

Prairie State Energy Campus Receives Final Mine Permit

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Peabody Energy today announced that its Prairie State Energy Campus has achieved another major development milestone with receipt of its final mine permit from the Illinois Department of Natural Resources.

The Lively Grove Mine is being developed to annually produce about 6 million tons of coal for the planned \$2 billion-plus Prairie State Energy Campus. The mine-mouth model enables Prairie State to collapse the fuel transportation supply chain and drive down energy costs.

"We're continuing a steady march toward development of Prairie State as a major Midwest supplier of low-cost electricity, and we've achieved a number of milestones in permitting, co-owner selection and engineering design," said President of Generation Development Rick A. Bowen. "Receipt of this mine permit is one more major step toward development of the Prairie State Energy Campus."

Prairie State will be among the cleanest coal plants in America, and is a project that enjoys strong local support. More than 80 percent of Southern Illinois residents support project development thanks to the project's ability to generate clean, low-cost energy, create more than 450 permanent jobs and create nearly \$100 million in annual economic benefits for the regional economy.

The Prairie State Energy Campus is being developed by St. Louis-based Peabody Energy and the Prairie State Interest Group. Peabody is the world's largest private-sector coal company, with 2004 sales of 227 million tons and \$3.6 billion in revenues. Peabody's coal products fuel more than 10 percent of all U.S. electricity and 3 percent of worldwide electricity.

The Prairie State Interest Group includes six Midwest electricity suppliers that own nearly half of the project, including: Soyland Power Cooperative in Illinois; Northern Illinois Municipal Power Agency; Missouri Joint Municipal Electric Utility Commission; Kentucky Municipal Power Authority; Indiana Municipal Power Agency; and Wolverine Power Supply Cooperative in Michigan.

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