



Clean Energy for a Secure Future

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For Immediate Release

FutureGen Alliance Negotiating Option to Purchase Part of Meredosia Energy Center for Advanced Coal Power Project

Meredosia, Ill. — The FutureGen Alliance announced today that it is negotiating an option to purchase portions of the Meredosia Energy Center from Ameren Energy Resources Company, LLC (AER), the holding company for merchant generation for Ameren Corporation (NYSE: AEE). The purchase option would provide the Alliance with the assets it would need to continue the development of the FutureGen 2.0 clean coal power program in Morgan County, Illinois.

In addition to the purchase option the Alliance will prepare an application requesting that the U.S. Department of Energy (DOE) approve the Alliance to take over AER's cooperative agreement with DOE.

AER has indicated that it will not continue with its cooperative agreement beyond 2011; however, it has pledged to provide continued environmental permitting assistance and to maintain the power plant required for the FutureGen 2.0 program in a retrofit-ready condition.

Late this summer, AER and the Alliance submitted preliminary cost and design reports to DOE. The preliminary total project cost estimate is \$1.65 billion: \$1.1 billion to repower the Meredosia generating unit, and \$550 million for the CO₂ pipeline and storage site. The program participants have identified several hundred million dollars in potential cost reduction opportunities that will be evaluated over the coming months. DOE has granted no cost extensions of the existing Alliance and AER cooperative agreements to allow for completion of the design work and cost estimate. The Alliance expressed its appreciation to DOE for the extensions, and acknowledged the opportunity that the Alliance would have in leading the program and making a number of enhancements to improve its overall economics.

"Contingent upon DOE's approval, we have an opportunity to lead the entire program, build on potential cost savings, and bring the power plant on-line in 2016 as planned," said Ken Humphreys, chief executive officer of the FutureGen Alliance, who acknowledged that AER's engineering design efforts over the past year have helped advance the project.

Humphreys also noted the strong support of the State of Illinois in helping move the program forward. "Two pieces of enabling legislation benefiting FutureGen 2.0 were enacted this year: one related to pipeline siting and one addressing liability management. The State of Illinois is to be commended for its support, which helped substantially move the program forward. As we look ahead, the State and the project will work together on a power purchase agreement," said Humphreys.

With respect to the CO₂ storage portion of the program, Humphreys said the engineering progress has been outstanding. The ongoing drilling of the geologic characterization well has

nearly reached the target storage formation and overall storage costs are expected to come in under budget.

The FutureGen Alliance is a non-profit membership organization created to further the development and demonstration of near-zero emissions coal technology.

FutureGen 2.0 would be a first-of-its-kind near-zero emissions power plant. The program involves upgrading the Meredosia Energy Center's Unit 4 with oxy-combustion technology to capture approximately 90 percent of the plant's carbon emissions. Using safe, proven pipeline technology, the CO₂ would be transported and permanently stored underground at a nearby storage site. The FutureGen 2.0 technologies have the potential to repower the world's fleet of coal-fueled power plants in a manner that achieves near-zero emissions of all regulated pollutants, spurs job creation and substantially advances clean energy technology around the globe.

The FutureGen 2.0 program is supported by a \$1 billion commitment in federal funding from the American Recovery and Reinvestment Act. For more information on FutureGen 2.0, please visit www.futuregenalliance.org.

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