

China's reliance on mineral requires focus on fewer emissions, governor says

By BEN NEARY

Associated Press writer

Wednesday, April 23, 2008 8:07 AM MDT

CHEYENNE -- Just back from a tour of China's coal country, Gov. Dave Freudenthal said Tuesday that any effort to address global warming must include "clean coal" research designed to reduce air pollution worldwide.

Freudenthal's trip included a tour of a General Electric coal research plant in Shanghai. He said he was struck there and elsewhere in the country by the brisk pace of construction as well as China's intense reliance on coal as an energy source.

"One of the takeaways is that any strategy to deal with global warming, whether the policy people of the United States like it or not, is going to have to include significant effort on the clean coal technologies," Freudenthal said. "Not just for the United States, but worldwide, because so much of the world is so dependent on the utilization of coal, because it's their domestic resource.

"The Chinese couldn't go to gas if they wanted to," Freudenthal said. "They don't have it."

Freudenthal's administration is hammering out the details of an agreement with General Electric to open a coal research facility at an as-yet undetermined place in the state.

Officials with GE and the University of Wyoming announced the planned \$100 million project early this year, saying it could be operating in the state by 2010. Freudenthal said a project development agreement could be completed between the state and the company by June.

"Clearly there's a self interest for both GE and Wyoming," Freudenthal said. "They're a technology development company, and we're a coal producer. And to the extent they can improve technologies that improve the market share for Powder River Basin coals, that's in our best interest."

Freudenthal said much of the current interest in Wyoming coal is based on its relatively low sulfur content, which results in lower emissions from coal-fired power plants. However, he said that advantage will begin to disappear as more coal is used in gasification processes that capture the sulfur.

Freudenthal's office has said his trip to China was funded by the United States-Asia Foundation, which his office identified as a nonpartisan, nonprofit group. A political Web site, WyoFile.com, reported this week that General Electric is a contributor to the foundation.

"I'm not uncomfortable with it," Freudenthal said of GE's indirect support of his China trip. "Our interests and GE's interests are not contrary. We both have an interest in seeing coal technologies advance.

"Their obvious interest is that they're a technology company. Our obvious interest is 470 million tons of coal a year," Freudenthal said. "Because we get between severance tax, local property tax and federal mineral royalties, about 18 percent of the value of each ton of coal accrues to the public entities in the state in one form or another."

Freudenthal said he was struck by the fast pace of construction everywhere he went in China. "I would say that it is absolutely true that the Chinese economy is growing just at a remarkable rate," he said.

"The air quality issues you see discussed are real," Freudenthal said. "I think the diplomatic way of saying it is that the air quality there is not consistent with what we've come to expect in Wyoming."

Aside from coal issues, Freudenthal said the Chinese officials he met were all familiar with Wyoming.

"They all know about Yellowstone," he said. "They all know about cowboys and the West."