



The Secretary of Energy
Washington, D.C. 20585

April 30, 2010

Mr. Claiborne P. Deming
Chair, National Petroleum Council
1625 K Street, NW
Washington, DC 20006

Dear Mr. Deming:

Other Department of Energy leaders and I greatly appreciated the dialogue you arranged on the National Petroleum Council's prior report, *Facing the Hard Truths About Energy: A Comprehensive View to 2030 of Global Oil and Natural Gas*, and preliminary plans for the upcoming studies on *Future Transportation Fuels and Prudent Development of North American Natural Gas and Oil Resources*. The discussions provided valuable insights for the path forward.

The projected decline in U.S. gasoline demand through 2030 envisioned in the *Hard Truths* report clearly illustrated the potential energy, economic and environmental benefits made possible by implementing motor vehicle technology advances matched with aggressive yet achievable fuel efficiency standards. I salute the prior study leaders for their forward thinking recommendations.

President Barack Obama has called upon other countries to join the United States in reducing greenhouse gas emissions by 17 percent by 2020 and more than 80 percent by 2050 relative to 2005 levels across all energy sectors. The Council's new studies provide an opportunity to demonstrate U.S. leadership on transformational concepts in transportation and resource development.

The reduction of the carbon intensity of the U.S. transportation fleet will play an important role in meeting these goals. In addition to the objectives stated in my initial request, I would like the *Future Transportation Fuels* study to address the following question:

What actions could industry and government take to stimulate the technological advances and market conditions needed to reduce life-cycle greenhouse gas emissions in the U. S. transportation sector by 50 percent by 2050 relative to 2005 levels while enhancing the Nation's energy security and economic prosperity?



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With regard to energy supply, the United States sees a future in which valuable domestic energy resources are responsibly produced to meet the needs of American energy consumers consistent with national, environmental, economic, and energy security goals. The United States, the world's second largest producer of natural gas and the third largest producer of oil, has the opportunity to demonstrate global leadership in technological and environmental innovation. Accordingly, I request the Council's advice on potential technology and policy actions capable of achieving this vision as part of the *Prudent Development of North American Natural Gas and Oil Resources* study.

Our intent is to stimulate dynamic study processes that venture beyond business-as-usual industry and government assessments. I am pleased that the Council shares a mutual interest with the Department of Energy in seeking diverse participation in the study efforts including participation by industry, academia, environmental, and other public interest groups, and government leaders.

We look forward to reviewing the Council's detailed study plans.

Sincerely,



Steven Chu

PS: We would love to brief the members of the NPC and the task forces, where relevant, on the R&D the DOE is investing in that may dramatically improve the technology choices we could have in 5-15 years. These programs are in ARPA-E, FE and the Office of Science.