

Denise Bode
Chief Executive Officer



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February 18, 2008

Mr. Kraig R. Naasz
National Mining Association
101 Constitution Ave., NW
Suite 500 East
Washington, DC 20001

Mr. Naasz:

I have received from third parties a copy of a letter with two attachments from you addressed to me, with courtesy copies to seventeen Washington association executives regarding my opinion piece in *The Hill* newspaper on Tuesday, February 12th.

First, neither I, nor American Clean Skies Foundation is party to an "understanding" that is "tacitly shared" among "competing fuel producers." We have no knowledge of any such understanding. American Clean Skies Foundation is not an industry trade association but an educational foundation dedicated to promoting clean energy particularly natural gas and energy efficiency.

Second, my column was not a "diatribe against coal utilization and research." It was an endorsement of DOE's decision to cancel the FutureGen project. I favor promising research to provide all electric generation fuels that are abundant, affordable, clean and American. The Secretary of Energy determined that the FutureGen project fell far short of that mark.

Third, you assert that my column was "seriously misleading" because it cited cost overruns and superior alternative research opportunities as a principal shortcoming of FutureGen. As for the cost increases, I am simply recognizing Secretary Bodman's stated purpose for canceling the project. I note that the project costs rose from \$1 billion to \$1.8 billion and that Ben Gemen's February 15 *Greenwire* article stated:

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"But DOE officials said their retooled approach is a superior way to deploy use of greenhouse controls into the marketplace and a better use of funds because the agency would be paying for only the carbon control technologies, rather than the capital costs of the power plants."

Fourth, you assert it was "most misleading" for me to say that natural gas is the answer, "if the question is how to lessen the nation's dependence of foreign energy or how to provide American consumers with affordable electricity." I disagree. With a 120-year supply of natural gas in North America, it is an affordable, abundant, clean American fuel. Further, you forgot one-third of the question. We at American Clean Skies feel that environmental costs are part of the consideration. I respectfully submit that natural gas is the answer precisely because it is clean, abundant, affordable, and American. Natural gas is a perfect complement to wind, solar and other carbon-light alternative energy sources for use in clean electric generation facilities.

Fifth, you reportedly attached to your letter a copy of former CIA Director James Woolsey's statement that appeared in February 13, 2007 American Clean Skies advertisement's in several prominent newspapers. We are proud to have sponsored publication of his views regarding the national security importance of America reducing its energy dependence on foreign powers hostile to American interests.

Finally, I would be pleased to make your acquaintance for the purpose of discussing energy and environmental policy.

Warm regards,

A handwritten signature in black ink that reads "Denise Bode". The signature is written in a cursive, flowing style.

Denise A. Bode
CEO, American Clean Skies Foundation

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cc: Frank Bowman, Nuclear Energy Institute
James Roberts, Foundation Coal
Red Cavaney, American Petroleum Institute
Evan Gaddis, National Electrical Manufacturers Association
Jack Gerard, American Chemistry Council
Ed Hamberger, Association of American Railroads
Donna Harman, American Forest and Paper Association
Skip Horvath, Natural Gas Supply Association
Bruce Josten, U.S. Chamber of Commerce
Bill Kovacs, U.S. Chamber of Commerce
Thomas Kuhn, Edison Electric Institute
Dave McCurdy, Alliance of Automobile Manufacturers, Inc.
David Parker, American Gas Association
Barry Russell, Independent Petroleum Association of America
Donald Santa, Interstate Natural Gas Association of America
John Shaw, Portland Cement Association
Rick Shelby, American Gas Association
Jay Timmons, National Association of Manufacturers