

## WBR ARTICLE

### FutureGen project loses partners

By MJ Clark

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CHAMPAIGN, Ill. — FutureGen, the clean coal plant that was resuscitated on June 12 faced another hurdle when two of the project's biggest private sector financial partners withdrew from the initiative on Friday. According to the Clean Air Task Force, the two partners – both power companies – were also the two largest carbon dioxide producers in the country. "When they pull out, that's a serious blow," said Clean Air Task Force spokesman John Thompson.

American Electric Power was one of the founding members of the FutureGen coalition, but balked at a request to pay \$5 million a year to help support the alliance. According to spokeswoman Melissa McHenry, AEP has spent \$1.5 million on the project since 2006, and the company's capital budget was slashed from \$4 billion in 2008 to \$2.6 billion this year.

The other departing partner is Southern Co., an Atlanta-based power company. Thompson notes that Southern Co. is proposing an IGC plant in Mississippi that will be twice the size of FutureGen, and capture 50 percent of the carbon dioxide. "So it doesn't make sense for them to also do FutureGen," he said.

The Clean Air Task Force, which questioned FutureGen's lowered emission standards when the project was reinstated, thinks that the project needs to be rethought to survive.

According to Thompson, in order to be nationally relevant, the current project needs one of three changes:

1. Break ground this year (which he acknowledged was practically impossible);
2. Double the size of the plant to 500 megawatts while keeping the capture rate at 60 percent. "Then you have a reference plant of utility scale that someone would actually want to build - 270 megawatts is too small," he said.
3. Keep the size the same but increase its efficiency back to 90 percent carbon dioxide capture. "That will push the tech barrier a little bit," he said.

As Thompson sees it, "Job One is making sure FutureGen fulfills a national climate need. Job Number Two is how to pay for it."

The climate bill passed last week may address the second issue. If passed as written, the Waxman-Markey Bill would provide \$180 billion over 50 years for carbon capture and storage.