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110TH CONGRESS }  
2d Session }

SENATE

{ REPORT  
{ 110-416

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS  
BILL, 2009

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JULY 14, 2008.—Ordered to be printed  
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Mr. DORGAN, from the Committee on Appropriations,  
submitted the following

**REPORT**

[To accompany S. 3258]

The Committee on Appropriations reports the bill (S. 3258) making appropriations for energy and water development and related agencies for the fiscal year ending September 30, 2009, and for other purposes, favorably thereon and recommends that the bill do pass.

*Amount in new budget (obligational) authority, fiscal year 2009*

Total of bill as reported to the Senate .....	\$33,767,000,000
Amount of 2008 appropriations .....	31,508,398,000
Amount of 2009 budget estimate .....	31,695,700,000
Bill as recommended to Senate compared to—	
2008 appropriations .....	+ 2,258,602,000
2009 budget estimate .....	+ 2,071,300,000

age and innovative uses of carbon dioxide. The Office of Fossil Energy is required to provide the Committee a status report on all nine awarded projects for the Clean Coal Power Initiative's Round 1 and 2, including completed and ongoing projects.

*FutureGen.*—The Committee recommends no funding for the FutureGen account. The Committee has supported the technical and scientific efforts behind the FutureGen initiative for the past 5 years but does not support funding for the “restructured” effort this year. The Committee has instead provided funds for the Clean Coal Power Initiative at a level of \$147,300,000 more than the budget request. The Committee has distributed the remaining \$8,700,000 of the budget request within Fossil Energy Research and Development. The Committee understands that \$134,000,000 of unobligated balances remain in this account and are set aside for future use with this program but are not available until March 2009.

*Fuels and Power Systems.*—The Committee recommends \$412,132,000 for fuels and power systems, an increase of \$29,400,000. The recommendation includes \$50,000,000 for Innovations for Existing Plants [IEP]. The IEP program is directed to continue carbon capture research for the existing fleet. Of the IEP funds, \$12,000,000 is for Federal laboratories, in collaboration with research institutions, to continue to conduct research and development on the critical link between water and fossil energy extraction and utilization and how different regions of the country can employ water efficiency technology. In light of the new Clean Air Mercury Rule, the Committee supports \$5,000,000 in additional research for a broader mercury program. The Committee understands the Department has been moving forward on the Ramgen Compression Initiative, and it is the Committee's expectation that the Department fully complete the development and testing of the Ramgen CO<sub>2</sub> compressor. The Committee recommends \$63,000,000 for the Advanced Integrated Gasification Combined Cycle activities and \$30,000,000 for Advanced Turbines. The Committee recommends \$149,132,000 for Carbon Sequestration activities. Additional funds are needed for the Regional Partnerships to carry out the large-scale projects that were awarded in fiscal year 2008 into field activities, in order to accelerate wide-scale deployment of advanced clean coal technologies with carbon capture and storage. The Committee encourages the Office of Fossil Energy to continue research on the co-sequestration of carbon dioxide and criteria pollutants with other offices and agencies. The Office of Fossil Energy shall be the lead office for these activities. Within available funds, the Department is encouraged to study geologic resources that have the potential to be regionally and nationally significant in order to reduce data gaps. Within available funds for Carbon Sequestration, the Committee encourages the program to continue to study carbon dioxide accelerated growth algae technology to recycle carbon and produce fuels. The Committee recommends \$30,000,000 for Fuels to support both fuels from coal liquids and hydrogen. Within available funds for Fuels, the Committee recommendation includes adequate funding to continue the integrated coal and biomass research activity to address carbon emissions and technology barrier issues. The Committee recommends \$60,000,000 for Fuel Cell Re-

search. The Committee recommends \$30,000,000 for Advanced Research. Of this funding, \$5,000,000 is for computational energy sciences.

*Natural Gas Technologies.*—The Committee recommendation includes \$20,000,000. Of this amount, \$15,000,000 is provided for methane hydrates, and \$5,000,000 is for research to continue to develop technology solutions to minimize the impact, or develop treatment technologies for produced water as a by-product of natural gas production.

*Oil Technology.*—The Committee recommends \$5,000,000 for Oil Technology. Of this funding, the Committee recommends \$1,200,000 to continue support for the Risk Based Management System, a nationwide database for oil and gas regulations and technology developments. The Committee recommends the continuation of the stripper well program.

*Program Direction.*—The Committee recommends \$152,804,000 for Program Direction, of which \$122,054,000 is for the National Energy Technology Laboratory.

*Other Programs.*—The Committee recommends \$9,700,000 for fossil energy environmental restoration. The Committee recommendation is \$656,000 for the special recruitment program. The Committee recommendation for plant and capital equipment is \$17,748,000, of which \$9,848,000 is to be directed to the Morgantown site, \$6,900,000 to the Pittsburgh site, and \$1,000,000 to the Albany site. The Committee recommendation for cooperative research and development is \$5,000,000.

The Committee continues to support the Department's project management efforts and the role of the National Energy Technology Laboratory [NETL], with assistance from the Golden field office, in setting up a successful Project Management Center [PMC]. The Committee encourages the Office of Energy Efficiency and Renewable Energy to continue the collaboration and funding of the PMC with the NETL.

*Use of Prior Year Balances.*—The Committee supports the use of prior year balances in the amount of \$11,310,000 from completed or cancelled construction projects, the same as the budget request.

*Congressionally Directed Projects.*—The Committee recommendation includes \$32,700,000 for the following congressionally directed projects.

#### CONGRESSIONALLY DIRECTED FOSSIL ENERGY PROJECTS

Project	Committee recommendation
Arctic Energy Office, Arctic Energy Office, Fairbanks, AK, for research in fossil energy, natural gas technologies, and oil technologies .....	\$6,000,000
Center for Zero Emissions Research and Technology, Montana State University, Bozeman, MT, for research related to carbon sequestration, greenhouse gas emissions, and clean power generation .....	4,500,000
CO <sub>2</sub> Capture/Sequestration Research, Pennsylvania State University, Centre County, PA, to study carbon capture and sequestration .....	500,000
Fossil Fuel Research & Development, University of North Dakota Energy and Environmental Research Center, Grand Forks, ND, to address strategic national energy issues .....	4,000,000
Gulf Of Mexico Hydrates Research Consortium, University of Mississippi, University of Mississippi, MS, to develop and deploy an integrated multi-sensor station on the seafloor in the Gulf of Mexico .....	1,200,000
Long Term Environmental and Economic Impacts of the Development of a Coal Liquefaction Sector in China, West Virginia University, Morgantown, WV, for the study of the development of commercial liquefaction plants .....	500,000