Govt may do away with mandatory washing of coal for thermal power units

The Environment Ministry is reportedly set to issue a notification that is likely to do away with the mandatory use of washed coal in power stations located beyond 500 KM from coal supplying mines. If done, it would not only clear the last hurdle in the implementation of a new technology called flue gas desulfurisation (FGD) but also renege on one of its own reforms.

Through a January 2014 notification, the Ministry had made it mandatory for use of washed coal having ash content of 34 percent or more for use in power stations located beyond 500 KM from coal supplying mines.

At a time when the country is reeling under its worst crisis ever, experts question the wisdom behind this proposed move especially since it is also contrary to the Prime Minister’s advise that mineral sector should benchmark its operations to international standards.

The notification will do away with globally accepted process of coal washing and preparations before despatch to a consumer.

“Indian Coal does not contain any significant percentage of Sulphur which would warrant setting up of FGD equipments involving crores of rupees. Also, unlike what is being projected, washing of coal is 100% pro environment. The perceived extra cost of washed coal is compensated by high heat value and lesser freight cost, resulting in eventual benefit,” said RK Sachdev, President of Coal Preparation Society of India.

R Srikanth, Head of Energy and Environment Research Program at National Institute of Advanced Studies, Bengaluru, who also feels washing coal is a better and globally accepted norm, says, “To tackle pollution, Environment Ministry must prioritise high-efficiency Electrostatic Precipitators (ESPs) with Indian technology which can remove 99.98% of PM pollutants with very low increase in tariff.

Instead, Environment and Power Ministries are prioritising expensive and imported FGDs.” He further informed that an MoP order shows only 30% domestic content in FGD equipment which will raise fixed cost per unit and CO2 emissions, due to 1.5% increase in auxiliary consumption.”
In fact, the Environment Ministry’s 2014 notification had put the onus for supply of washed coal to thermal power plants on Coal India Limited. Many say that this PSU also stands to benefit out of this notification, as the mandate is being done away with.

It is in public domain that despite its promise a decade ago on building washeries while issuing its IPO, CIL has not been able to make more than two such facilities.

What worries experts is the ramifications this new technology will have on escalating costs for consumers.

“Environment Ministry should re-examine the issues through consultations with industry and experts, before taking any decision. Preparation of washed coal for use by thermal power plants has been part and parcel of coal mining industry globally and India is no exception,” added Sachdev. In fact, it best suits Indian Coal considering the high ash and low Sulphur content in Indian Coal.