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EPRI ANNOUNCES COMPLETION OF FIRST PRE-DESIGN SPECIFICATION FOR AN IGCC PLANT

PALO ALTO, CALIF. — March 13, 2007 — The Electric Power Research Institute (EPRI) announced today that it has used the design of Excelsior Energy's Mesaba Energy Project as the basis for its first pre-design specification for an Integrated Gasification Combined Cycle (IGCC) plant.

The pre-design IGCC plant specification defines technical information in the permit application for the plant. The data is critical for regulators in determining whether to grant permission to utilities to build new generation plants.

The Mesaba IGCC plant in Taconite, Minn., is scheduled to be operational by 2011. EPRI analyzed data that was available in the permit application filing and condensed thousands of pages into a 183-page document.

This work is being performed as part of EPRI's CoalFleet for Tomorrow Program, a collaborative involving more than 50 power industry companies to encourage the early deployment of advanced coal power generation technology.

A key aspect of the CoalFleet program is to promote standardization of design, which lowers initial capital cost, supports repeatable, reliable performance, and reduces the time to develop an IGCC plant.

"Using the documents in Mesaba's permit application, our team extracted the most important information which any company considering building an IGCC plant would need to know," said Jeffrey Phillips, senior project manager in EPRI's Advanced Generation Group. "The availability of the condensed document alone will save CoalFleet participants hundreds of hours of assessment time."

An IGCC plant uses syngas produced in a coal gasifier as fuel for a combustion turbine cycle. Heat recovered from the turbine exhaust and gasification processes produce steam that boosts overall plant output and efficiency. The basic processes of IGCC plant design are conducive to the efficient reduction and removal of air emissions, liquid discharges and solid wastes.

CoalFleet Program Manager Jack Parkes acknowledged the support EPRI has received from both Excelsior Energy and ConocoPhillips in putting together the Mesaba pre-design specification.

"The proposed Mesaba plant represents the leading edge of IGCC technology projects in the United States," Parkes said. "Excelsior and ConocoPhillips should be commended for their efforts to advance this project."

Parkes added that the Mesaba plant is the first in what is expected to be a series of pre-design specifications covering IGCC projects being developed by CoalFleet for Tomorrow nationally.

[For more information about EPRI's CoalFleet for Tomorrow program, click here.](#)

About the Electric Power Research Institute

The Electric Power Research Institute (EPRI), with major locations in Palo Alto, Calif., Charlotte, N.C., and Knoxville, Tenn., was established in 1973 as an independent, nonprofit center for public interest energy and environmental research. EPRI brings together member organizations, the Institute's scientists and engineers, and other leading experts to work collaboratively on solutions to the challenges of electric power. These solutions span nearly every area of power generation, delivery, and use, including health, safety, and environment. EPRI's members represent over 90% of the electricity generated in the United States. International participation represents nearly 15% of EPRI's total R&D program. For more information, visit www.epri.com

About Excelsior Energy Inc.

Excelsior Energy is an independent energy company focused on the rapid commercialization of coal gasification technology to meet the nation's increasing demand for electric energy with significantly reduced environmental impacts and a technological means to address climate change impacts. The Mesaba Energy Project is a 600MW integrated gasification combined cycle (IGCC) plant under development on Minnesota's Iron Range. It was selected by the U.S. Department of Energy under Round 2 of the Clean Coal Power Initiative (CCPI), an industry/government cost-shared partnership responding to the government's commitment to increase investment in clean coal technologies, including IGCC, as part of the National Energy Policy. It is also supported in Minnesota by enabling legislation providing it with significant regulatory benefits. The Excelsior management team includes industry veterans in the electric utility, independent power, environmental and project development areas. The company website is: www.excelsiorenergy.com.