

Wow!

Proposed power plant great news

Last week's announcement that a new power plant utilizing advanced fuel technology will be located in Clark County unquestionably was one of the most exciting in many years.

Construction on the \$450 million facility most likely will begin sometime early next year and is expected to create up to 1,000 jobs while the plant is being built. Certainly that represents good news for the local economy, as do the more than 100 "good quality" permanent jobs officials of Global Energy Inc. have indicated will be created at the state-of-the-art electric generating facility.

And, it was good news for Kentucky as well. So much so that Gov. Paul Patton told those gathered at East Kentucky Power Cooperative for the announcement that it could very well usher in "a new era" not only in energy generation, but in utilization of Kentucky coal and in disposal of solid waste in the nation.

East Kentucky has leased approximately 300 acres of the 3,147 acres at its J.K. Smith site at Trapp, once planned as the site for two 600-megawatt coal-fired generating units. However, much lower than anticipated electric energy forecasts eventually resulted in that \$1.7 billion project being canceled. While East Kentucky has erected three gas-fired turbines, each generating 110 megawatts of electricity on the site, the vast majority of it has been unused.

That's about to change as Kentucky Pioneer Energy, a Global subsidiary, prepares to construct, own and operate Kentucky Pioneer Environmental Energy Park near Trapp. All of the energy generated will be purchased by East Kentucky Power. Indications are that the agreement the cooperative has negotiated with Global not only is competitive, but actually places East Kentucky in a little better position, and that translates into good news for the customers served by its distribution cooperatives.

It's all being made possible by technology that will allow Ken-

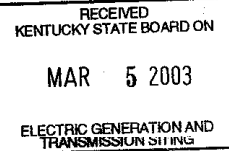
tucky coal, which has lost some of its competitiveness because of a high sulfur content, to be blended with municipal solid waste into briquettes. The odorless briquettes will not be produced here, but will be shipped to the plant by rail and fed into a gasification unit to turn them into synthetic gas (syngas) which then goes into combined cycle gas and steam turbines to produce low-cost power.

Not only is Kentucky coal expected to play a key role in the new plant, but the facility will be virtually emission free, with none of the stacks traditionally associated with power plants. That's good news in this age of increasing concern about the impact of emissions on the environment.

Equally important is the fact that the desulfurization process to remove the sulfur from the coal in the gasification process produces a high quality elemental sulfur which can be sold for use in making sulfuric acid or fertilizer among other uses. And, the vitreous frit produced in the gasification process is stable, unleachable, nonhazardous and saleable for use as road aggregate. There's also the possibility the plant will be able to produce up to 6,000 barrels a day of extremely high grade diesel fuel.

A lot of work still remains to be done before construction can begin. Coal and municipal solid waste sources have to be lined up; locations have to be found for the fuel island that will mix the coal and solid waste; engineering assessments must be done, along with environmental studies and regulatory reviews, and of course, financing for the project, the first in the nation to be commercially financed.

Hopefully there'll be no unanticipated delays, because the technology proposed for the new facility has proven itself in power applications around the world. And thanks to it, Clark County is now poised to enter the 21st century embracing technology that a few years ago was only a dream, but which today holds the key for a brighter tomorrow for Kentucky and indeed, the nation!



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