



NEWS RELEASE – for immediate release

Holland BPW awarded \$3.7 million grant from Department of Energy

Holland, MI. Sept. 16, 2009 — The U.S. Department of Energy (DOE) announced today that it has awarded the Holland Board of Public Works (HBPW) a grant of \$3,708,722 to perform a focused site characterization for CO₂ storage along a Mt. Simon sandstone fairway in the Michigan Basin.

The project work will focus on optimizing storage efficiency and developing regional CO₂ storage strategy for scaling up storage in the Mt. Simon. The project includes planning and designing a test well at the HBPW 48th Street property, well drilling and testing, and analysis and modeling of industrial scale CO₂ storage in the area. The total project cost is \$4,784,105; of which the Holland BPW's share is \$1,075,383.

The Mt. Simon Sandstone in southwestern Michigan represents one of the most significant deep saline formations for CO₂ storage in the Midwestern U.S. Subsequently, the project has regional significance for other CO₂ storage projects in general.

The project will include three main phases. Phase I will include design and planning for the test well. A site characterization work plan will be developed detailing all the field work, testing procedures, and health and safety plans. This phase will also include procurement of drilling services and materials necessary for the test well. The second phase of work will include major field activities including test well drilling, well logging, and reservoir testing. The third phase of work focuses on analysis of the test well data and reservoir simulations. The project includes new concepts to optimize storage space, maximize trapping mechanisms, and minimize the “footprint” of the storage project.

The HBPW will manage the overall project task implementation, scheduling, budgeting, reporting, site access, and community relations. The technical portion of the site characterization design, field work, and analysis will be contracted out of Battelle's Carbon Management Department, which has pioneered many aspects of CO₂ storage exploration. A regional assessment will be completed by Western Michigan University.

The project assumes a January 2010 start date with budget periods coinciding with calendar years 2010, 2011, and 2012.

Additionally, information from this site characterization effort would support the HBPW grant proposal with Praxair under the Clean Coal Power Initiative – Round 3 (CCPI-3). The CCPI-3 project consists of an integrated Oxy-Coal Circulating Fluidized Bed Boiler and the associated CO₂ capture, purification, compression, transportation and injection equipment. A significant part of the CCPI-3 project proposal includes the injection and sequestration of the CO₂ underground.

The HBPW current plan is to transport the captured CO₂ to the Tulip City Airport via pipeline and then inject and store it beneath the regional airport, which is owned by the city of Holland.

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Additionally, the site characterization well may be utilized as one of the monitoring wells that would be required for CCPI-3.

“We are pleased that the Department of Energy has awarded one of the American Recovery and Reinvestment Act grants to the HBPW,” said HBPW General Manager Loren Howard. “Holland is fortunate to have the right geology for such a project. The HBPW and those who have agreed to partner with us have the facilities, equipment, and materials necessary to accomplish the proposed research on time, within budget, and with exceptional quality.”

“We hope that the successful outcome of this project and the CCPI project, if we receive an award for the CCPI project, will ultimately result in the capability to significantly reduce emissions from coal fired power plants and improving the environment in our community, in the State of Michigan and around the world,” said Howard.

The Holland Board of Public Works is a municipally owned utility, providing electricity, water filtration, wastewater treatment, and fiber optic data services to the City of Holland and surrounding communities.

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