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KFx's Product Caused Emergency at First Energy.

Last week KFx, Inc. (AMEX: KFx, \$11.49) issued two press releases and held a conference call to try to convince investors that its plant and product worked and that its shipment to First Energy Corp. (NYSE: FE, \$56.00) went as expected. Presumably KFx issued the press releases and held the conference call unaware that its plant and shipment had been recorded.

KFx's delivery caused an emergency situation at First Energy's Warrenton River Barge Terminal in Ohio. First Energy had to call in outside experts to help handle the shipment on an emergency basis. Events at the plant, which KFx has said nothing about, are equally disturbing.

Images of KFx's product train arriving at Warrenton Barge Terminal were captured ([Click Video 1 here](/kfx/TrainarrivingatFirstEnergyWarrentonBargeTerminal.htm)). Individual train cars were seen being unloaded. Heavy, dark, thick dust clouds are visibly emitting from beneath the cars as they drop their load ([Click Video 2 here](/kfx/Dustcloudemissionfrombeneathcar.htm)). This occurred despite the use of dust suppressants. Dust cloud emissions are visible as KFx's unverified delivery travels along the terminal's conveyor system and from the several conveyor transfer points ([Click Video 3 here](/kfx/Dustcloudemissionvisiblefromterminalconveyor.htm)). This occurred despite the use of filtering bags.

KFx's delivery was loaded into barges immediately after being unloaded from the train. Aside from this keep-it-moving, no stock-piling treatment, KFx's delivery was also being continuously watered-down as it is being loaded onto the barges for transport to First Energy's R. E. Burger utility plant ([Click Video 4 here](/kfx/KFxdeliverywatered-down.htm)).

Images included here were taken over short periods of time. They are not comprehensive. Larger, more serious dusting problems could have easily occurred and not have been captured. Capturing dust fumes on camera requires special equipment that was not used to capture any of these images. Therefore, the dust in these images appears less severe than the actual fugitive emissions. To illustrate this, a time-elapsd video image of dust emitting from the KFx delivery moving on a conveyor leading to the barge is shown ([Click Video 5 here](/kfx/TimeelapsdvideoofdustemittingfromKFxdeliveryonconveyortobarge.htm)).

KFx did not disclose exactly when the shipment was to be made or to which of First Energy's utility plants the shipment would be sent. In fact, even now, after the trainload of PRB coal was burned, KFx still describes the location as a "utility plant in the Ohio region." As a result the plant and several locations in Ohio had to be observed over several weeks.

The adverse events at the plant took place during the very brief periods when the plant was actually witnessed operating, while waiting for the shipment to occur.

Fugitive dust emissions were visible coming from the plant building ([Click Photo 1 here](/kfx/DustemissionfromthetopofKFx%27splantbuilding(lockhopper).htm)) and ([Click Photo 2 here](/kfx/DustemissionfromthebottomofKFx%27splantbuilding(producthopper).htm)), from the locations of the loading and unloading hopper. The loading and product hopper take in the pressure and exhaust from KF’s Lurgi coal-cooking vessel and then have to release the exhaust in order to be emptied for re-use.

There were also fugitive emissions coming off the top of the product silo ([Click Photo 3 here](/kfx/Dustemissionfromthetopofproductsilo.htm)) and from the conveyor belt carrying the product to the silo ([Click Photo 4 here](/kfx/Dustemissionfromconveyorbelt.htm)) at the plant.

The fugitive plant emissions are visible from over one mile away ([Click Photo 5 here](/kfx/Dustemissionvisibleoveramileawayfromtheplant.htm)). These emissions left a dust trail hundreds of yards long ([Click Video 6 here](/kfx/Videooflongdusttrailsmovingawayfromtheplant.htm)).

The plant was designed to capture these emissions and not vent into the atmosphere. However, the plant’s failure to operate without these fugitive emissions is only a part of the problem. More importantly the appearance and the amount of the emissions, confirms all the usual concerns about dried PRB coal ([Click Photo 6 here](/kfx/Lingeringdrysmallparticledustyemissionsvisibleinskyfromlongdistances.htm)).

KF’s has announced its intention to be even more secretive. Yet demanding confidentiality agreements and performing PRB fuel tests without wide, free access to all PRB coal users is irregular and counter-productive, and poorly viewed in an industry where safety and candor are paramount.

[Click here](/kfx/KF’sFugitiveDustEmissions.htm) to view a video composition of selected clips called “KF’s Fugitive Dust Emissions”.

[Click here](/ListofImages1.htm) to see a list of the links to all of the images referred to above.