

Energy Secretary announces funding for **clean coal project**



U.S. Secretary of Energy Dr. Steven Chu announced on July 1 the selection of Basin Electric Power Cooperative as a recipient of a \$100-million cooperative agreement under the Clean Coal Power Initiative (CCPI) program to help fund a large-scale carbon capture demonstration at the Antelope Valley Station near Beulah, ND.

Chu said the announcement represents a major step forward in the fight to reduce carbon dioxide emissions from coal-based power plants. “These new technologies will not only help fight climate change, they will also create new jobs and position the United States as a leader in carbon capture and storage technologies for many years.

“We will need a new industrial revolution to mitigate climate change and to decrease our dependence on foreign oil, and the United States has the opportunity to be an innovative leader,” Chu said.

Ron Harper, Basin Electric CEO and general manager, expressed his gratitude to Chu and his staff at the Department of Energy, along with U.S. Sens. Byron Dorgan and Kent Conrad, U.S. Rep. Earl Pomeroy, and North Dakota Gov. John Hoeven for helping to facilitate a project that will have tremendous implications for the future of clean coal technology. He also recognized and thanked Basin Electric’s directors and membership for their vision and commitment to this innovative project.

“Basin Electric has a diverse energy portfolio, and at our foundation lies coal,” Harper said. “We’re proud to run extremely clean coal-based plants. However, we recognize that if coal is to be a part of our energy picture now and in the future, we must take this commitment to clean energy to the next level.”

“North Dakota is an energy leader for the nation, and this investment by the Department of Energy demonstrates that our state is leading the way with cutting-edge energy technologies,” said Dorgan, who chairs the Senate’s Energy and Water Appropriations panel, which provided funds for the project through the American Recovery and Reinvestment Act. “Basin Electric Power Cooperative manages one of the world’s largest carbon sequestration projects, and by working with the Department of Energy, this funding will allow them to expand on their successes. This project is a prime example of how the recovery plan funding will create jobs for North Dakotans while developing new technologies that advance a cleaner fleet of coal-fired power plants both in the U.S. and around the world.”

“We need to develop technology to use coal while lowering carbon emissions,” Conrad said. “This grant will allow Basin Electric to do just that. It is a smart investment, one that will reduce our nation’s dependence on foreign oil.”

“Basin Electric Power Cooperative is leading the nation in developing and

deploying carbon capture technology on an existing coal-fired power plant,” Hoeven said. “They pioneered the nation’s first and only coal gasification plant that captures and sequesters carbon, and now they are pioneering new technology for clean coal-fired electric plants. We are truly pleased that the U.S. Department of Energy is joining the state of North Dakota in supporting this tremendously important project.”

Basin Electric has been exploring a project that could lead to the commercialization of carbon capture technology for existing coal-based generation facilities. The cooperative is working with a technology provider to develop a carbon capture technology at the 900-megawatt capacity, coal-based power plant. The captured carbon dioxide would be fed into an existing carbon dioxide compression and pipeline system owned by Dakota Gasification Company. Harper said this funding – along with the potential revenue from enhanced oil recovery – will help minimize the financial impact of the \$300-million project to Basin Electric’s member-owners.

A pilot project for developing carbon capture technology is being tested at a coal-based power plant in Ohio. Based on the success of the pilot, Basin Electric would enter into a Front End Engineering and Design, or FEED, study. This study is necessary to more accurately determine the costs, design and balance of plant integration.