

(\$ in thousands)	FY 2003 Adjusted B/A	FY 2004 Congressional Request	FY 2004 Adjusted B/A	FY 2005 Congressional Request
FOSSIL ENERGY R&D				
President's Coal Research Initiative	338,588	320,500	378,383	447,000
Other Power Systems	62,034	47,000	72,101	23,000
Subtotal, Coal	<u>400,622</u>	<u>367,500</u>	<u>450,484</u>	<u>470,000</u>
Gas	45,860	26,555	42,994	26,000
Petroleum	40,983	15,000	35,078	15,000
Program Direction & Mngt. Spt.	87,229	92,785	106,225	106,000
 Plant & Capital Equipment	 6,954	 3,000	 6,914	 0
Environmental Restoration	9,652	9,715	9,595	6,000
Cooperative Res. & Development	7,970	6,000	8,395	3,000
Import/Export Authorization	2,981	2,750	2,716	1,799
Advanced Metallurgical Research	5,961	10,000	9,876	8,000
Energy Efficiency Science Initiative	2,440	0	0	0
National Academy of Sciences Program Review	497	0	494	0
Subtotal	<u>611,149</u>	<u>533,305</u>	<u>672,771</u>	<u>635,799</u>
Transfer from Clean Coal Previous Balances	0	-14,000	0	0
Rescission for Travel and Administration	0	0	0	0
Transfer from SPR Petroleum Account (non-add)	0	(-5,000)	0	0
Use of prior year balances	0	0	0	0
TOTAL FOSSIL ENERGY R&D	<u>611,149</u>	<u>519,305</u>	<u>672,771</u>	<u>635,799</u>
 CLEAN COAL TECHNOLOGY***	 -47,000	 0	 -98,000	 -140,000
 STRATEGIC PETROLEUM RESERVE				
Facilities Development	171,732	175,081	170,948	172,100
NORTHEAST HOME HEATING OIL RESERVE	5,961	5,000	4,939	5,000
SPR Petroleum Account			0	0
Oil Acquisition	6,955	0	0	0
Transfer to Fossil Energy R&D	0	0	0	0
Total Strategic Petrol. Res.	<u>179,648</u>	<u>175,081</u>	<u>175,887</u>	<u>177,100</u>
 NAVAL PET. & OIL SHALE RESERVES				
Total NPR & Oil Shale Reserves	17,715	16,500	17,995	20,000
 ELK HILLS SCHOOL LANDS FUNDS				
	36,000	36,000	36,000	36,000
 ALTERNATIVE FUELS PRODUCTION (Interest)				
	0	0	0	0
 General Reduction for Motor Vehicles at SPR				
	0	0	0	0
 TOTAL FOSSIL ENERGY PROG.	 <u>797,512</u>	 <u>746,886</u>	 <u>804,653</u>	 <u>728,899</u>
 PRESIDENT'S COAL RESEARCH INITIATIVE				
Clean Coal Power Initiative	145,116	130,000	178,770	287,000
Central Systems	91,494	86,000	89,880	64,500
Sequestration R&D	39,101	62,000	40,297	49,000
Fuels	30,433	5,000	31,221	16,000
Advanced Research (formerly AR&TD)	32,444	37,500	38,215	30,500
Total President's Coal Research Initiative	<u>338,588</u>	<u>320,500</u>	<u>378,383</u>	<u>447,000</u>
 OTHER POWER SYSTEMS				
Distributed Generation Systems	62,034	47,000	71,113	23,000
U.S./China Energy and Environmental Center	0	0	988	0
Total Other Power Systems	<u>62,034</u>	<u>47,000</u>	<u>72,101</u>	<u>23,000</u>
TOTAL COAL	<u>400,622</u>	<u>367,500</u>	<u>450,484</u>	<u>470,000</u>
 GAS				
Natural Gas Technologies	45,860	26,555	42,994	26,000

(\$ in thousands)	FY 2003 Adjusted B/A	FY 2004 Congressional Request	FY 2004 Adjusted B/A	FY 2005 Congressional Request
PETROLEUM				
Oil Technology	40,983	15,000	35,078	15,000
PROG. DIRECTION & MNGT. SUPPORT	87,229	92,785	106,225	106,000
PLANT & CAPITAL EQUIPMENT				
Construction	6,954	3,000	6,914	0
Total Plt. & Capital Equip.	<u>6,954</u>	<u>3,000</u>	<u>6,914</u>	<u>0</u>
ENVIRONMENTAL RESTORATION	9,652	9,715	9,595	6,000
COOPERATIVE RES. & DEVELOPMENT	7,970	6,000	8,395	3,000
IMPORT/EXPORT AUTHORIZATION	2,981	2,750	2,716	1,799
ADVANCED METALLURGICAL RESEARCH	5,961	10,000	9,876	8,000
ENERGY EFFICIENCY SCIENCE INITIATIVE	2,440	0	0	0
NATIONAL ACADEMY OF SCIENCES PROGRAM REVIEW	497	0	494	0
SUBTOTAL FOSSIL ENERGY R&D				
Operating Expenses	604,195	530,305	665,857	635,799
Construction	6,954	3,000	6,914	0
SUBTOTAL FE R&D NEW BA	<u>611,149</u>	<u>533,305</u>	<u>672,771</u>	<u>635,799</u>
Rescission for Travel and Administration	0	0	0	0
Transfer from Clean Coal Previous Balances	0	-14,000	0	0
Transfer from SPR Petroleum Account (non-add)	0	(-5,-000)	0	0
Use of Prior Year Balances	0	0	0	0
TOTAL FOSSIL ENERGY R&D	<u><u>611,149</u></u>	<u><u>519,305</u></u>	<u><u>672,771</u></u>	<u><u>635,799</u></u>
<u>PRESIDENT'S COAL RESEARCH INITIATIVE</u>				
(A) CLEAN COAL POWER INITIATIVE				
Clean Coal Power Initiative/FutureGen	143,626	128,700	168,181	284,130
FutureGen	0	0	8,889	0
Program Support	1,490	1,300	1,700	2,870
TOTAL CLEAN COAL POWER INITIATIVE	<u>145,116</u>	<u>130,000</u>	<u>178,770</u>	<u>287,000</u>
(B) CENTRAL SYSTEMS				
(1) Innovations for Existing Plants (Formerly AR&ET)	21,566	22,000	21,729	18,050
Super Clean Systems	1,485	1,485	1,466	1,485
Fine Particulate Control/Air Toxics	14,217	13,860	13,689	9,949
In-House Research	3,663	3,960	3,911	3,960
Waste Management	1,980	2,475	2,445	2,475
Vision 21	0	0	0	0
Program Support	221	220	218	181
(2) Advanced Systems	69,928	64,000	68,151	46,450
Integrated Gasification				
Combined Cycle	43,301	51,000	50,372	34,450
Gasification Systems Technology	20,352	29,700	29,334	15,305
Systems Analysis/Product Integration	2,843	3,960	3,912	4,000
Vision 21	19,662	16,830	16,622	14,800
Program Support	444	510	504	345
Combustion Systems	10,097	0	4,939	0
Gas Stream Cleanup	5,310	0	1,350	0
Hybrid Combustion	4,227	0	3,539	0
Vision 21	457	0	0	0
Program Support	103	0	50	0
Turbines	16,530	13,000	12,840	12,000
Vision 21	2,921	0	0	0
Next Generation Turbines	13,440	12,870	12,712	11,880

(\$ in thousands)	FY 2003 Adjusted B/A	FY 2004 Congressional Request	FY 2004 Adjusted B/A	FY 2005 Congressional Request
Program Support	169	130	128	120
(3) Power Plant Improvement Initiative	0	0	0	0
Power Plant Improvement Initiative	0	0	0	0
Program Support	0	0	0	0
TOTAL CENTRAL SYSTEMS	91,494	86,000	89,880	64,500
(C) SEQUESTRATION R&D				
(1) Greenhouse Gas Control	39,101	62,000	40,297	49,000
Greenhouse Gas Control	31,277	41,250	33,050	41,580
Focus Area for Carbon Sequestration Science	7,425	6,930	6,844	6,930
National Climate Change Technology Initiative (Intg. Seq D)	0	13,200	0	0
Program Support	399	620	403	490
TOTAL SEQUESTRATION R&D	39,101	62,000	40,297	49,000
(D) FUELS				
(1) Transportation Fuels and Chemicals	21,432	5,000	21,927	16,000
Reactor/Process Development	2,400	0	1,491	0
Systems Engineering	0	0	0	0
Syngas Membrane Technology	6,310	0	6,552	0
Ultra Clean Fuels	10,222	0	8,786	0
President's Hydrogen From Coal Research, Fuels Initiative	2,280	4,950	4,879	15,840
Program Support	220	50	219	160
(2) Solid Fuels and Feedstocks (formerly Coal Preparation)	5,808	0	5,986	0
Premium Carbon Products	1,027	0	987	0
Advanced Separation	2,881	0	2,964	0
Coal-derived Jet Fuels	1,840	0	1,975	0
Program Support	60	0	60	0
(3) Advanced Fuels Research (formerly AR&ET)	3,193	0	3,308	0
Advanced Research	3,160	0	3,275	0
Program Support	33	0	33	0
TOTAL FUELS	30,433	5,000	31,221	16,000
(E) ADVANCED RESEARCH				
(1) Coal Utilization Science	8,781	9,000	11,852	8,000
(2) Materials	8,712	12,000	11,111	8,000
(3) Technology Crosscut	11,078	9,500	11,326	10,500
Coal Technology Export	795	1,000	988	1,000
Bioprocessing of Coal	1,341	1,500	1,482	1,500
Environmental Activities	1,987	2,000	1,975	2,000
Technical & Econ. Analyses	994	1,000	988	1,000
International Prog. Support	994	1,000	988	1,000
Focus Area for Computational Energy Science	4,967	3,000	4,905	4,000
(4) University Coal Research	2,904	5,000	2,945	3,000
(5) HBCUs, Education & Training	969	2,000	981	1,000
TOTAL ADVANCED RESEARCH (formerly AR&TD)	32,444	37,500	38,215	30,500
<u>OTHER POWER SYSTEMS</u>				
(A) DISTRIBUTED GENERATION SYSTEMS				
(1) Fuel Cells	59,107	44,500	68,644	23,000
Advanced Research	3,389	10,000	9,876	0
Advanced Research	3,354	9,900	9,778	0
Program Support	35	100	98	0

(\$ in thousands)	FY 2003 Adjusted B/A	FY 2004 Congressional Request	FY 2004 Adjusted B/A	FY 2005 Congressional Request
Fuel Cell Systems	9,675	6,000	10,865	0
Fuel Cell Systems Development	9,576	5,940	10,757	0
Program Support	99	60	108	0
Vision 21 Hybrids	13,062	5,000	12,840	0
Vision 21 Hybrids	12,928	4,950	12,712	0
Program Support	134	50	128	0
Innovative Systems Concepts	32,981	23,500	35,063	23,000
Innovative Systems Concepts/SECA	32,643	23,265	34,712	22,770
Program Support	338	235	351	230
(2) Novel Generation	2,927	2,500	2,469	0
Supporting Technologies	2,897	2,475	2,444	0
Program Support	30	25	25	0
(3) Distributed Generation Engines	0	0	0	0
TOTAL DISTRIBUTED GENERATION SYSTEMS	62,034	47,000	71,113	23,000
U.S./CHINA ENERGY AND ENVIRONMENTAL CENTER				
U.S./China Energy and Environmental Center	0	0	978	0
Program Support	0	0	10	0
TOTAL U.S./CHINA ENERGY AND ENVIRONMENTAL CENTER	0	0	988	0
NATURAL GAS TECHNOLOGIES				
Exploration and Production	22,712	14,000	22,203	17,500
Sustainable Supply	0	13,860	0	12,375
Adv. Drilling, Completion, and Stimulation	9,870	0	9,876	0
Adv. Diagnostics and Imaging Systems	3,964	0	3,952	0
Multi NL/Industry Partnership	1,987	0	1,975	0
Secondary Gas Recovery Program	497	0	0	0
Stripper Wells Revitalization	1,192	0	1,185	0
Technology Transfer	497	0	494	0
Deep Trek	1,490	0	1,481	0
LNG	0	0	0	4,950
Coal Bed Methane Water Filtration Research	0	0	0	0
Arctic Research	2,982	0	2,964	0
Natural Gas to Fuel Our Economy	0	0	0	0
Program Support	233	140	276	175
Gas Hydrates	9,218	3,500	9,383	6,000
Gas Hydrates	9,124	3,465	9,290	5,940
Program Support	94	35	93	60
Infrastructure	8,780	0	8,939	0
Storage Technology	1,940	0	1,956	0
Delivery Reliability	6,790	0	6,845	0
Program Support	50	0	138	0
Emerging Processing Technology	2,593	6,555	0	0
President's Hydrogen from Gas, Fuels Initiative	0	6,490	0	0
International Center for Gas Technologies	0	0	0	0
Coal Mine Methane	2,566	0	0	0
Program Support	27	65	0	0
Effective Environmental Protection	2,557	2,500	2,469	2,500
Environmental Science	0	2,475	2,444	2,475
Program Planning Data and Analysis	357	0	0	0
Technology Development	993	0	0	0
Outreach and Technology Transfer	1,181	0	0	0
Natural Gas to Fuel Our Economy - Rocky Mountain States	0	0	0	0
Program Support	26	25	25	25
TOTAL NATURAL GAS TECHNOLOGIES	45,860	26,555	42,994	26,000

(\$ in thousands)	FY 2003 Adjusted B/A	FY 2004 Congressional Request	FY 2004 Adjusted B/A	FY 2005 Congressional Request
<u>OIL TECHNOLOGY</u>				
Exploration and Production	22,667	2,000	18,450	3,000
EOR/CO2 Injection	0	1,980	1,975	1,980
Diversity of Global Oil Supply	0	0	0	990
Adv. Drilling, Completion, and Stimulation	1,987	0	1,975	0
Adv. Diagnostics and Imaging Systems	4,967	0	4,939	0
Multi NL/Ind. Partnership & NL Sptg. R&D	1,987	0	1,975	0
Reservoir Efficiency Processes	5,100	0	4,940	0
Analysis and Planning	1,936	0	0	0
Fundamental Research - PRIME	4,967	0	0	0
Arctic Research	1,491	0	1,481	0
Russia Technology Program	0	0	988	0
Program Support	232	20	177	30
Reservoir Life Extension/Management	8,724	5,000	6,914	5,000
Domestic Resource Conservation	8,635	4,950	6,844	4,950
Program Support	89	50	70	50
Effective Environmental Protection	9,592	8,000	9,714	7,000
Environmental Science	0	7,920	9,618	6,930
Program Planning and Analysis	880	0	0	0
Streamline State/Tribal/Federal Regulations	2,687	0	0	0
Risk Assessment	1,953	0	0	0
Technology Development	3,974	0	0	0
Program Support	98	80	96	70
TOTAL OIL TECHNOLOGY	40,983	15,000	35,078	15,000
<u>PROG. DIRECTION & MANAGEMENT SPT.</u>				
Research and Development	87,229	77,785	91,410	92,000
Hdqtrs. Program Direction	18,777	17,810	22,189	22,749
Salaries & Benefits	12,131	10,895	15,043	15,200
Travel	536	585	530	623
Contract Services	6,110	6,330	6,616	6,926
Technical and Management Support Services	1,838	1,830	2,173	2,000
Computer Systems and Support	795	1,000	988	1,026
Working Capital Fund	3,477	3,500	3,455	3,900
Design Based Threat			0	0
Field Program Direction	68,452	59,975	69,221	69,251
Salaries & Benefits	34,211	30,804	37,002	37,756
Travel	1,515	1,330	1,432	1,495
Contract Services				
Technical and Management Support Services	32,726	27,841	30,787	30,000
Clean Coal Technology	0	15,000	14,815	14,000
Hdqtrs. Program Direction	0	4,890	4,840	4,400
Salaries & Benefits	0	2,755	2,717	2,750
Travel	0	185	183	185
Contract Services				
Technical and Management Support Services	0	1,950	1,940	1,465
Field Program Direction	0	10,110	9,975	9,600
Salaries & Benefits	0	6,660	6,543	6,625
Travel	0	120	118	120
Contract Services				
Technical and Management Support Services	0	3,330	3,314	2,855
TOTAL PROGRAM DIRECTION	87,229	92,785	106,225	106,000
<u>PLANT AND CAPITAL EQUIPMENT</u>				
Construction	6,954	3,000	6,914	0
GPP at NETL and ARC	2,980	3,000	2,963	0

(\$ in thousands)	FY 2003 Adjusted B/A	FY 2004 Congressional Request	FY 2004 Adjusted B/A	FY 2005 Congressional Request
NETL Office/Lab Building	3,974	0	3,951	0
TOTAL PLANT AND CAPITAL EQUIPMENT	6,954	3,000	6,914	0
ENVIRONMENTAL RESTORATION				
CERCLA Remedial Actions	1,987	1,910	1,843	1,250
Rock Springs Sites	795	600	592	592
Hoe Creek Site	298	310	306	306
Hannah Sites Revegation	70	25	25	25
NETL Preliminary Site Investigations	298	445	439	77
NETL Site Remediation	30	30	30	0
CERCLA PRP Response Activities	496	500	451	250
RCRA Remedial Actions	2,285	2,052	2,039	1,758
NETL On-Site Remediation	1,540	1,407	1,398	1,208
Albany Research Center RCRA	745	645	641	550
Other ES&H Actions	5,380	5,753	5,713	2,992
Other ES&H Actions	4,282	4,535	4,494	2,224
ES&H Corrective Action at NPTO	15	15	25	10
ES&H Corrective Action at ARC	984	1,103	1,098	698
Program Support	99	100	96	60
TOTAL ENVIRONMENTAL RESTORATION	9,652	9,715	9,595	6,000
COOPERATIVE RES. & DEVELOPMENT	7,970	6,000	8,395	3,000
IMPORT/EXPORT AUTHORIZATION	2,981	2,750	2,716	1,799
ADVANCED METALLURGICAL RESEARCH	5,961	10,000	9,876	8,000
ENERGY EFFICIENCY SCIENCE INITIATIVE	2,440	0	0	0
NATIONAL ACADEMY OF SCIENCES PROG. REVIEW	497	0	494	0
CLEAN COAL TECHNOLOGY				
Advance Appropriation	40,000	0	87,000	97,000
Transfer to Fossil R&D (non-add)	0	(-14,000)	0	0
Rescission for Travel and Administration	0	0	-88,000	-237,000
Deferral of unobligated balances	-87,000	0	-97,000	0
TOTAL CLEAN COAL TECH.	-47,000	0	-98,000	-140,000
STRATEGIC PETROLEUM RESERVE				
SPR Facilities				
Non-Phase Specific	157,823	159,000	155,044	155,100
Management	13,909	16,081	15,904	17,000
Total Strategic Pet. Reserve	171,732	175,081	170,948	172,100
NORTHEAST HOME HEATING OIL RESERVE	5,961	5,000	4,939	5,000
SPR PETROLEUM ACCOUNT				
Oil Acquisition	6,955	0	0	0
Rescission of Previously Appropriated Funds	-5,000	-5,000	0	0
Transfer to Fossil Energy R&D	0	0	0	0
	1,955	-5,000	0	0
TOTAL SPR PROGRAM (New B/A)	179,648	175,081	175,887	177,100
NAVAL PETROLEUM RESERVES				
Production and Operations	8,298	9,101	9,699	10,676
Management	12,417	7,399	8,296	9,324
Rescission for Travel and Administration	0	0	0	0
General Reduction	-3,000	0	0	0
Use of Prior Year Balances	0	0	0	0
TOTAL NP&OSR	17,715	16,500	17,995	20,000

(\$ in thousands)

ELK HILLS SCHOOL LANDS FUNDS

California teachers' pension fund payment

Advance Appropriation

TOTAL ELK HILLS SCHOOL LANDS FUNDS

<u>FY 2003 Adjusted B/A</u>	<u>FY 2004 Congressional Request</u>	<u>FY 2004 Adjusted B/A</u>	<u>FY 2005 Congressional Request</u>
0	0	0	0
36,000	36,000	36,000	36,000
<u>36,000</u>	<u>36,000</u>	<u>36,000</u>	<u>36,000</u>