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GOV. BLAGOJEVICH ANNOUNCES FUTUREGEN FOR ILLINOIS TASK FORCE

Group Will Advance Coordinated Effort to Bring World's Cleanest Coal Plant to Illinois

CHICAGO – Gov. Rod R. Blagojevich today unveiled the FutureGen for Illinois Task Force, a group of respected leaders from across the state to serve as advocates to help bring this \$1 billion, coal-to-energy facility to Illinois. Task force members include leaders from government, energy, the environment, business, labor and higher education. The Governor also named U.S. Senator Dick Durbin and U.S. House Speaker Dennis Hastert as Honorary Task Force co-chairs. After more than three years of extensive planning and preparation by the Governor, federal, state and local partners, the FutureGen Industrial Alliance recently announced that Mattoon and Tuscola are two of only four sites for this unprecedented initiative, which would create an estimated 1,300 construction jobs and 150 permanent jobs. The Alliance will announce its final selection from the four remaining sites in September 2007. Illinois Department of Commerce and Economic Opportunity (DCEO) Director Jack Lavin, the Governor's FutureGen point person, made the official announcement today at the Governor's Mansion in Springfield.

“We are very pleased to announce this new task force, which will continue to advance our efforts to demonstrate why this historic project belongs in Illinois. Not only does our state have the geology, infrastructure and a strong track record of developing clean coal technology, but we also have a dedicated group of leaders that believe in FutureGen's tremendous possibilities for our state and our country. With science on our side and all of our strategic assets, we are confident that the world's cleanest coal plant will be built in Illinois and change the way we look at energy production,” Gov. Blagojevich said.

The Governor named the entire Congressional delegation as members of the task force, as well as Indiana Governor Mitch Daniels and members of the Illinois Clean Coal Review Board. Task force members, Southern Illinois Coal Research Center Director John Mead; Illinois State Geological Survey's Rob Finley; Environmental Law and Policy Center Director Howard Learner; Illinois AFL-CIO Secretary-Treasurer Michael T. Carrigan; and Martin Engineering CEO Scott Hutter, spoke at the event and highlighted the benefits of locating the project in Illinois from their respective areas of expertise. Marty Irwin, Director of Indiana Coal Research at Purdue University, also spoke on behalf of Indiana's support for the project in Illinois. Task force members will help to reinforce the state's message that FutureGen belongs in Illinois.

“The bipartisan collaboration of elected officials and leaders in business, labor, environment and technology on the FutureGen for Illinois Task Force will ensure Illinois will be in the best position to win the FutureGen plant next year. I will continue to do everything I can in Washington to help the FutureGen for Illinois Task

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Force,” said U.S. Senator Dick Durbin (D-Illinois), Task force Co-Chair. “At the FutureGen summits I hosted in August in Tuscola and Mattoon, I was very impressed with the efforts of local officials. Illinois has the coal and the commitment needed to make this vision a reality.”

“The FutureGen project will revolutionize energy production and pave the way for the next generation of power plants. With Illinois’ deep coal reserves, infrastructure and unwavering community support, Mattoon and Tuscola are ideal homes for this ground-breaking facility, and I believe our commitment will pay off in the end thanks to our strong bipartisan efforts,” said U.S. House Speaker Dennis Hastert (R-Illinois), Task force Co-Chair.

The U.S. Department of Energy is advancing the next phase of the selection process, which requires an Environmental Impact Statement for each potential site and calls for assembling technical data and extensive public involvement through interviews, hearings and site visits. The USDOE visited Mattoon and Tuscola last month for the required scoping hearings, and the Governor has committed \$730,000 to help gather environmental and other technical information for both cities to assist with this process. The other two remaining sites vying for the project are Odessa, Texas and near Jewett, Texas.

This coal plant of tomorrow will use coal gasification technology to produce 275 megawatts of electric power, as well as hydrogen for fuel cells and other industrial uses. Because capture of carbon dioxide is critical to FutureGen’s success, a team of scientists selected the final sites based on major factors related to the underlying geology, water availability and other technical requirements set forth by the FutureGen Industrial Alliance, which is developing the facility for the USDOE.

Members of the FutureGen Alliance represent the largest energy companies in the United States, plus a major energy company in China and the nation of India. Among its major goals, FutureGen seeks to show how carbon dioxide from the process of coal gasification can be injected into and stored harmlessly in deep underground formations of rock, sand and salt water.

Since the two states share the same coal basin, Gov. Blagojevich and Indiana Gov. Mitch Daniels signed a Memorandum of Understanding in December 2005 stating that Illinois’ strong financial support for coal development, as well as its appealing geologic features, make the state the ideal host for the federally supported project. The Governor also previously committed a \$17 million direct grant from a clean coal technology fund that tops off what is believed to be the nation’s most aggressive investment package to bring FutureGen to Illinois. The grant can be used for a wide range of project costs.

“Illinois is a national leader in clean coal technology in pursuit of new markets for our coal, to create new jobs and reduce our dependence on imported energy. Our coal, geology and tremendous partners on the federal, state and local levels have gotten us to FutureGen’s final four, and we must continue spreading that message. Through the task force’s large, diverse coalition of support, we will continue our efforts to make this vision a reality,” DCEO Director Lavin said.

In addition to unwavering community support, local sponsors are providing additional assistance to the Alliance that ranges from property tax abatements to site donations and/or land options designed for facility expansion or the location of FutureGen-related businesses. Additional state support includes an estimated \$15 million sales tax exemption on materials through local Enterprise Zones or the High Impact Business program. Other project-related funding is available through the Illinois Coal Competitiveness Program, the Illinois Clean Coal Institute and the public-private partnership Illinois Clean Coal Review Board. There is also \$50 million set aside by the Illinois Finance Authority for below-market-rate loans to the Alliance.

For more information on FutureGen and the task force visit www.FutureGenForIllinois.com

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