

For Immediate Release

Power Holdings of Illinois LLC sells synthetic natural gas to Oneok Energy Services. The Southern Illinois Coal to SNG Facility is 100% subscribed.

Power Holdings of Illinois LLC announced it has executed a 20-year synthetic natural gas (SNG) supply agreement with Oneok Energy Services Company, L.P., of Tulsa, Oklahoma. The synthetic natural gas will be produced at the Southern Illinois Coal-to-SNG Facility to be located west of Rend Lake in Southern Illinois. This agreement, combined with the recently announced 20-year supply agreements with Ameren and Nicor Gas, results in the facility being 100% subscribed.

“With the execution of this 20-year supply agreement, Power Holdings has taken another important step forward in its development of the SNG facility planned to begin construction in 2007,” said Steve Shaw, CFO of Power Holdings. “Financing of capital-intensive projects such as the Southern Illinois Coal-to-SNG Facility is only possible with long-term off-take agreements with credit-worthy customers like Oneok Energy Services Company L.P.”

The Southern Illinois SNG facility will convert approximately 4 million tons of Illinois coal into 50 BCF of pipeline-quality natural gas. This 50 BCF is approximately 5% of the annual consumption of Illinois. The plant will require 1,200 construction employees over 3 years, will ultimately employ over 200 full time plant operators, and will necessitate the opening of a new mine creating 400 coal-mining positions. “Using Illinois coal to produce synthetic natural gas is truly a new market for Illinois coal, and holds great potential for the State,” commented Rep. Dan Reitz, Chairman of the Illinois Clean Coal Review Board.

“By making synthetic natural gas from Illinois coal, we can increase natural gas supply, lower consumer heating bills, reduce our dependence on imported sources while creating jobs and incomes for Illinois,” stated Jack Lavin, Director, Illinois Department of Commerce and Economic Opportunity. “This is exactly the kind of project envisioned by the Governor’s newly announced Energy Independence initiative.”

For the health of the planet, we need to transition away from burning coal and move instead to cleaner coal gasification,” said John Thompson of the Clean Air Task Force. “The Southern Illinois Coal-to-SNG Facility is a pioneer in gasification, and the plant is also designed with the capabilities to capture and sequester carbon dioxide emissions that contributed to global warming.”

“This agreement with Oneok is another milestone for this project and would not have been possible without the continued support and leadership of Rep. Kurt Granberg,” said Bob Gilpin, President of Power Holdings. “It is though Kurt’s vision and efforts that the project has moved to this stage.”

Greenwood Capital Partners, of Littleton, Colorado provided technical support in the development of this key agreement.

Power Holdings LLC is a privately owned developer of innovative and practical energy projects with particular expertise in gasification technologies. Power Holdings is currently developing the Southern Illinois Coal-to-SNG Facility in the Rend Lake region of southern Illinois.

ONEOK Inc, (NYSE:OKE) is a diversified energy company. They are the general partner and own 45.7 percent of the Northern Border Partners, L.P. (NYSE:NBP), one of the largest publicly traded limited partnerships, which is a leader in the gathering, processing, storage and transportation of natural gas in the U.S. and owns one of the nation’s premier natural gas liquids (NGL) systems, connecting much of the natural gas and NGL supply in the mid-continent with key market centers. ONEOK is among the largest natural gas distributors in the United States, serving more than 2 million customers in Oklahoma, Kansas and Texas. Their energy services operation focuses primarily on marketing natural gas and related services throughout the U.S. ONEOK is a Fortune 500 company.

Greenwood Capital Partners (“GCP”) provides financial and advisory services to energy companies that require capital for growth and development. With more than eighty years of combined experience in energy finance and operations, the GCP principals have helped local and global energy companies develop and expand business operations by providing greater access to the financial and commodity markets.

Contacts

Company	Contact Name	Phone Number
Power Holdings LLC	Bob Gilpin	630-853-0860
Power Holdings LLC	Steve Shaw	847-784-9172
Illinois Clean Coal Review Board	John Mead	618-536-5521
Illinois Department of Commerce and Economic Opportunity	Andy Ross	312-814-8193
Clean Air Task Force	John Thompson	618-457-0137
State of Illinois	Rep. Kurt Granberg	618-533-0296
Greenwood Capital Partners	David Hooker	303-385-0622