

E-Bulletin

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CPSI strives for enhancing the image of COAL

✓ Livemint reported that in response to expressions of interest invited by NTPC, 15 companies have evinced interest in the fly ash based cement manufacturing plan proposed by NTPC.

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- ✓ A report by PTI said that "India's reported move to block Chinese companies in the power sector seems to be new evidence of the country's overly suspicious attitude towards China, but this could backfire given that India is still plagued by electricity shortages and unstable supply."
- ✓ The Jakarta Post reported that following increasing demand in recent years, coal is projected to overtake natural gas by 2030 to become the largest source of power in Southeast Asia. The International Energy Agency has forecast a threefold increase in coal-fueled power generation to 920 terawatt hours (TWh) in 2035 from only 255 TWh in 2013. As a result, the share of coal in total electricity generation is expected to increase to 48 percent.
- Government is likely to put up to 12 mines for auction for commercial mining. Coal and Power Minister Mr Piyush Goyal, who was on a visit to Austria and the UK from May 10-13 for an Energy Dialogue, told PTI that "So we are examining the possibility of adding some more mines for commercial mining which are smaller, and some work has already happened on them. So the process can start faster and bring in more flexibility in availability of coal."
- ✓ TOI reported that the Government has decided to put coal in the lowest rate of five percent (5%) the new goods and services tax (GST) against a current tax incidence of 11.69 percent.
- ✓ Myanmar is considering a move towards more coal-fired power generation, reports Myanmar Times. In spite of rising demand in the Southeast Asia, coal represented a mere two percent of Myanmar's power sources during 2016.
- ✓ The Japanese government has set its 2030 power generation target shares for coal at 26%, nuclear at 22%, and gas at 27%. The power sector's interest in building more efficient coal-fired power generation facilities with low CO₂ emissions is the reason behind Japan's energy policy and the choice of coal.
- ✓ Japan has decided that its Ministry of Environment (MoE) would not block any coal based power project if it uses the best available technologies (BAT); thus only ultrasupercritical (USC) technologies were eligible. The other condition is that the power sector established a coalition with a targeted emissions cap which is consistent with the government's 2030 energy mix and CO₂ emissions targets and the CO₂ emissions from the approved project must be within the cap.
- Business Standard reported that Coal India may consider revising coal prices this year in case sales volume doesn't

pick up to compensate for the revenue loss arising out of grade revision of its 177 mines.

CPSI comment : Where is the question of revenue loss? CIL is now getting the right price. In past, consumers had paid more than what they got in terms of heat value? Only way for CIL is to wash coal and get better price. This is a win-win for Coal India as well as the consumers. **Better late than never!**

- ✓ Recently, the Coal Controller Organization had inspected 871 samples from 386 Coal India mines, following which 40.76 per cent of the samples were downgraded while 51.55 per cent retained their earlier grade. Although, the company is yet to conclude the monetary impact of the mine grade process, company executives and analysts alike feel it will be in the range of Rs 1,500-2,500 crore for the ongoing fiscal year.
- ✓ Mr Piyush Goyal, union minister, said that the government's next target is to supply superior quality of coal to power producers to improve electricity generation and reduce pollution. Mr Goyal said that "The next goal now is the quality of coal. From shortage to surplus to superior."

He said that "Now we want to offer superior quality of coal to power companies and other manufacturing companies so that, due to quality there are improvements in power generation, coal is used in less quantity. If less coal is used then there is also less pollution."

- ✓ According to the Central Electricity Authority (CEA), the electricity generation from thermal, hydro, nuclear and import from Bhutan grew by 4.7 per cent to 1,159.83 billion units (BU) in 2016-17 as compared to 1,107.82 BU generated in the previous year.
- Russian scientists have developed a new method of assessing the quality of coal. With the new method, it will be possible to analyze coal during storage, transportation, and use to determine the risk of spontaneous combustion and to calculate factual heat release properties.
- ✓ Influence Map, an independent UK-based organization has found that, the global shareholder value of the thermal coal sector is USD 185 billion, on the hands of 117 producers and owners. Out of the 165 billion tons of thermal coal reserves currently unearthed, Asia accounts for 71.1 percent of those. China holds 36.6% of the global reserves, India 23.6%, USA 17.1% and Australia holds 4.9%.
- ✓ ICRA says that the implementation of the new coal allocation policy namely 'SHAKTI' or the scheme for harnessing and allocating koyala (coal) transparently in India, is a positive development for the domestic thermal power generators, with a combined capacity of around 28 GW in the private IPP segment.