

Primary fuel choice for unit

Cleco Power is planning to construct a new 600-megawatt solid-fuel generating unit that uses Circulating Fluidized-Bed Technology, developed under the United States Department of Energy's Clean-Coal Technology program. It creates good jobs for Louisiana and reduces Cleco's use of natural gas to help lower customer costs.

Cleco intends to use petroleum coke or petcoke as its primary fuel for the unit but will have the flexibility to use several different types of solid fuel because of the technology selected.

Petcoke is a carbonaceous solid-residual byproduct of the oil-refining coking process. The purpose of a "coker" is to dispose of the residual oil and increase the yield of high-value light products such as gasoline and jet fuel.

Extreme price fluctuations in the natural-gas market since the late 1990s has led Cleco to consider petcoke as a fuel source in the combustion process to generate the steam needed to make electricity. Natural gas prices have increased 300 percent in the last five years.

Petcoke's high-heat content makes it a good option for boilers. It's also reliable, abundant, accessible and affordable. The use of petcoke is projected to significantly reduce the fuel portion of customers' electric utility bills.

Presently, about 60 million tons of petcoke are produced worldwide and 10 million tons are

produced in Louisiana. Experts predict the production of petcoke will increase because of the growing consumption of oil. Refineries are utilizing the "coking" process to extract more value from the decreasing quality of crude oil being found and higher demand for gasoline.

In addition to being reliable, abundant, accessible and affordable, petcoke contains virtually no mercury.

Cleco is working to use a fuel produced by Louisiana's oil-refining industry and to transport this fuel on Louisiana waterways. Using this fuel to provide Cleco customers with power for their homes and businesses also enables Louisiana to get every bit of energy it can out of a barrel of oil.

Sources:

*KvH Carbon, Inc., John T. Boyd Company
and Roskill Information Services*

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