CARBON CAPTURE AND STORAGE FUTUREGEN 2.0 PROJECT MOVES FORWARD INTO SECOND PHASE

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WASHINGTON – Following the successful completion of the first phase, the Energy Department today announced the beginning of Phase II of project development with a new cooperative agreement between the FutureGen Industrial Alliance and the Department of Energy for an innovative carbon capture and storage (CCS) project in Illinois.

"The Department of Energy is committed to the demonstration of carbon capture and storage technologies. We believe FutureGen 2.0 is an important step in making economic, commercial scale CCS a reality," said U.S. Energy Secretary Steven Chu. "The project is important part of a portfolio of approaches we are pursuing to reduce carbon emissions from existing coal-fired power plants and perhaps other large, localized CO2 emitters."

"Today's announcement from the Department of Energy that the FutureGen project is moving forward with Phase II shows a strong commitment from the Obama Administration to create jobs and demonstrate the future of low-carbon-emission coal power right here in central Illinois," said U.S. Senator Dick Durbin. "I thank Governor Quinn and all of the Illinois and industry stakeholders for their continued leadership on this issue. I join them in remaining committed to making FutureGen a reality, and to putting Illinois and the United States at the forefront of cutting-edge technology to improve the environment and create good-paying jobs."

"We have shown time and again that FutureGen is welcome, and the project will succeed in Illinois," said Illinois Governor Pat Quinn. "We look forward to working with all of the project partners to see that FutureGen 2.0 will move forward, and that the reality of this first-of-its-kind project will be realized in Illinois."

In cooperation with the FutureGen project partners, the Department of Energy is investing in the upgrade of a coal-fired power plant in Meredosia, Ill. with oxy-combustion technology to capture more than 1 million tons of CO2 each year—more than 90 percent of the plant's carbon emissions. Other emissions will also be reduced to near-zero levels. Instead of capturing CO2 in the presence of a large amount of nitrogen, the oxy-combustion approach extracts the oxygen from air before combustion, greatly reducing the cost of carbon capture at the exhaust stack. This project will test oxygen separation technology and exhaust processing technology after combustion at power plant scales. Using proven pipeline technology, the CO2 will then be safely transported and securely stored underground at a nearby storage site. This groundbreaking project will help pave the way for other cleaner and more sustainable advanced coal-burning power plants.

The completion of the FutureGen 2.0 project's first phase included important technical and financial milestones like the identification of a sequestration site in Morgan County, preliminary characterization and test drilling, and a commitment from the Illinois Commerce Commission to cover the FutureGen 2.0 project's output under its power purchasing plans. The cooperative agreement announced today with the FutureGen Industrial Alliance will build on these successes to begin preliminary design, pre-construction and engineering for the retrofitted, near-zero emission coal-fired power plant.