

## INDUSTRIAL GASIFICATION INITIATIVE

September 17, 2008

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

Via Fax: (202) 224-0515

Dear Mr. Chairman:

We, the undersigned companies and associations, wish to indicate our support for provisions in tax legislation now being considered by the U.S. Senate that would enhance Section 48B industrial gasification (IG) incentives and provide new incentives for carbon dioxide capture and sequestration.

Section 48B was intended to help U.S. industry transition to domestically plentiful and low-cost alternative fuels and feedstocks in lieu of natural gas. The Section 48B incentives offer a tool to boost American manufacturing, enhance U.S. economic and national security, and serve domestic and global environmental goals.

From an environmental perspective, IG offers the quickest and most cost-effective option for large-scale commercial deployment of carbon capture and geologic sequestration (CCS). The first such plants can be operational within three years.

Because several large CCS deployments are needed to fully demonstrate and commercialize the technology, new authority is needed to: 1) increase the investment tax credit ceiling by \$500 million, 2) increase the ITC from 20% to 30%, and 3) establish CO2 production or sequestration tax credits. Many of these concepts have been included in concepts considered by the Senate Finance Committee. The Senate language should also include a provision which permits taxpayers holding prior Section 48B awards to qualify automatically for the higher ITC rate upon accepting the new obligations to sequester carbon.


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

We thank you for considering these recommendations.

Sincerely,



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



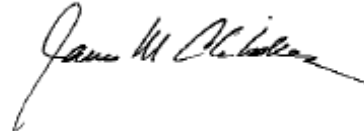
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Katherine English  
Vice President of Government Affairs  
The Fertilizer Institute

This letter was faxed to:

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John Ensign, NV  
John Sununu, NH

## INDUSTRIAL GASIFICATION INITIATIVE

September 17, 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:

We, the undersigned companies and associations, wish to indicate our support for provisions in tax legislation now being considered by the U.S. Senate that would enhance Section 48B industrial gasification (IG) incentives and provide new incentives for carbon dioxide capture and sequestration.

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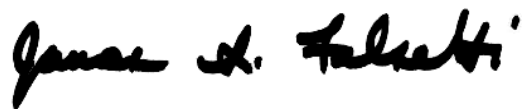
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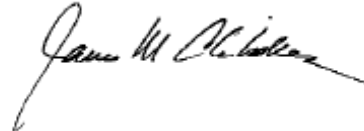
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## INDUSTRIAL GASIFICATION INITIATIVE

September 17, 2008

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

Via Fax: (202) 224-7327

Dear Senator Reid:

We, the undersigned companies and associations, wish to indicate our support for provisions in tax legislation now being considered by the U.S. Senate that would enhance Section 48B industrial gasification (IG) incentives and provide new incentives for carbon dioxide capture and sequestration.

Section 48B was intended to help U.S. industry transition to domestically plentiful and low-cost alternative fuels and feedstocks in lieu of natural gas. The Section 48B incentives offer a tool to boost American manufacturing, enhance U.S. economic and national security, and serve domestic and global environmental goals.

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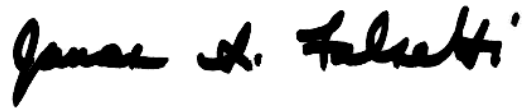
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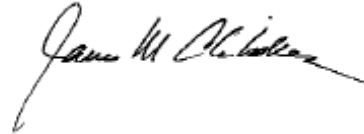
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## INDUSTRIAL GASIFICATION INITIATIVE

September 17, 2008

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

Via Fax: (202) 224-2541

Dear Senator McConnell:

We, the undersigned companies and associations, wish to indicate our support for provisions in tax legislation now being considered by the U.S. Senate that would enhance Section 48B industrial gasification (IG) incentives and provide new incentives for carbon dioxide capture and sequestration.

Section 48B was intended to help U.S. industry transition to domestically plentiful and low-cost alternative fuels and feedstocks in lieu of natural gas. The Section 48B incentives offer a tool to boost American manufacturing, enhance U.S. economic and national security, and serve domestic and global environmental goals.

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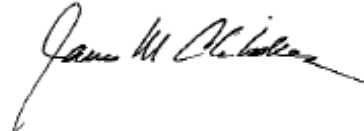
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