

COAL TO LIQUIDS FUEL PRODUCTION ACT

Mr. OBAMA. Mr. President, I am pleased to join my distinguished colleague, the Senator from Kentucky, Mr. Bunning, in introducing this important legislation.

The geologic deposit known as Illinois Basin Coal—which lies beneath Illinois, Indiana and Kentucky—has more untapped energy potential than the combined oil reserves of Saudi Arabia and Kuwait. This coal deposit underlies more than 65 percent of the surface of the State of Illinois, with recoverable reserves estimated to be in excess of 38 billion tons from my State alone. Moreover, with just a glance at a map of Illinois, one can see that my State is dotted with towns that reflect our 200-year coal mining history—towns with names like Carbondale, Energy, Carbon Hill, Coal City, and Zeigler.

In some parts of Illinois, however, these names are just shadows of the past. More than 15 years ago, upon the enactment of the Clean Air Act Amendments of 1990, coal mining in Illinois was drastically transformed. Given the high sulfur content of Illinois coal, many users switched from Illinois coal to other, lower sulfur coals mined out West. As a result, thousands of Illinois jobs vanished, and with it, the life force of many of these towns. Air quality throughout the Nation improved drastically, but vast energy resources were rendered idle, awaiting new future technologies.

Today, we are exploring those new technologies, which promise a renaissance for coal communities. Two east central Illinois towns, for example, are under consideration for the billion-dollar FutureGen project, which many of my colleagues know will be the first near zero-emissions coal-fired powerplant in the world.

But coal from the Illinois Basin, with its high energy content, is a superb feedstock not just for power generation, as promised by FutureGen, but also for the manufacture of Fischer-Tropsch—FT—fuel. Created in the 1920s by German scientists and used during World War II, the FT process is the major fuel source for vehicles in South Africa. In both nations, the production of diesels from coal was developed as a response to petroleum embargoes against those nations at various points in their history.

Meanwhile, in the United States, more than 55 percent of our fuel consumption continues to come from foreign oil, and that number is growing. Our economy is exposed to potential jeopardy from oil supply disruptions and price shocks. We must diversify our fuel supply, and that means all domestic options should be on the table for consideration.

Fischer-Tropsch fuel is interchangeable with standard diesel, functioning in existing engines with little or no modification. FT fuels can be transported in our existing fuel distribution infrastructure. Moreover, FT fuels have far lower emissions than standard diesel. The Department of Defense, the largest consumer of petroleum in the United States, has great interest in acquiring this fuel. But Fischer-Tropsch is not manufactured in the U.S., and no focused federal initiatives exist to encourage the development of a Fischer-Tropsch manufacturing base.

The bill introduced by Senator Bunning and myself will provide that Federal focus. This bill will help to create a new market for abandoned and abundant Illinois Basin coal, revitalizing economic development and jobs in the coal communities of our States. It will help develop the capital infrastructure for producing FT fuels at the levels necessary for preliminary testing by the Department of Defense and for the private

sector. It will explore carbon sequestration for this technology before we can pursue construction. And it will play a key role in reducing our Nation's dependence on foreign oil.

I know that there are no perfect answers in the pursuit of energy independence. There is no single fuel or feedstock that offers affordability, reliability, transportability, and sensitivity to the environment in equal ways. But, as we pursue the best course of action for our energy independence, we cannot delay action until we reach the perfect solution. Maintaining our dependency on unstable regions of the world for the fuel that we cannot live without is far too great a risk. Actions taken today must be accompanied by rigorous concurrent debate in preparation for the second and third generation choices of our alternative fuel infrastructure.

I urge my colleagues to support this bill.

Source: Government Printing Office
From **CQ Congressional Record Service**
Providing government documents on demand, in context.
©2007 Congressional Quarterly Inc. All Rights Reserved.