Peabody Energy Becomes Founding Member of U.S. Department of Energy's National Carbon Capture Center

PRNewswire-FirstCall
ST. LOUIS

Peabody Energy today became a founding member of the U.S. Department of Energy (DOE) National Carbon Capture Center. The center is a public-private partnership to advance the next generation of carbon capture and storage (CCS) technologies. The effort will be based at the Power Systems Development Facility (PSDF) south of Birmingham, Ala., the nation's premier carbon research and development laboratory. Peabody has been a funding partner of the PSDF since 1997.

The National Carbon Capture Center will bring together scientists and technology experts from government, industry and academia to analyze both pre-combustion and post-combustion carbon capture technologies in a coal-fueled power plant setting. Once fully operational in 2010, the center will play a leading role in the global effort to advance cost-efficient, large-scale carbon capture and storage operations at coal-fueled power plants.

"Coal continues to be the fastest-growing fuel in the world, and carbon capture and storage will be essential to meet any carbon dioxide emissions goals in a cost-effective manner," said Peabody Chairman and Chief Executive Officer Gregory H. Boyce. "Peabody is the global leader in clean coal solutions, with signature projects in Asia, Australia and North America, and we are proud to also support the National Carbon Capture Center."

Post-combustion research will be conducted at Plant Gaston, a coal-fueled generating plant adjacent to the PSDF that is operated by Southern Company subsidiary Alabama Power. This power plant will be large enough to provide meaningful performance data under realistic operating conditions, accelerating the commercialization of CCS technologies.

Existing facilities at the PSDF will also be modified to conduct the testing of pre-combustion carbon dioxide capture technologies.

As a global leader in clean coal technologies, Peabody Energy is advancing signature projects to commercialize low-carbon and near-zero emission technologies around the world. The company is:

- The only non-Chinese equity partner in GreenGen, China's centerpiece climate initiative;
- A founding member in the COAL21 Fund and the Global Carbon Capture and Storage Institute in Australia, two major initiatives channeling public and private investment into low-emissions power projects;
- A founding member of the FutureGen Alliance in the United States, an initiative to build a power plant prototype that would capture carbon dioxide emissions;
- A $5 million grantor to Washington University in St. Louis to help establish the Consortium for Clean Coal Utilization, an international partnership of universities, industry leaders and foundations to advance carbon solutions;
- A founding member of the Western Kentucky Carbon Storage Foundation, which is already testing geologic carbon dioxide storage options; and
- An equity partner in GreatPoint Energy, a Massachusetts-based company that converts coal into clean substitute natural gas while enabling carbon storage.

In addition to the DOE, Peabody and Southern Company, partners include American Electric Power, Luminant, Arch Coal and the Electric Power Research Institute (EPRI), among others. The partnership will continue to seek new members as research progresses.

Peabody Energy is the world's largest private-sector coal company, with 2008 sales of 256 million tons and $6.6 billion in revenues. Its coal products fuel 10 percent of all U.S. electricity generation and 2 percent of worldwide electricity.

CONTACT
Beth Sutton
(314) 342-7798

First Call Analyst:
FCMN Contact:

SOURCE: Peabody Energy

CONTACT: Beth Sutton of Peabody Energy, +1-314-342-7798

Web Site: http://www.peabodyenergy.com/