
                          MS. GALLICI: We have a lot of them in
             the room.
20:42:39
         5
                          I'll get back to you if you. Kindly
         6
             state your name and your affiliation.
         7
                          We're on the Record today, so give that
         8
             for the Record.
         9
                          MR. ROLING: Dan Roling, with Carbon
20:42:47
        10
             Recovery Systems.
        11
                          You made a comment earlier about, to
        12
             paraphrase, unfair subsidies and tax credits of
        13
             renewable energy versus traditional fossil fuels.
             I've been on both sides of the equation, and you're
20:43:04
        15
             absolutely right.
        16
                          But, what's the possibility, even in a
        17
             strong Administration like the Trump
        18
             Administration, to undo the unfair tax subsidies
        19
             given to renewables?
20:43:14
                          MR. PYLE: Well, clearly we have some
        2.0
        21
             challenges in the Republican Party on that issue,
        22
             as well, and it has been a struggle. But, I will
        23
             say this:
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1 When we started to educate and raise 2 awareness about the wind production tax credit, for example, it was a noncontroversial extender. Ιt hit the floor voice vote. 20:43:42 5 It passed every year. There were no 6 challenges on the other side of the aisle. 7 But, by educating folks, and driving the 8 impacts of what the subsidies were on increased 9 cost, on the taxpayer, on the, on the negative, the 20:43:52 10 negative pricing and influence in the markets, et 11 cetera, we were able to create controversy where 12 there once was none. 13 And, so, you know, you can't just throw 14 your hands up and say, "We're never going to get 20:44:05 15 this done, " all right? You know, we have to keep 16 pushing, keep pushing. 17 And, you know, we have to fill that 18 void, or the other side's going to fill it. So, I, 19 I say it's hard. 20:44:14 2.0 It's a challenge. We have -- One of our 21 biggest challenges is that a lot of this is being 22 done by a pen and phone. As Obama, President Obama 23 famously stated, you know: If I can't get my will

1 through Congress, I can do it on the regulatory 2 side." 3 And, the challenge there for this industry is, just as the previous Administration did to you what they did, this Administration 6 undoing that, the next Administration can go and do it again. And, until we get these changes cemented in law and legislation, we're never going to get 9 there. 10 And, so, we have to work in the interim 11 to create markets for the resource that, for, you 12 know, to kind of go through that process, while, at 13 the same time, we're working to make these, these 14 things permanent. 15 So, for example, there's an effort to 16 include some of the regulatory reforms that are 17 critical into must-pass legislation that requires 18 just a simple majority in the Senate. So, we've 19 got the keep hacking away at it, and we've got to 20 really create a political environment where the, 21 the members of Congress, themselves, see the 22 advantage of addressing these issues. 23 Right now they just see the downside.

20:44:40

20:44:53

20:45:04

20:45:20

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1
    So, we've got to push, push, push on that, on that
2
    approach.
 3
                 MS. GALLICI: Right here.
                 MR. PYLE:
                            Yes.
5
                 MR. DESCHENE:
                                I'm going to stand
6
    because I'm way over here on the side here. First
7
    of all, let me introduce myself.
8
                 I'm C.J. Deschene. I'm Program Director
9
    with the National Tribal Energy Association.
10
    want to agree with you.
11
                 I had a question there. You made a
12
    statement there on the, on the Millennium bulk
13
    terminal.
14
                 And, it's very important that we look
15
    at, you know, areas of exporting. I know we all,
16
    we're all aware of some of the fight that's, that's
17
    there. I'm glad you brought that up.
18
                 One of the things I was looking at was
19
    you stated that that's something that we needed to
20
    stand behind, and I agree with you. Now, how do we
21
    go about doing that?
22
                 I mean, is your, is your, your, your
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alliance, I guess, would you be willing to back

20:45:48

20:46:00

20:46:16

23

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1
             that up with a, --
         2
                         MR. PYLE:
                                    Yes.
         3
                         MR. DESCHENE: -- an Amicus Brief or
             something?
20:46:37
         5
                         MR. PYLE:
                                     Yes.
                                           Yes, we do, we do, we
         6
             do all the regulatory work.
         7
                         We do Amicus Briefs.
         8
                         MR. DESCHENE: That, that would be
         9
             great.
20:46:43
        10
                         MR. PYLE: We're down on the ground
        11
             talking to folks in the area through social media
        12
             platforms and everything else. I mean, the bottom
        13
             line is that we have to work every, every angle of
             the process for policymakers, staff,
20:46:57
        15
             Administration.
        16
                         We have to work the media.
                                                      And, more
        17
             important, we have to get out and talk to folks,
        18
             because at the end of the day they're the ones who
        19
             are going to push for the agendas that need to take
20:47:07
        20
             place.
        21
                                         I'm glad.
                                                    I'm glad you
                         MR. DESCHENE:
        22
             stated that, because regardless, if it's going to
        23
             benefit any ONE of the people here or, or more
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1 through the Millennium bulk terminal, still there's other terminals out there that are going to be 2 created or that's already in existence that's going to be affecting some of the people here. 20:47:26 5 And, I believe that they should all be 6 supporting these other areas, whether it doesn't 7 support them indirectly or directly, that they 8 should be supporting them. And, I believe through 9 this Council, that if the group effort of, of 20:47:40 10 support, whether it's through amicus or whatever, 11 because they're in court right now. 12 And, I believe that's something that we, 13 we really stand behind. So, I appreciate that, and 14 I just wanted to make that clear. 20:47:51 15 That's why I'm going to make that 16 So, I'm going to give this back to statement. 17 Janet and given somebody else a chance. 18 Thank you. 19 MS. GALLICI: That you. Thank you, CJ. 20:48:00 2.0 And, I will mention a little bit more 21 Secretary Perry has asked the National tomorrow. 22 Coal Council to make a report on assessing U.S. 23 coal export opportunities and challenges.

1 we'll be undertaking that report over the next few 2 months. 3 And, our NCC members have been made 4 aware of that. So, which maybe you'll see CJ. 20:48:22 5 But, other questions for Tom? 6 take one or two more, and.... 7 MR. COLLINS: Tom Collins, Western 8 Research Institute of Wyoming. I'd like your 9 thoughts on potential to repeal the engagement 20:48:37 10 finding for CO2. In 2016 we had a white paper 11 saying CO2 actually helped prevent the problem of 12 feeding the world because 180 parts per million of 13 CO2 in the atmosphere prevented the vegetation plant 14 growth. 20:49:00 15 And, so, actually, the environmentalists 16 have advocated that CO2 actually was beneficial. 17 So, what's your thoughts on that? 18 MR. PYLE: Yeah. We are a strong 19 advocate for addressing the finding. 20:49:12 2.0 And, we've been in, shall we say, 21 imploring Administrator Pruitt to, to take that 22 challenge. He's got a lot on his plate, as you can 23 imagine, but I have not heard lack of desire to do

1 that, per se, but more of a -- You know, it's going 2 to take a, a little bit more work to unwind some of the Union issues. And, then, hopefully we'll see some 20:49:42 movement there. And, I'm not speaking on behalf 6 of, of them, or anything like that. 7 But, you know, this is the, the 8 central -- This is the key. I mean, this has been 9 the driver of all of these Policies, and will 20:49:53 10 continue to be pointed back as the reason for these 11 sort of extralegal interpretations of the Clean Air 12 Act. 13 You know, it goes -- I go back to it, 14 Ultimately Congress has punted on this issue. 20:50:09 15 They refuse to, to deal with it. 16 so, yes we hope that the Administration will take 17 it on. 18 But, ultimately, until Congress weighs 19 in and, and makes a determination about it, you 20:50:22 20 know, we're, we're going to be doing this on all 21 these Rules. In fact, the Courts have pushed back 22 on a lot of the reforms that are taking place now 23 because we're, we're, they're not, they're being

1 viewed as not having adequately determined the 2 impacts based on the agent they're fighting. 3 So, you can bet we're going to put all of our resources and the time into attacking that. 20:50:51 And, when and where is still, is still a question 6 mark. So, --. 7 Shannon Banaga, with TECO MS. BANAGA: 8 Energy. So, given the Administration's recent 9 tariff action on solar companies and how, as well 20:51:15 10 as steel and aluminum tariffs, is there an 11 opportunity that the foreign community needs to see 12 the pond here, and what would you recommend us to 13 do? 14 MR. PYLE: Well, I, I'm remiss to 20:51:29 15 recommend seizing on opportunities for tariffs. 16 The tariff, you know, it kind of goes against what 17 we believe in, but they made a, a pretty compelling 18 case for the solar tariffs. 19 And, you know, maybe Trump is right. 20:51:46 20 Maybe trade agreements should be thousands and 21 thousands of pages. 22 And, so, maybe he is on to something 23 with respect to taking these on on an individual

1 So, we're probably not the right group to, 2 to provide strategery (sic) about that. 3 But, you know, we don't agree with everything that the Administration has done. 20:52:08 all about tearing down layers and webs of, of 6 government intervention. 7 We're, we're unabashedly free-marketers, 8 so to speak. So, -- But, we do understand the 9 justification for some of it. 20:52:25 10 So, for example, we did part ways with 11 DOE on a NOPR, for example. But, we still did 12 recognize that they were, they were right about the 13 problem. 14 And, so, on the tariff side there's 20:52:39 15 probably an opportunity, but we're probably not the 16 right ones to, to lead it on that. So, --. 17 MS. GALLICI: And, I'll ask the final 18 question before we get Steve back up. So, are you 19 looking at the midterm election? 20:52:53 2.0 And, any thoughts? Do you want to be 21 first on the Record? 22 MR. PYLE: Look, I'm just going to be 23 candid. That's who I am.

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1
                         I am a creature of the House.
         2
             ten years in the House of Representatives.
         3
                         I've worked in leadership, so I kind of
         4
             have a sense of how things go. But, I'm
20:53:12
             disappointed in Congress, Republican or Democrat
         6
             these days.
         7
                         I feel like the budget process has, has
         8
             totally been destroyed. We lead with a massive
         9
             trillion-dollar-a-year spending Bills, and six or
20:53:32
        10
             eight people getting in a room and carving up the
        11
             Universe.
        12
                         So, honestly, you know, what happens in
        13
             November might not change all that significantly
        14
             whatever the outcome is. If the Democrats win the
20:53:44
        15
             House, you can bet there will be a ramp-up of
        16
             investigations and oversight.
        17
                         And, there's that little impeachment
        18
             crowd there that the leadership will have to
        19
             contend with. The Senate I think is, is harder for
20:53:59
        20
             the Democratic Party to, to take control, just
        21
             based on the numbers.
        22
                         But, you know, that's possible.
        23
             me, it's, it's obviously more important to have a
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1 party that believes in your industry and in the 2 majority, in the majority. And, that's, you know, the highest priority. But, at the end of the day, Congress is 20:54:24 5 just not really doing all that much, good or bad, 6 these days. Bad, but not necessarily good. 7 So, I don't know how big an impact it 8 is. 9 MS. GALLICI: We'll ask you back and you 20:54:41 10 can give us a debrief afterwards. Thank you. 11 MR. PYLE: Thank you. Appreciate it. 12 (Whereupon, applause was had.) 13 ASSISTANT SECRETARY WINBERG: 14 thank you for your remarks. Compelling. 20:54:59 15 Covered the waterfront on the, on the 16 challenges facing the coal industry, but I would 17 suggest to you perhaps the fossil energy industry 18 on a wider basis. 19 You mentioned the recent monocyclone, so 20:55:17 20 I can't help but do a little commercial for DOE, 21 and more particularly, NETL. I would suggest for 22 those of you who haven't seen the study on the 23 monocyclone, it's compelling reading.

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1
                         We feel Peter Balash, I think he's still
         2
             in the room. He was one of the authors of it.
         3
                         Right there.
                          (Whereupon, applause was had.)
20:55:41
                         ASSISTANT SECRETARY WINBERG: If you
         6
             have questions, he can.
         7
                         Tom, you also talked about technology
         8
             being the answer, and we in the Fossil Energy
         9
             Office couldn't agree with you more. We are
20:55:52
        10
             looking at the variety of technology options, and
        11
             Angelos Kokkinos, --
        12
                         Angelos, where are you? Right here.
        13
             Stand up, please.
        14
                         He's there.
20:56:06
        15
                          (Whereupon, applause was had.)
        16
                         ASSISTANT SECRETARY WINBERG:
        17
             questions you have on coal technology, that's the
        18
             man to ask. Don't ask me; ask him.
        19
                         So, we're doing a lot in that space, and
20:56:18
        20
             we'll be talking about that as we, as we move
        21
             forward.
                       So, -- But, before we wrap up, I, I need
        22
             to go over a little bit of business for tomorrow.
        23
                         We will reconvene tomorrow morning in
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	1	this, in this room? Okay.
	2	And, during the meeting tomorrow we'll
	3	start off with elections of the new Chair and
	4	Vice-Chair. I'll deliver some remarks, and then
20:56:45	5	we'll hear several presentations, and we will
	6	adjourn on or about noon.
	7	So, we have a very packed agenda. I
	8	think it promises to be a very productive meeting.
	9	And, I sense a lot of renewed energy in this room
20:57:03	10	and, I'm just tickled about that.
	11	So, I just want to wish you all well for
	12	this evening. Thank you for coming.
	13	I hope you all have a good evening, or
	14	what remains of it, and we will see you back here
20:57:17	15	tomorrow morning at 8:30. Thank you very much.
	16	(Whereupon, the above meeting was
	17	adjourned.)
	18	I certify the foregoing to be a
	19	true transcript from my notes.
	20	E-signature: D. I. Bunn
	21	CSR CP RPR
	22	
	23	CERTIFICATION

```
1
                 I, D. I. Bunn, a Registered
2
    Professional Reporter, Certified Conference
    Reporter, and Notary Public, do hereby certify that
    the foregoing testimony was duly taken and reduced
5
    to writing before me at the place and time therein
6
    mentioned. I further certify that I am neither
    related to any of the parties by blood or marriage,
    nor do I have any interest in the outcome of the
9
    above matter.
10
                 In witness whereof, I have hereunto set
11
    my hand and affixed my official seal, at Chadron,
12
    Nebraska, USA, this 14th day of April, 2018.
13
                            E-signature: D. I. Bunn
14
                                    Notary Public
15
16
    My Commission expires January 5, 2020.
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18
19
2.0
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22
23
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