

## INDUSTRIAL GASIFICATION INITIATIVE

September 29, 2008

The Honorable Max Baucus  
Chairman, Senate Finance Committee  
United States Senate  
Washington, DC 20510

Via Fax: (202) 224-0515

Dear Mr. Chairman:

By letter dated September 17, we indicated our support for provisions in tax legislation under consideration by the US Senate that would: a) enhance Section 48B investment tax credits for industrial gasification (IG); and b) provide a new production tax credit (45Q) for geologic sequestration of CO<sub>2</sub>. On September 18, the Senate passed both the expanded 48B ITC and the new 45Q PTC as part of an amendment to H. R. 6049.

As of September 29, the House has passed bills in which the 48B ITC is severely cut back and the 45Q PTC is eliminated. The differences between the House and Senate remain substantial.

**If any compromise were necessary on these items, we would absolutely prioritize a new and robust 45Q PTC over 48A and B ITC expansions.**

We believe that a carefully constructed IG incentives program will promote diversification of energy use to sustain essential manufacturing sectors in the US and develop critical environmental performance experience on which to build an efficient and timely and effective policy for reducing carbon emissions.

We thank you for considering these recommendations.

Sincerely,



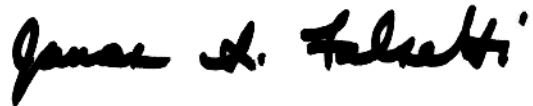
Ford B. West  
President  
The Fertilizer Institute



Rosemary L. O'Brien  
Vice President Public Affairs  
CF Industries, Inc.



Paul Cicio  
President  
Industrial Energy Consumers of  
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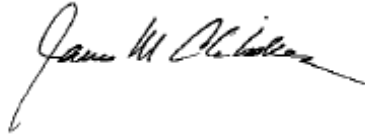


James Falsetti  
Chief Executive Officer  
Process Energy Solutions

The Honorable Max Baucus

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James Childress  
Executive Director  
Gasification Technologies Council



Ronald C. Lindsay  
Sr. VP Corporate Strategy and  
Regional Leadership  
Eastman Chemical Company



Peter Molinaro  
Director Government Affairs  
The Dow Chemical Company

This letter was faxed to:

Harry Reid, NV  
Max Baucus, MT  
John D. Rockefeller, IV, WV  
Kent Conrad, ND  
Jeff Bingaman, NM  
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John Sununu, NH

## INDUSTRIAL GASIFICATION INITIATIVE

September 29, 2008

The Honorable Charles E. Grassley  
Ranking Member, Senate Finance Committee  
United States Senate  
Washington, DC 20510

Via Fax: (202) 224-6020

Dear Senator Grassley:

By letter dated September 17, we indicated our support for provisions in tax legislation under consideration by the US Senate that would: a) enhance Section 48B investment tax credits for industrial gasification (IG); and b) provide a new production tax credit (45Q) for geologic sequestration of CO<sub>2</sub>. On September 18, the Senate passed both the expanded 48B ITC and the new 45Q PTC as part of an amendment to H. R. 6049.

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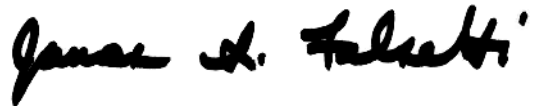
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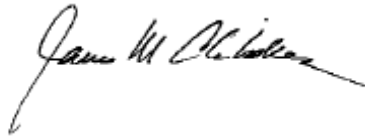


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The Honorable Charles E. Grassley

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## INDUSTRIAL GASIFICATION INITIATIVE

September 29, 2008

The Honorable Harry Reid  
Senate Majority Leader  
United States Senate  
Washington, DC 20510

Via Fax: (202) 224-7327

Dear Senator Reid:

By letter dated September 17, we indicated our support for provisions in tax legislation under consideration by the US Senate that would: a) enhance Section 48B investment tax credits for industrial gasification (IG); and b) provide a new production tax credit (45Q) for geologic sequestration of CO<sub>2</sub>. On September 18, the Senate passed both the expanded 48B ITC and the new 45Q PTC as part of an amendment to H. R. 6049.

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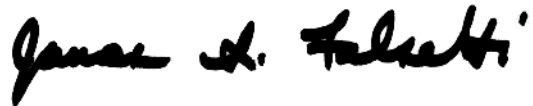
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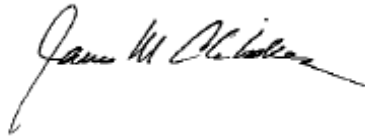


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The Honorable Harry Reid

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## INDUSTRIAL GASIFICATION INITIATIVE

September 29, 2008

The Honorable Mitch McConnell  
Senate Minority Leader  
United States Senate  
Washington, DC 20510

Via Fax: (202) 224-2499

Dear Senator McConnell:

By letter dated September 17, we indicated our support for provisions in tax legislation under consideration by the US Senate that would: a) enhance Section 48B investment tax credits for industrial gasification (IG); and b) provide a new production tax credit (45Q) for geologic sequestration of CO<sub>2</sub>. On September 18, the Senate passed both the expanded 48B ITC and the new 45Q PTC as part of an amendment to H. R. 6049.

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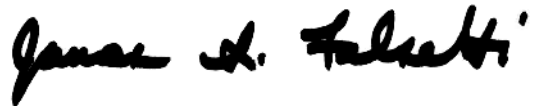
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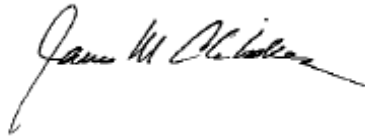


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