

ENVIRONMENTAL DEFENSE * WESTERN RESOURCE ADVOCATES

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Environmental Organizations Applaud Nation's First Coal Plant to Limit Global Warming Pollution

COLORADO (August 15, 2006) – Today Xcel Energy announced a ground-breaking proposal to deploy the nation's first coal power plant to reduce global warming pollution by capturing heat-trapping carbon dioxide (CO₂) before it is released into the atmosphere and storing it underground. Traditional coal plants discharge more carbon dioxide into the atmosphere than virtually any other source of energy. Xcel's project in Colorado will use advanced Integrated Gasification Combined Cycle coal technology (IGCC) that gasifies coal and then burns the gas to produce electricity. A major benefit of IGCC is that these plants can be designed to capture CO₂ before it is released into the atmosphere. Xcel is planning to construct a 300-350 megawatt facility, enough to power up to 350,000 Colorado homes.

While some coal-fueled IGCC projects have been proposed across the country, Xcel's project will be the first to take advantage of IGCC's ability to limit CO₂ emissions. Capturing and storing CO₂ from coal plants is especially critical because of the number of coal plants being planned. In June 2006, the National Energy Technology Laboratory identified 153 pending new coal plant proposals across the nation.

"Xcel's proposal to develop an IGCC facility that captures and stores carbon dioxide is a giant step forward in how America produces electricity from coal while grappling with the pressing need to reduce greenhouse gases from the power sector," said John Nielsen, Energy Program Director at Western Resource Advocates. "Leadership like this is crucial to address the serious environmental and economic risks of global warming."

"This landmark project will be the first coal plant in America to reduce global warming pollution through the capture and underground storage of greenhouse gases," said Environmental Defense senior attorney Vickie Patton. "Such bold industry leadership together with the adoption of nationwide limits on greenhouse gases will unleash American innovation in the fight against global warming."

Growth in coal-fired electricity generation is forecast to contribute to a dramatic rise in global warming pollution. The Energy Information Administration recently projected that annual CO₂ emissions from power plants will increase by 1.1 billion tons (44%) – between 2004 and 2030 largely as a result of America's increasing reliance on coal. The projected rise in annual CO₂ emissions from power plants is equivalent to the annual CO₂ emissions from nearly 200 million cars.

Numerous states are adopting programs to curb carbon dioxide from the power sector and bipartisan national legislation has been introduced to achieve nationwide limits through market-based measures. Many zero or low carbon electricity resources are available in America today, including technologies to use our electricity more efficiently and to use renewable wind, solar, geothermal and biomass technologies.

Environmental Defense, a leading national nonprofit organization, represents more than 400,000 members. Since 1967, Environmental Defense has linked science, economics, law and innovative private-sector partnerships to create breakthrough solutions to the most serious environmental problems. For more information, see www.environmentaldefense.org

Western Resource Advocates is a non-profit conservation organization dedicated to protecting the Interior West's land, air, and water. For more information, see www.westernresourceadvocates.org