

Sept. 2005

Energy Northwest

IGCC NEWS

An update on Integrated Gasification Combined Cycle Power plant development efforts.

Aug. 12 meeting sees continued interest in IGCC project

Nearly two dozen public utility representatives attended an IGCC informational meeting at Energy Northwest's Richland, Wash. offices on Aug. 12.

Project manager Tom Krueger provided an update on IGCC developments. Dan Porter, Manager of Generation Project Development discussed governance, finance, and public vs. private power participation in the project.

Participants in the meeting raised a variety of questions and issues. Most notable was the unanimous concern over uncertainties surrounding future BPA power allocations. Some expressed concern that participation in the IGCC project might negatively impact their allocation from the federal system. Clarity on this issue will be required before potential participants can consider making binding commitments to the project.

An initial poll of attendees at the meeting showed 100 percent interest in purchasing power from the project.

"Outside of confirming the BPA allocation picture, people were receptive to the project. Most everyone talked about anticipated base load growth and acknowledged the need to begin a project now to meet demand in the 2011-2012 timeframe," said project manager Tom Krueger.

Solid progress reported on IGCC site negotiations

IGCC project manager Tom Krueger says good progress is being made on lease negotiations for the preferred project site in Western Washington. "Many of the environmental questions and commercial terms and conditions have been ironed out to the satisfaction of both parties, and we are now in the final stages of our due diligence and infrastructure evaluations," Krueger said this week.

The site continues to appear fully suitable for the proposed 600 megawatt complex. Krueger said the focus of negotiations has narrowed to one site and there are presently no significant issues or show stoppers at that location. However, he noted that Energy Northwest is retaining the option to quickly shift to another candidate site should that become necessary.

Environmental RFP released; multiple bidders respond

Energy Northwest is receiving proposals from firms interested in preparing the state and federal environmental studies and documentation necessary to support a Site Certification Agreement (SCA) with the Washington State Energy Facility Site Evaluation Council (EFSEC), for the IGCC project. Acquisition of necessary environmental permits, as demonstrated by a SCA, is one of the approval contingencies placed on the project by Energy Northwest's board of directors.

The IGCC staff distributed a Request for Proposal for environmental services in mid-August. The RFP was sent to environmental consulting firms with expertise in the region and was advertised in major regional newspapers.

Project manager Tom Krueger noted that most of the search for an environmental consultant is being conducted in the region rather than nationally due to the somewhat unique nature of the EFSEC SCA process. "We would like to find a fully qualified, responsible bidder experienced with the EFSEC team and their processes," Krueger said. "We've received multiple responses to the RFP and are evaluating them now. I anticipate we will move forward with a contract award by the end of September and expect work to begin on the environmental process immediately upon award of the contract," he said.

New IGCC and energy glossary available on EN website

A new glossary of IGCC and related energy terms is now available on Energy Northwest's website at: <http://www.energy-northwest.com/gen/igcc/Glossary.htm>

In addition to the glossary of terms, the site also offers other reference material including a Links and Resources section <http://www.energy-northwest.com/gen/igcc/linktimeline.html>

IGCC News is provided by Energy Northwest Corporate Communications. It is distributed monthly to share IGCC developments. Requests for information, and newsletter comments are always welcome at 509-377-8247 or lbpeck@energy-northwest.com