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Chicago coal-to-gas plant closer to reality after legislators OK 2 bills

The General Assembly paved the way last week for Illinois consumers to pay for synthetic natural gas to be piped into their homes to support two proposed coal-to-gas plants.

The two bills passed at the close of the legislative session contain consumer protections including rate caps and other measures to ensure residential customers do not see their gas bills jump more than 2 percent per year. Consumer advocates had insisted such protections be added.

In March, Gov. Pat Quinn vetoed earlier versions of the bills after groups claimed consumers would be saddled with hikes of up to \$191 per year for three decades. Synthetic natural gas is expected to be more expensive than natural gas for two decades.

Proponents of a \$3 billion plant proposed for the Southeast Side by New York-based Leucadia National Corp. and a \$1 billion southern Illinois plant proposed by Power Holdings of Illinois say they expect the latest bills to pass muster with Quinn. But some groups that earlier fought the Chicago project remained unconvinced Leucadia can contain pollution the plant would produce.

Rather than burning coal and sending byproducts through a smokestack, the plants would chemically convert coal and refinery waste into gas and byproducts that are collected, sold or reused. The synthetic gas produced would then be piped into natural gas pipelines to heat Illinois homes.

If Quinn signs the Leucadia bill the plant would be built on a 140-acre industrial site at 115th Street and Burley Avenue, and all of its synthetic natural gas would be purchased by the state's four major gas utilities for 30 years at a price set by formula. Consumers would pay for the gas through their utility bills. The bill guarantees that consumers will save \$100 million over 30 years.

Extended Temp Forecast: Chicago Area

Tue	Wed	Thu	Fri	Sat
74 - 92	72 - 94	53 - 73	59 - 65	59 - 74

Electricity Pricing Areas – On Peak July 2011

	June 7, 2011	Per kWh
Cinergy	Hub Peak Swap Monthly	\$.05036
PJM Hub	Electricity Monthly	\$.06531
PJM	No. Illinois Peak LMP	\$.05366
PJM	Western Peak LMP	\$.06531

ComEd Average Day Ahead LMP Electric Price

Time Period	Average per Kwh
Jul 1 - Jul 31, 2010	\$.04741
Aug 1 - Aug 31	\$.04628
Sep 1 - Sep 30	\$.02934
Oct 1 - Oct 31	\$.02702
Nov 1 - Nov 30	\$.02778
Dec 1 - Dec 31	\$.03545
Jan 1 - Jan 31, 2011	\$.03871
Feb 1 - Feb 28	\$.03581
March 1 - Mar 31	\$.03668
April 1 - April 30	\$.03448
May 1 - May 31	\$.03954
June 1 thru June 6	\$.04160

Weather - Tue: Abundant sunshine. Hot. High 92F. Winds SW at 10 to 20 mph. **Wed:** A few clouds from time to time. Hot. High 94F. Winds SW at 15 to 25 mph. **Thu:** Scattered thunderstorms possible. Highs in the low 70s and lows in the low 50s. **Fri:** Chance of showers. Highs in the mid 60s and lows in the upper 50s. **Sat:** Cloudy with showers and thunderstorms. Highs in the mid 70s and lows in the upper 50s.

