

HAROLD ROGERS  
5TH DISTRICT, KENTUCKY

COMMITTEE ON APPROPRIATIONS  
CHAIRMAN



Congress of the United States  
House of Representatives  
Washington, DC 20515-1705

February 18, 2015

The Honorable Barack Obama  
President of the United States  
The White House  
1600 Pennsylvania Avenue Northwest  
Washington, D.C. 20500-0004

Dear Mr. President:

As the United States and other global leaders have demonstrated, access to affordable and reliable energy is critical to the development and health of a nation's economy. Coal-fired power has demonstrated a proven capability to meet both residential and industrial energy demands while expanding access to healthcare, utilities and infrastructure in developing nations. Any efforts to prevent such countries from utilizing the full range of energy sources needed to reach their goals would deny them a critical opportunity that has benefitted so many leading nations throughout history.

It has come to our attention that your Administration is encouraging members of the Organization for Economic Cooperation and Development (OECD) to impose stringent conditions on the public financing of overseas coal-fired power plants. Specifically, the joint U.S.- British proposal would only allow OECD countries to consider coal financing for nations with no other economically feasible alternatives, and for facilities deploying carbon capture and storage (CCS) technology. As CCS technology is not yet commercially available, these conditions would result in a de facto ban on OECD public financing of coal plants in much of the world. This proposal is similar to previous efforts your Administration has made to restrict coal project financing through the Export-Import Bank and the World Bank.

This approach would reduce the amount of funding available for coal projects in many developing countries in need of affordable and reliable energy. For example, your plan would reject OECD funding for highly efficient coal plant investments in Pakistan, where power shortages cost the economy an estimated 2 percent of its annual economic growth. Given U.S. national security interests and Pakistan's role in the fight against terrorism, the United States should actively seek to deploy affordable and reliable electricity that can bolster economic growth and job creation in that country, and in turn reduce political risks and instability. In addition, your Administration's policies have denied Overseas Private Investment Corporation (OPIC) support to an important energy sector project in Ukraine, with two of the three assets in the politically important eastern side of that country.

PLEASE RESPOND TO:

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(606) 679-6346 OR  
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48 SOUTH KENTUCKY HIGHWAY 15  
HAZARD, KY 41701  
(606) 439-0794

110 RESOURCE COURT  
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PRESTONSBURG, KY 41653  
(606) 886-0844

Renewable energy, including solar panels and wind turbines, cannot provide the power that developing countries require to meet their basic needs, such as refrigeration and consistent operation of machinery for manufacturing. If the OECD is unable to provide coal plant financing, countries in need of a reliable energy source will simply turn to China, Russia, and other non-OECD countries to meet their energy needs. Given the current geopolitical stakes, we fail to see this as a favorable development for the United States.

A recent study from the University of Tokyo indicates that China is already by far the largest provider of public financing for coal projects in the developing world, particularly in Asia. As China remains well positioned to provide assistance to these countries in the absence of OECD financing, OECD countries will lose out on critical opportunities to assist developing nations in achieving our shared goals of economic prosperity and energy independence. Moreover, the highly efficient coal plants that would have been built by OECD countries will be replaced with older, less efficient coal technologies, which will ultimately result in increased greenhouse gas emissions.

We believe that such an outcome would undermine the long-term national interests of the United States from a political, economic, and environmental perspective. For these reasons, we oppose any efforts within the OECD and other multilateral institutions to substantially reduce investment in highly efficient power plants in developing nations.

We remain strong advocates for energy projects in the developing world that expand access to electricity, create jobs, and improve air quality. We encourage you to reverse your position and join us in promoting political stability and economic prosperity abroad through the expansion of affordable and reliable energy. Thank you for your attention to this critically important issue.

Sincerely,



Harold Rogers  
Member of Congress



David McKinley  
Member of Congress



Ed Whitfield  
Member of Congress



Tim Murphy  
Member of Congress



Mike Rogers  
Member of Congress



Steve Pearce  
Member of Congress



Doug Lamborn  
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Robert Latta  
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Brett Guthrie  
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Blaine Luetkemeyer  
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Pete Olson  
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Member of Congress



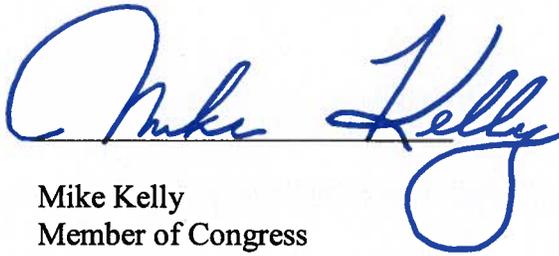
Morgan Griffith  
Member of Congress



Andy Harris  
Member of Congress



Bill Johnson  
Member of Congress



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Mike Kelly  
Member of Congress



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Andy Barr  
Member of Congress



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Kevin Cramer  
Member of Congress



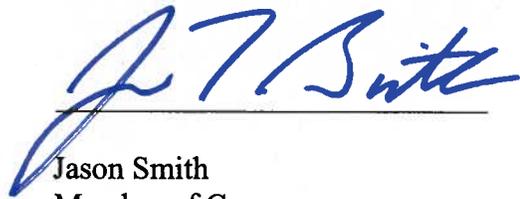
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Rodney Davis  
Member of Congress



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Ann Wagner  
Member of Congress



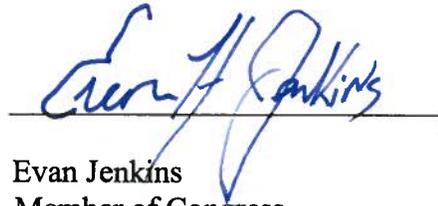
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Jason Smith  
Member of Congress



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Bradley Byrne  
Member of Congress



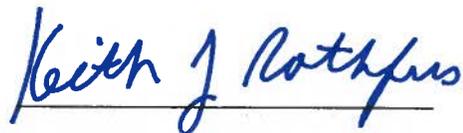
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Evan Jenkins  
Member of Congress



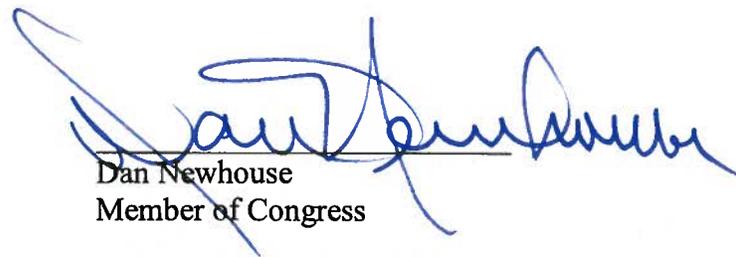
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Alex Mooney  
Member of Congress



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Keith Rothfus  
Member of Congress



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Dan Newhouse  
Member of Congress

cc: Hon. John Kerry, Secretary of State  
Hon. Jacob Lew, Secretary of the Treasury