



# NEWS RELEASE

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## **Gov. Blagojevich announces landmark air permit for clean-coal gasification power plant in Taylorville**

*Construction authorized for innovative low emissions facility that will create jobs, revitalize  
Illinois coal industry as part of Governor's Energy Independence Plan*

**TAYLORVILLE** – Taking a bold step toward putting Illinois on a path toward a cleaner, more energy independent future, Gov. Rod R. Blagojevich today announced that the Illinois EPA has issued an Air Construction Permit to Christian County Generation, LLC. The permit, the first issued in the U.S. for a commercially-sized Integrated Gasification Combined Cycle (IGCC) power generating plant, authorizes Christian County Generation to build the \$2 billion gasification plant known as the Taylorville Energy Center (TEC).

TEC is a proposed 630-megawatt facility that would be the nation's first commercially-sized clean-coal IGCC power plant and among the world's most environmentally friendly coal plants. The plant will use coal gasification technology to dramatically reduce air emissions, allowing high-sulfur Illinois coal to become a more environmentally sound fuel source. The plant would create 1,500 construction jobs, 120 permanent jobs at the plant and 160 new mining jobs to supply the 1.8 million tons of Illinois coal needed annually to power more than 600,000 households.

"Illinois has among the largest reserves of coal in the world and being able to safely use this domestic energy source is a critical part of my energy plan," said Gov. Blagojevich. "The Taylorville Energy Center, using cutting edge clean-coal gasification technology, is a great example of how we can grow our economy and create good paying jobs while protecting our environment."

The air pollution limits set by this air permit are dramatically lower than conventional coal plants and reflect Illinois' commitment to developing environmentally responsible solutions to meet rising energy demand. "The Taylorville Energy Center will turn coal into a gas that can be more cleanly burned to generate power, which helps protect public and the environment," said Illinois EPA Director Doug Scott. "The air we all breathe will be cleaner because gasification plants remove pollutants and impurities prior to combustion, resulting in significantly lower mercury, sulfur dioxide, nitrogen oxide and particulate emissions than conventional coal plants."

Unlike conventional coal-fired power plants, IGCC plants have the future potential to reduce greenhouse gas emissions by capturing carbon dioxide that can be permanently stored underground in mature oil fields or deep saline aquifers. In addition to vast coal reserves, Illinois' geology is well-suited for so-called "carbon sequestration," making Illinois an ideal place to build coal gasification plants.

“This is a landmark day for the State of Illinois and the Taylorville Energy Center. This permit sets the standard by which other IGCC power plants will be judged,” said Greg Kunkel, Vice President of independent power producer Tenaska, the managing partner of Christian County Generation. “Now that the project has been found to meet strict clean air and regulatory standards, legislation is needed to make the Taylorville Energy Center a reality.”

Rep. Gary Hannig (D-Taylorville) has sponsored the Clean Coal Program Law, which would allow developers to enter into long-term, regulated cost-based contracts with large Illinois electric utilities.

“The Taylorville Energy Center is a win-win-win for Illinois. It will help revitalize Illinois’ coal industry, provide stable, baseload energy and create hundreds of permanent jobs,” said Rep. Hannig.

The cost-based approach contained in the Clean Coal Program Law was developed jointly with the Citizen’s Utility Board (CUB), which supports IGCC projects like TEC because of their ability to keep prices in check by increasing the supply of baseload power. In addition to CUB, the Illinois Coal Association, Clean Air Task Force, Illinois AFL-CIO, and others support development of TEC and other coal gasification projects.

In addition to directly creating new construction, plant operations and coal mining jobs, a recently released study from the Regional Development Institute at Northern Illinois University found that, once operational, the plant would add \$356 million annually to the area’s economy, and create nearly 800 additional indirect jobs, making it among the most important engines for economic growth in central Illinois.

John Thompson, director of the Coal Transition Project for the Clean Air Task Force, concluded, “If this plant breaks ground, people from around the world will come to Illinois to learn how we can solve some of the most significant global environmental problems facing the 21<sup>st</sup> Century.”

### **About Christian County Generation, LLC**

Christian County Generation, LLC is a joint venture of Omaha-based independent power developer Tenaska and Louisville-based MDL Holding Co., LLC (formerly The ERORA Group LLC). Tenaska is managing member of the project.

### **About Governor Blagojevich’s Energy Independence Plan**

The Energy Independence Plan calls for a dramatic expansion of clean, domestic energy production as well as significant reductions in energy use through investments in energy efficiency and conservation. Specifically, the Governor’s plan will:

- Invest in renewable biofuels by providing financial incentives to build up to 20 new ethanol plants and five new biodiesel plants. These increases in ethanol and biofuels production would allow Illinois to replace 50% of its current supply of imported oil with renewable homegrown biofuels;

- Increase the number of gas stations that sell biofuels, so that all gas stations offer 85% ethanol fuel (E-85) by 2017 and help the auto industry to produce more and better flexible fuels vehicles that can run on either E-85 or regular gasoline;

- Invest \$775 million to help build new coal gasification plants that use Illinois coal to meet 25 percent of Illinois’ diesel fuel needs, 25 percent of natural gas needs and 10 percent of electricity needs by 2017;

- Build a pipeline to move carbon dioxide, a greenhouse gas, captured from coal gasification plants to oilfields in Southeastern Illinois to extract more oil and natural gas and permanently store the carbon dioxide underground;

- Meet 10% of the state’s electricity needs from renewable energy sources by 2015, greatly boost investment in energy efficiency, while finding ways to cut emissions and reduce motor fuel consumption by 10% in 2017.