THAR COAL: A GATEWAY TO ENERGY SECURITY

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Coal Mines Development
Energy Department, Sindh.
Non-Renewable Natural Resources Of Pakistan

Among The World’s 200 Plus Countries Pakistan Has

- 6th Largest Coal Reserves
- 2nd Largest Salt Mines
- 5th Largest Gold Reserves
- 7th Largest Copper Reserves
- 6th Largest Gas Producing Capacity In Asia Pacific
- 436.2 Million Barrels Of Proven Oil Reserves
- 31.3 Trillion Cubic Feet Of Proven Gas Reserves
Initially the peat is converted into lignite or 'brown coal' - these are coal-types with low organic maturity. In comparison to other coals, lignite is quite soft and its color can range from dark black to various shades of brown.
Uses of Lignite

Lignite

Coal

Combustion (Steam)

Electricity (Steam Turbines)

Gasification

CH₄
CO₂
H₂
H₂S
NH₃

Ammonia
Fertilizer
Explosives

Coal to Liquid

Fisher Tropsch Synthesis

Crude Oil - Refinery

Ethanol
Jet Fuel
Diesel
Petrol
Paraffin
Chemicals (Ethylene → Polymers)

Source: Syngas and Coal Technology, R & D, SASOL – Mr Johannes Van Heerdeen
History

- The deposits - 6th largest coal reserves in the world, were discovered in 1992 by usaid team while they were searching water.
- After that its presence was confirmed by 5 international institution:
  - USGS
  - RWE DEA (German Petroleum Corporation)
  - SCA (Sindh Coal Authority)
  - GSP (Geological Survey Of Pakistan)
  - SHENHUA (China Company)
COAL is GOLD

PROBLEMS

when?
how?
who?
what?
where?
Thar Desert contains the world’s 7th largest coal reserves:

- **175 Billion Ton**
  - Total Thar Coal Reserve

- **50 Billion TOE**
  - More than Saudi Arabia & Iranian Oil Reserves

- **2000 TCF**
  - 68 Times higher than Pakistan’s total gas reserves

1% = 25%

- Thar Block II has been allocated to SECMC
- According to Competent Person Report (CPR) by RWE - Germany, Thar Block-II contains 2 Billion tons of Lignite reserves, out of which 1.57 Billion tons are exploitable. Thar Block-II alone can produce 5,000 MW for 50 years!
- Mine Lease for 30 years (extendable to 60 years) has been issued to SECMC for Block II

Location of Thar Coal Field

Source: GSP data/report – Energy equivalent is based on Shenhua report/RWE
CREDIBILITY OF RESERVES

Studies Conducted By:

- USGS
- John T. Boyd
- RWE
- Shenhua
- GSP
- SCA

► All studies confirm presence of huge coal reserves
Background Primer on Coal:

- Coal consists of the fossilized remains of ancient plant life that have been transformed through metamorphosis into carbon-rich mineral deposits. Coal mineral classification considers type, rank, and grade. The plant life that coal originated from determines its type, and the degree of metamorphosis determines its rank, grade, and the amount of inorganic mineral matter present. Qualities such as moisture, carbon, sulfur, and ash content contribute to a coal’s heating value as a fuel (measured in British thermal units Btu).
Pakistan is facing an unprecedented energy crisis due to surging demand and supply gap. Its current energy needs are heavily dependent on oil and gas and the demand far exceeds its indigenous supplies. Pakistan’s primary energy supplies heavily depend upon the imported crude oil and petroleum products due to which the country’s oil import bill has exceeded US$ 14.5 billion, which is a huge burden on the economy. In order to curtail the oil import bill to a sustainable level and to cater for the energy needs of all sectors, the Government is pursuing policies of attracting private investment in the energy sector with greater reliance on indigenous resources such as Coal (Thar).
The present energy scenario suggests that an affordable and sustainable energy road map for the country is essential to capitalize on the use of indigenous resources in our energy mix. The country produces 16,000 megawatts of electricity and local demand variably stands at around 22,000MW.
THAR COALFIELD

- The **Thar coalfield** is located in Thar Desert, Tharparkar District of Sindh province in Pakistan. The deposits – 6th largest coal reserves in the world, were discovered in 1991 by Geological Survey of Pakistan (GSP) and the United State Agency for International Development.

- Pakistan has emerged as one of the leading countries – seventh in the list of top 20 countries of the world after the discovery of huge lignite coal resources in Sindh. The economic coal deposits of Pakistan are restricted to Paleocene and Eocene rock sequences. It is one of the world’s largest lignite deposits discovered by GSP in 90’s, spread over more than 9,000 km². comprise around 175 billion tones sufficient to meet the country’s fuel requirements for centuries.
- Ground Elevation varies from 80 to 100 m Above Mean Sea Level (AMSL)
- Overburden thickness varies from 130 to 150 m
- Cumulative Lignite thickness varies from 22 to 32 m
- Main Lignite seam (2-7) has the thickness of 18 m
- 03 Aquifers are present in the area
Thar Desert contains the world’s 7th largest coal reserves:

175 Billion Ton = 50 Billion TOE = 2000 TCF

Total Thar Coal Reserve
More than Saudi Arabia & Iranian Oil Reserves
68 times higher than Pakistan’s total gas reserves

Sindh
186 billion tons

Punjab
235 million tons

Balochistan
217 million tons

KP
90 million tons

Azad Kashmir
9 million tons

Pakistan’s total gas reserves
A Comparison of Power Generation Fuel Mix

World

World Power Generation fuel Mix 2008-09

- Coal 41%
- Nuclear 15%
- Hydro 16%
- Gas 20%
- Oil 6%
- Others 2%

Pakistan

Pakistan Power Generation Fuel Mix 2008-09

- Hydel, 30.3%
- Gas, 32.4%
- Oil, 35.4%
- Nuclear, 1.8%
- Coal, 0.1%
- Others

<table>
<thead>
<tr>
<th>Installed Capacity (MW)</th>
<th>Generation Available (MW)</th>
<th>Peak Demand (MW)</th>
<th>Gap (MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>21,000</td>
<td>12,755</td>
<td>18,860</td>
<td>6,105</td>
</tr>
</tbody>
</table>

Source: NEPRA state of Industry Report - Data is 2011
PAKISTAN ENERGY MIX

Current Fuel Mix

- Hydel: 31%
- Oil: 39%
- LNG: 4%
- Nuclear: 3%
- Renewables: 2%

Fuel Mix 2019–20

- Hydel: 26%
- Gas: 12%
- Oil: 14%
- LNG: 13%
- Coal: 13%
- Import: 2%
- Solar: 2%
- Wind: 4%
- Nuclear: 3%
- Import: 2%
- Local: 4%
- Coal Imported: 20%

Fuel Mix 2019–20 Breakdown:

- Hydel: 26%
- Gas: 12%
- Oil: 14%
- LNG: 13%
- Coal: 13%
- Import: 2%
- Solar: 2%
- Wind: 4%
- Nuclear: 3%
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- Local: 4%
- Coal Imported: 20%
# Coal Used in Electricity Generation & Lignite Reserves

<table>
<thead>
<tr>
<th></th>
<th>%age of electricity generated from coal</th>
<th>Lignite produced 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poland</td>
<td>94</td>
<td>63 MT</td>
</tr>
<tr>
<td>USA</td>
<td>49</td>
<td>74 MT</td>
</tr>
<tr>
<td>China</td>
<td>77</td>
<td>136 MT</td>
</tr>
<tr>
<td>Australia</td>
<td>76</td>
<td>41 MT</td>
</tr>
<tr>
<td>Pakistan</td>
<td>0.1</td>
<td>&lt;5 MT</td>
</tr>
</tbody>
</table>
Why Thar Coal?

i. Current dependable power supply hovers are around 16,000 MW in winter whereas it increase up 20,000MW in summer.

ii. On the other hand power demand in year 2030 would reach more than 100,000 MW

iii. if half of these resources are exploited properly, it would be sufficient for generating 100,000 MW of electricity for 30 years.
What is the THAR Coal Field?
Under the sands of the THAR dessert in Pakistan lies one of the World’s largest coal Reserves (Lignite A–B). At an estimated 175 billion tons, there is enough energy trapped in the reserves to satisfy the energy needs of Pakistan for the next hundred years, the reserves are buried deep under the desert sands and are separated by giant reservoirs of fossilized aquifers – the exact quality of this water has never been determined so its treatment for potential agricultural use needs to be studied. Any large-scale mining design will have to carefully address the challenge of how to deal with the inevitable release of trapped water in large quantities in the process of mining.
Infrastructure Available at Thar

ROAD NETWORK
- 70 tonnes load carrying capacity road is available up to Coalfield area.

COMMUNICATION
- Telephone & Internet communication through Optic fiber cable is available up to Thar Coalfield area.

DRINKING WATER
- Reverse Osmosis Plants in Thar are available for provision of potable water to the inhabitants of Thar as well as project staff free of cost.

THAR LODGE
- Thar Lodge at Islamkot with 20–bedded accommodation to facilitate foreign and local investors has been constructed.

RESCUE STATION
- Rescue Station in coal mining area at Thar coalfield covering an area of 8,200 sq. ft. has been constructed.

LIBRARY
- A Coal library containing documents having relevant information on Thar Coal, is situated at office of Sindh Coal Authority.
Schematic Diagram of Infrastructure

- Coal Thermal Plant
- Transmission Line
- Water Supply
- Thar Airport
- Widening Road Network
- Reverse Osmosis Plants
- Drainage and Wastage Effluent Channel
COMPARISON OF STRIPPING RATIO, HEATING VALUE & GENERATION OF LIGNITE IN OTHER COUNTRIES

**India**
- Neyvelli lignite 7:1
- Heating value = 5200 lb
- Total generation = 2,740 MW

**Germany**
- Rhineland lignite 4.9:1
- Heating value = 4,514 to 11054 lb
- Total generation = 10,289 MW

**Hungary**
- Hungary lignite 9:1
- Heating value = 3,035 lb
- Total generation = 1,852 MW

**THAR COAL**
- Lignite 6:1
- Heating Value: 6200 ~ 11,000 lb
- Total generation = 0 MW
<table>
<thead>
<tr>
<th>Year</th>
<th>Expected Demand (MW)</th>
<th>difference (MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>54,359</td>
<td>36,462</td>
</tr>
<tr>
<td>2025</td>
<td>80,566</td>
<td>62,669</td>
</tr>
<tr>
<td>2030</td>
<td>1,13,695</td>
<td>95,798</td>
</tr>
</tbody>
</table>

The gravity of situation can only be understood by comparing the projected demand figures with the total current firm supply figures of our country.

Source: PEPCO
Factors Leading to Energy Crisis

- Number of electricity of consumers
- Increased owing to rapid urbanization.
- Management
- Accountability.
- Distribution system
Pakistan Analysis in terms of Coal

Figure 1. Map of Pakistan showing major coalfields.
1 Thar; 2 Badin; 3 Meting Jhumpir-Thatta; 4 Lakhra; 5 Mach-Abedun; 6 Sor Range-Sinjidi-Deghari; 7 Pir Ismail Ziarat-Margat-Narwar; 8 Khost-Shahrig-Harnai; 9 Duki-Anambar; 10 Chamalang-Lundu-Tosham; 11 Kingri-Toi Nala (Dewal-ihoezeh Ghar); 12 Salt Range; 13 Makerwal-Gulakhel; 14 Hamgi-Orakzai; 15 Cherat-Dara Adamkhel, 16 Kotli Azad Kashmir.
Mining challenges (deep mining technology and availability of expertise)
- Quality of coal is rich
- Water requirement is
- Development and construction phase
- Financing
- Environmental impact Ass:
Coal is Gold.

Problems:
- Who?
- What?
- Where?
- How?
- When?
Thar Coalfield Location
Development of Thar region. Presently Thar District ranks lowest on all socio-economic development.

The infrastructure like school, masjids, markets, grounds, roads, railway line, airport, skill development, health and education etc. will develop in Thar area and that will increase as the Thar Coal develops.
Potential benefits of success of first project

- Reduction in circular dept through cheap electricity
- Development of indigenous mining industry
- 4000 direct/indirect jobs creation
- Energy security-affordable power
- Potential conversion of coal to gas, oil & other chemical
The Coal Cycle

- After being mined, coal goes through a cleaning prep facility, where it is cleaned and separated by grades. Cleaning upgrades the quality of the coal by removing some of the impurities such as rock, clay, and other ash-producing material. Utilities burn pulverized coal to produce high-pressure steam that powers an electric generator. As coal is burned, emissions are produced that contain sulfur dioxide, nitrogen oxides, carbon dioxide, particulate matter, ash, and mercury. A discussion of coal combustion emissions is found.
Thar Coal Fields: Location

Port Qasim
Route I: 55km
Route II: 126km

Chor Railway Station

Thar Airport
40km

Railway Track (Existing)
Railway Track (Proposed)

Road
KHI – Thar (360km)

Block II

KHI

Karachi

Sujawal

Badin

Ghadi Large

Thar Airport

Data: CIA, NDAA, U.S. Navy, NCA, CEBCO
Image: Landsat
© 2014 Google
## Thar Coal based Power Projects

<table>
<thead>
<tr>
<th>Block</th>
<th>Investment Firm</th>
<th>Total coal Potential of Block Bn Tons</th>
<th>Power Projects Initiated/Planned MW</th>
<th>Expected COD</th>
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</thead>
<tbody>
<tr>
<td>Block–I</td>
<td>SSRL (China–Pak)</td>
<td>3.657</td>
<td>2X660</td>
<td>2018</td>
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<tr>
<td>Block–II</td>
<td>SECMC Pakistan</td>
<td>1.584</td>
<td>Phase–I 2X330</td>
<td>2017–18</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Phase–II 2X3300</td>
<td>2019</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Phase–III 4X660</td>
<td>2021</td>
</tr>
<tr>
<td>Block–III</td>
<td>Asia Power UK</td>
<td>2.007</td>
<td>2X660</td>
<td>2019–20</td>
</tr>
<tr>
<td>Block–IV</td>
<td>Harbin Electric China</td>
<td>2.572</td>
<td>2X660</td>
<td>2019–20</td>
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<tr>
<td>Block–V</td>
<td>UCG Project Pakistan</td>
<td>1.394</td>
<td>2X50</td>
<td>2016–17</td>
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<tr>
<td>Block–VI</td>
<td>Oracle (China–UK)</td>
<td>1.423</td>
<td>2X330</td>
<td>2018–19</td>
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<tr>
<td>Block–VII</td>
<td>FFC Pakistan</td>
<td>2.176</td>
<td>2X660</td>
<td>2019–20</td>
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</table>
# Global Lignite Quality Comparison

<table>
<thead>
<tr>
<th>Country</th>
<th>Moisture %</th>
<th>Ash %</th>
<th>Volatile Matter %</th>
<th>Sulphur %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>65.5</td>
<td>0.6</td>
<td>17.6</td>
<td>0.1</td>
</tr>
<tr>
<td>Bosnia</td>
<td>51</td>
<td>2.0</td>
<td>30.3</td>
<td>0.05</td>
</tr>
<tr>
<td>Germany</td>
<td>55</td>
<td>10</td>
<td>19.2</td>
<td>0.2</td>
</tr>
<tr>
<td>Greece</td>
<td>52</td>
<td>15.1</td>
<td>18.8</td>
<td>0.2</td>
</tr>
<tr>
<td>India</td>
<td>48</td>
<td>6.1</td>
<td>25.6</td>
<td>0.6</td>
</tr>
<tr>
<td>Kosovo</td>
<td>51</td>
<td>15</td>
<td>20.8</td>
<td>&lt;1.0</td>
</tr>
<tr>
<td><strong>Pakistan (Thar)</strong></td>
<td><strong>46</strong></td>
<td><strong>7.0</strong></td>
<td><strong>28.0</strong></td>
<td><strong>0.7 – 1.1</strong></td>
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<tr>
<td>Poland</td>
<td>52.8</td>
<td>9.8</td>
<td>20.0</td>
<td>0.6</td>
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<tr>
<td>Serbia</td>
<td>45.5</td>
<td>17.0</td>
<td>22.5</td>
<td>0.49</td>
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<tr>
<td>Thailand</td>
<td>30–35</td>
<td>10–28</td>
<td>32</td>
<td>0.8–1.5</td>
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<tr>
<td>Turkey</td>
<td>50</td>
<td>16</td>
<td>22.8</td>
<td>1.7</td>
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</table>

Source: World Coal Institute Report
## Sindh Coal – Chemistry

<table>
<thead>
<tr>
<th>Field</th>
<th>Reserves Bn tons</th>
<th>Moisture %</th>
<th>Fixed Carbon</th>
<th>Volatile Matter %</th>
<th>Ash %</th>
<th>Sulphur %</th>
<th>Calorific Value Btu/lb</th>
<th>Rank</th>
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<tbody>
<tr>
<td>Lakhra</td>
<td>1.328</td>
<td>28.9</td>
<td>28.0</td>
<td>25.2</td>
<td>18.0</td>
<td>4.7 to 7.0</td>
<td>4622 to 7,552</td>
<td>Lignite A to B</td>
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<tr>
<td>Sonda</td>
<td>7.112</td>
<td>34.0</td>
<td>27.9</td>
<td>25.2</td>
<td>15.0</td>
<td>1 to 2.8</td>
<td>6762 to 11029</td>
<td>Lignite A to B</td>
</tr>
<tr>
<td>Badin</td>
<td>1.358</td>
<td>15.4 to 29.8</td>
<td>29.8 to 39.8</td>
<td>31 to 36.3</td>
<td>8.2 to 14.6</td>
<td>3.4 to 7.4</td>
<td>6740 to 11100</td>
<td>Lignite A to B</td>
</tr>
<tr>
<td>Thar</td>
<td>175</td>
<td>46.8</td>
<td>23.4</td>
<td>16.7</td>
<td>6.2</td>
<td>0.9–1.2</td>
<td>5,774</td>
<td>Lignite A</td>
</tr>
</tbody>
</table>
Infrastructure Available At Thar

**Road Network**
- 70 Tones Load Carrying Capacity Metalled Road Is Available Up To Coal Field Area.

**DRINKING WATER**
- Reverse Osmosis Plants in Thar

**Communication**
- Telephone & Internet Communication Through Optical Fiber Cable Is Available Up To Thar Coalfield Area.

**Thar Lodge**
Thar Lodge At Islamkot With 20-bedded Accommodation To Facilitate Foreign And Local Investors Has Been Constructed
INFRASTRUCTURE PLANNED IN PROGRESS AT THAR

PROVISION OF HEAVY DUTY ROAD
Improvement Of Road Network
• From Seaport Karachi To Mithi

TRANSMISSION LINE
The NTDC Is Executing Two Schemes For Power Evacuation From THAR:-
• Phase — I: Transmission Line From Thar Coalfield To Matiari
• Phase — II: Transmission Line From Matiari To Rahim Yar Khan

EFFLUENT DISPOSAL
• The GOS Is Executing A Scheme Of Constructing 50 Cusecs Mine Water Drainage Channel From Thar Coalfield Which Will Be Completed By Dec, 2013.

Railway Link
• PRACS Has Prepared Feasibility For Broad Gauge Rail Link Up To Islamkot.
Current Scenario
Mining Activity at Block-II

- Work for 113Mn BCM overburden removal in Thar Block II
Thar today
Thar Desert
Thar Tomorrow

Thank You
THANKS