Media Contact: Melita Elmore 512-801-1515 melmore@txccsa.org

Darrick Eugene 512-423-4266 deugene@txccsa.org

TXCCSA SALUTES APPROVAL OF TENASKA AIR PERMITS

West Texas facility will serve as a world-class example of carbon capture technology

AUSTIN, Texas (December 14, 2010) – The Texas Carbon Capture and Storage Association (TxCCSA) is pleased to announce the news of the approval of the air permits for TxCCSA member Tenaska's Trailblazer Energy Center, in development near Sweetwater, Texas. The permits, issued by the Texas Commission on Environmental Quality (TCEQ), allow Tenaska to move forward on the facility, which would be the nation's first full-scale power plant to combine the environmental goals of carbon capture with market-based CO_2 storage using enhanced oil recovery.

"TCEQ's decision solidifies Texas as a leader in carbon capture and storage (CCS) technology," said TxCCSA general counsel Darrick Eugene. "We believe the early adoption of this technology in Sweetwater will lead to the widespread deployment of CCS around the world."

The Trailblazer Energy Center would be one of the nation's first full-scale clean coal facilities, generating 765 megawatts (600 MW net) of electricity and capturing between 85 and 90 percent of the CO_2 produced. Carbon captured from the facility would be transported via pipeline, where it would be stored underground while being used for enhanced oil recovery (EOR) operations in the Permian Basin.

"Trailblazer will bring enormous economic benefits to the people of West Texas," said TxCCSA president Steve Melzer. "The project will create well-paying jobs in two distinct energy sectors. It will provide needed and reliable power for the grid and allow additional oil to be produced via EOR. It will also generate huge tax revenues and make this nation more energy-independent, doing all of this while providing environmental benefits through emission reductions."

The Trailblazer project will also employ "post-combustion carbon capture" technology, which means the carbon capture equipment is located on the back-end of the facility. This will be of great interest to utilities who may be interested in retrofitting carbon capture technology on existing coal-fueled power plants both in the U.S. and abroad.

Tenaska filed for its air permit with TCEQ in 2008. The project will employ approximately 1,500 and add \$742 million to the region during the five-year construction phase. Once in operation, the facility will employ more than 100 and infuse more than \$300 million into the local economy, with additional economic benefit to EOR operators in the Permian Basin.

###

The Texas Carbon Capture and Storage Association (TxCCSA) is a privately-funded 501(c)(6) organization committed to promoting energy security and environmental benefits through the advancement of carbon capture and storage in Texas.