



CLEAN COAL

TECHNOLOGY
FOUNDATION
OF TEXAS

For Immediate Release

For more information, contact: Donna McDonald (512) 708-8655

SENATE APPROVES LANDMARK FUTUREGEN LEGISLATION

House Bill 2201 Assists Texas Effort to Land FutureGen

AUSTIN – The Texas Senate today approved HB 2201, landmark legislation that will put a streamlined permitting process in place to allow Texas to apply to be the host state for a \$1 billion, zero-emission power generating unit and research facility.

Senator Craig Estes, R-Wichita Falls, was the Senate sponsor of the measure authored by Rep. Bryan Hughes, R-Marshall. The bill is now headed to Governor Perry for his signature.

"The U.S. Department of Energy is expected later this year to seek proposals from states wanting to be the site for this \$1 billion, international research project named FutureGen. It is important that we pass House Bill 2201 to ensure there is nothing in the regulatory process that will put the state of Texas at a competitive disadvantage with other states vying for this clean energy project," Estes said.

Coal gasification and international research are the key components of the electric generation facility that could mean 12,000 jobs and have a huge economic impact on the state. HB 2201 is designed to ensure that the state's licensing process is consistent with federal regulations for a new generating station.

"The purpose of FutureGen is to develop new and cleaner technologies for converting coal to electricity," said Donna McDonald, administrative director of the Clean Coal Technology Foundation of Texas. "In addition to promoting the continued use of this abundant and cost-effective power source, FutureGen also will help improve air quality and enhance our petroleum industry through enhanced oil recovery."

McDonald said Texas is the best state for FutureGen because it has the necessary resources to make the project successful, including:

- The ability to sequester carbon dioxide, which, along with hydrogen, will be valuable byproducts.
- An oil and gas industry that can use the CO₂ to increase production.
- A growing population in need of additional electricity.
- And, a vibrant chemical industry that will benefit from FutureGen byproducts.

"By passing this legislation, there is nothing in state law that keeps Texas from getting this historic energy product," McDonald said.

"Senator Estes did a terrific job of guiding this important piece of legislation through the process," McDonald said. "The bill has been significantly improved by the Senate, and the considerations sought by our allies in the environmental community have been added to this bill."

“Senator Estes and Representative Hughes have given Texas a legislation tool that will help Texas develop a bid for this historic project.

FutureGen is a partnership between the U.S. government and private industry to design, build and operate the power plant of the future: a nearly emission-free, coal-based plant producing electricity and hydrogen. It will be the cleanest fossil-fuel based power plant in the world. Without HB 2201, it could take us three to five years for Texas to secure all the permits necessary to construct FutureGen. The objective of the legislation is to streamline the process, allowing Texas to permit the project within a year.

The preliminary Request for Proposals is expected to be published in the Federal Register by July, with the final RFP issued this fall. State responses will be due by the end of the year. A short list of potential sites will be developed in early 2006 and a siting decision is expected soon after that.

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