

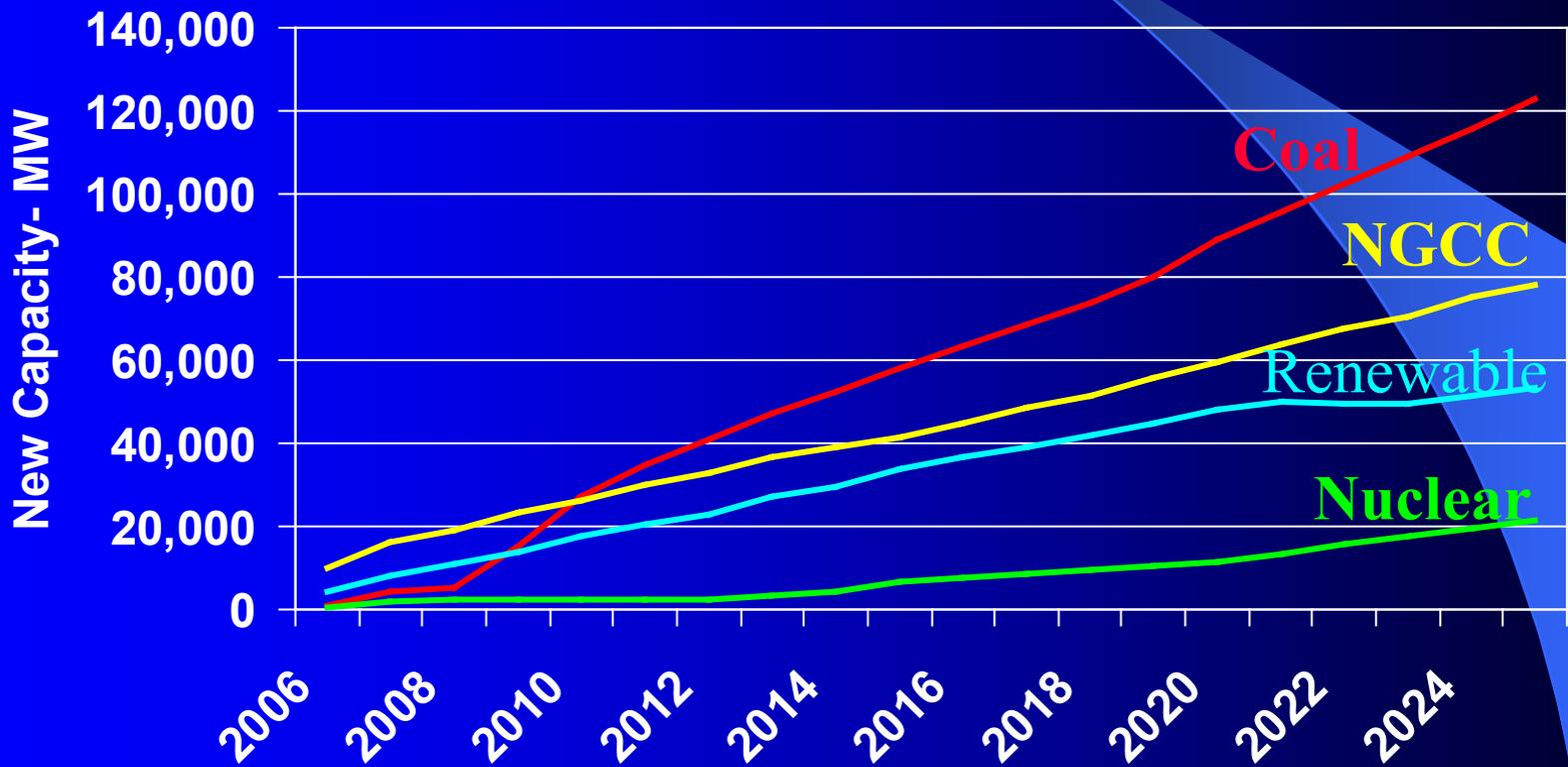
Advancements in Clean Coal Technology



Wisconsin Joint Legislative Council
Special Committee on Nuclear Power
Madison Wisconsin

Tom Hewson
Energy Ventures Analysis Inc
Arlington Virginia
November 15 2006

New Coal Capacity Required to Meet Growing US Power Need

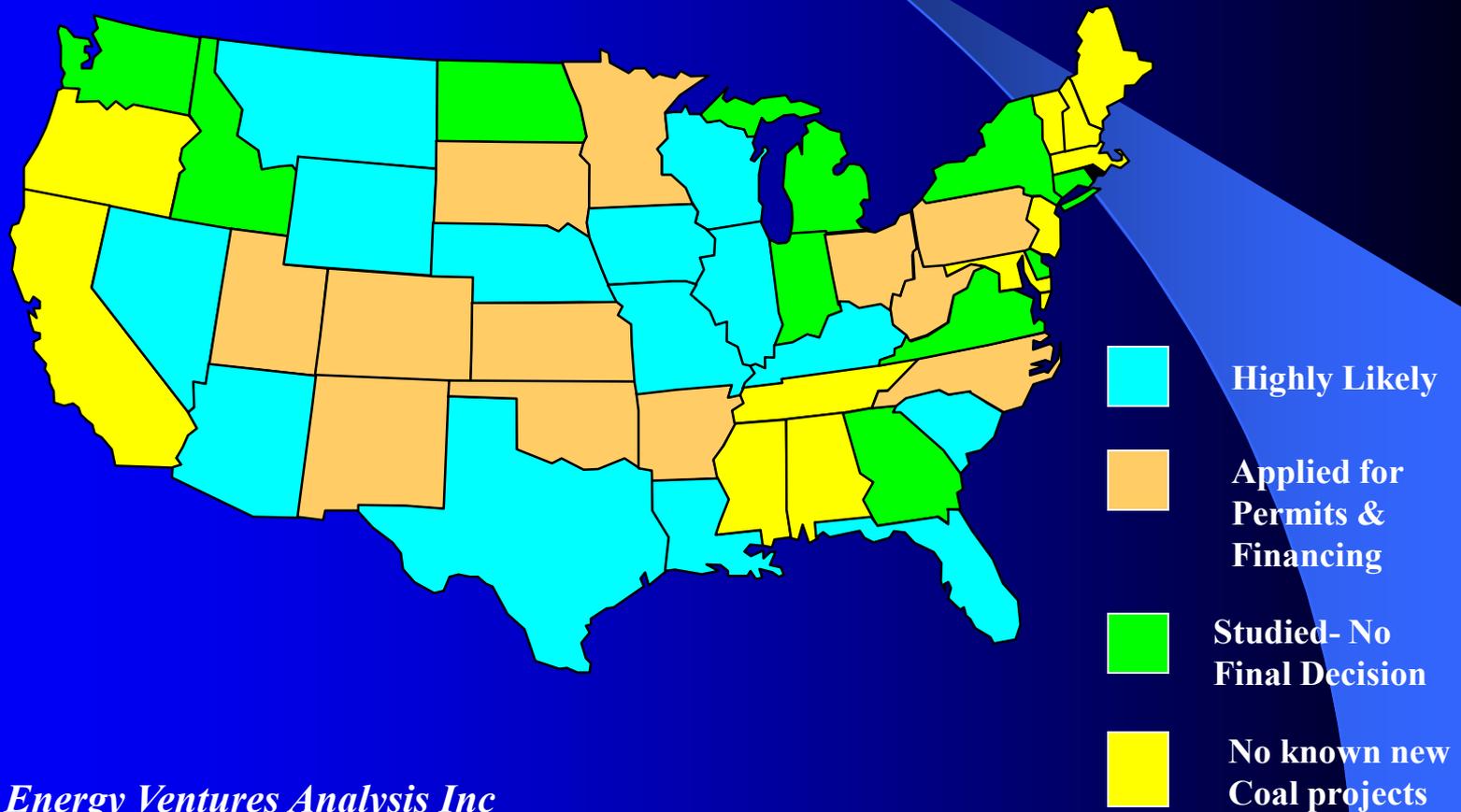


Coal Generation Demand by 2025

- 122,800 MW EVA *Fuelcast Long Term Outlook 2006*
- 87,000 MW: *DOE Annual Energy Outlook 2006*



Most States Have Announced Coal Project(s)



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Clean Coal Technologies

- Generation Technologies



- Environmental Control Technologies

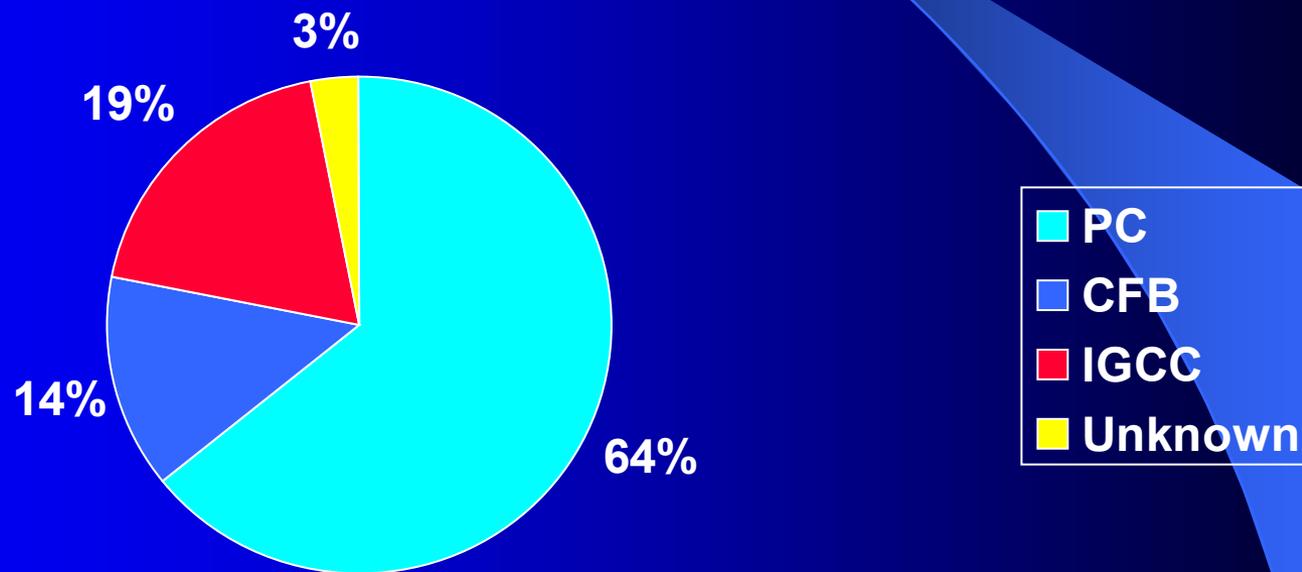


Clean Coal Generation Technologies

- Pulverized Coal
- Fluid Bed Combustion
- Integrated Coal Gasification Combined Cycle



Pulverized Coal Accounts for Most of the 92,033 MW Announced New Clean Coal Projects

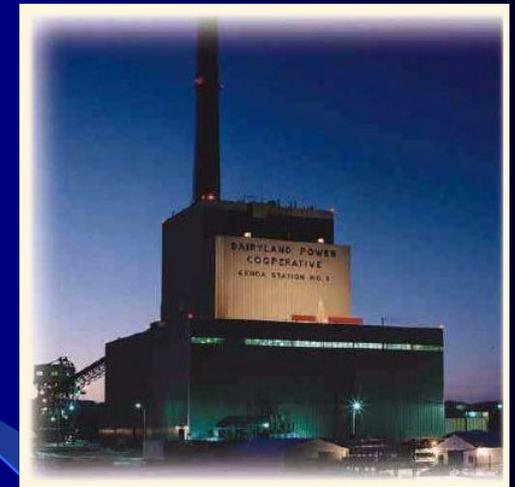


150 Projects as of 10/06



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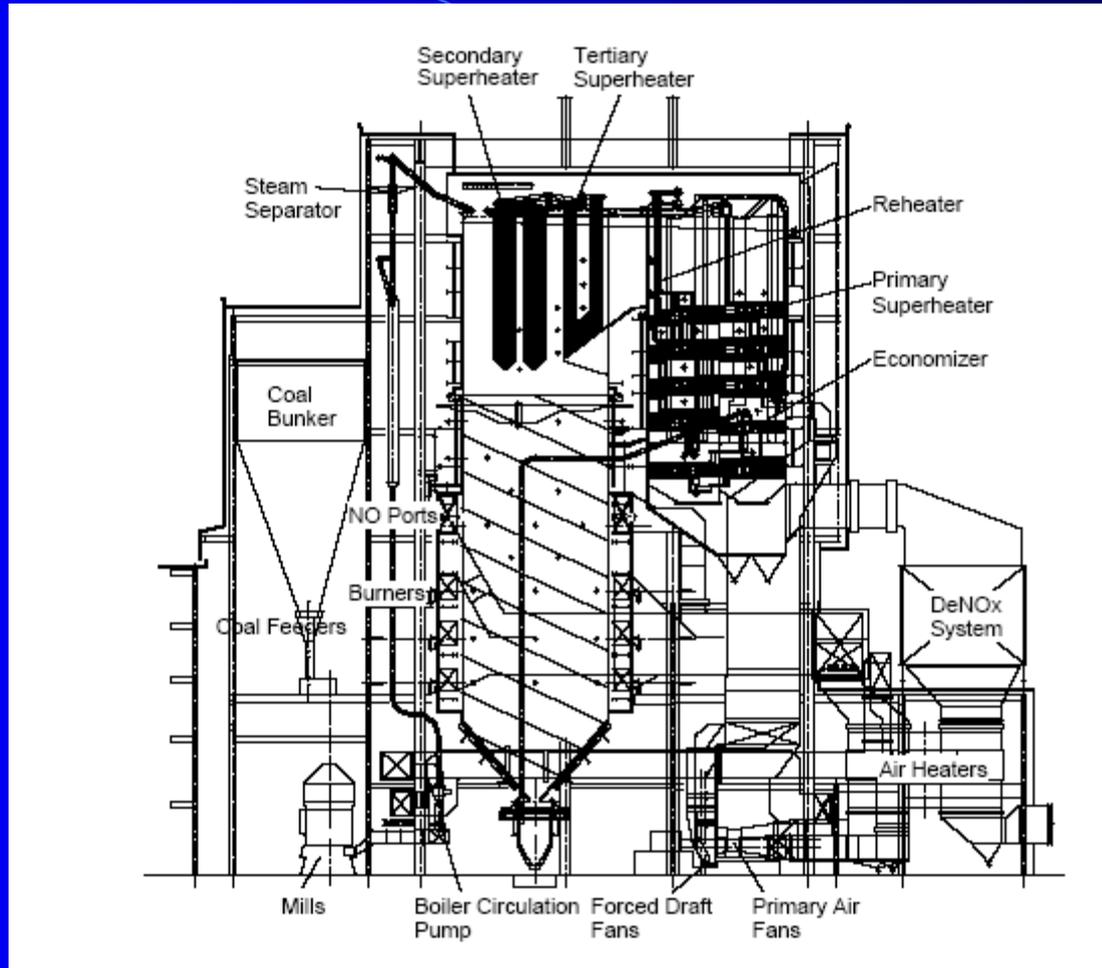
Clean Coal Pulverized Coal Combustion



- Dominate coal generation technology
- Two types: subcritical & supercritical
- Most energy efficient coal technology in US today
- 84 announced new coal projects— Low technology risk, competitive cost
 - 40 Supercritical projects (31,420 MW)-Weston#4, Elm Road #1-2
 - 20 Subcritical projects (10,252 MW)- Columbia Energy
- Advancements in materials, controls and temperature mixing led to improved performance and reliability



PULVERIZED COAL BOILER LAYOUT



Source: *Supercritical Boiler Technology Matures* Richardson et al 2004 (Hatachi)



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Subcritical vs. Supercritical

	<u>Subcritical</u>	<u>Supercritical</u>
Heatrate Efficiency	34-37% HHV	36-44% HHV
Boiler Capital Cost	Base	0-9% Higher
Plant Capital Cost	Base	1-6% Higher
Non-Fuel O&M	Base	0-2% Higher
Fuel Cost	Base	Lower
Controlled Emissions	Base	Lower- Higher Efficiency
US Operating Units	1,338 Units	117 Units



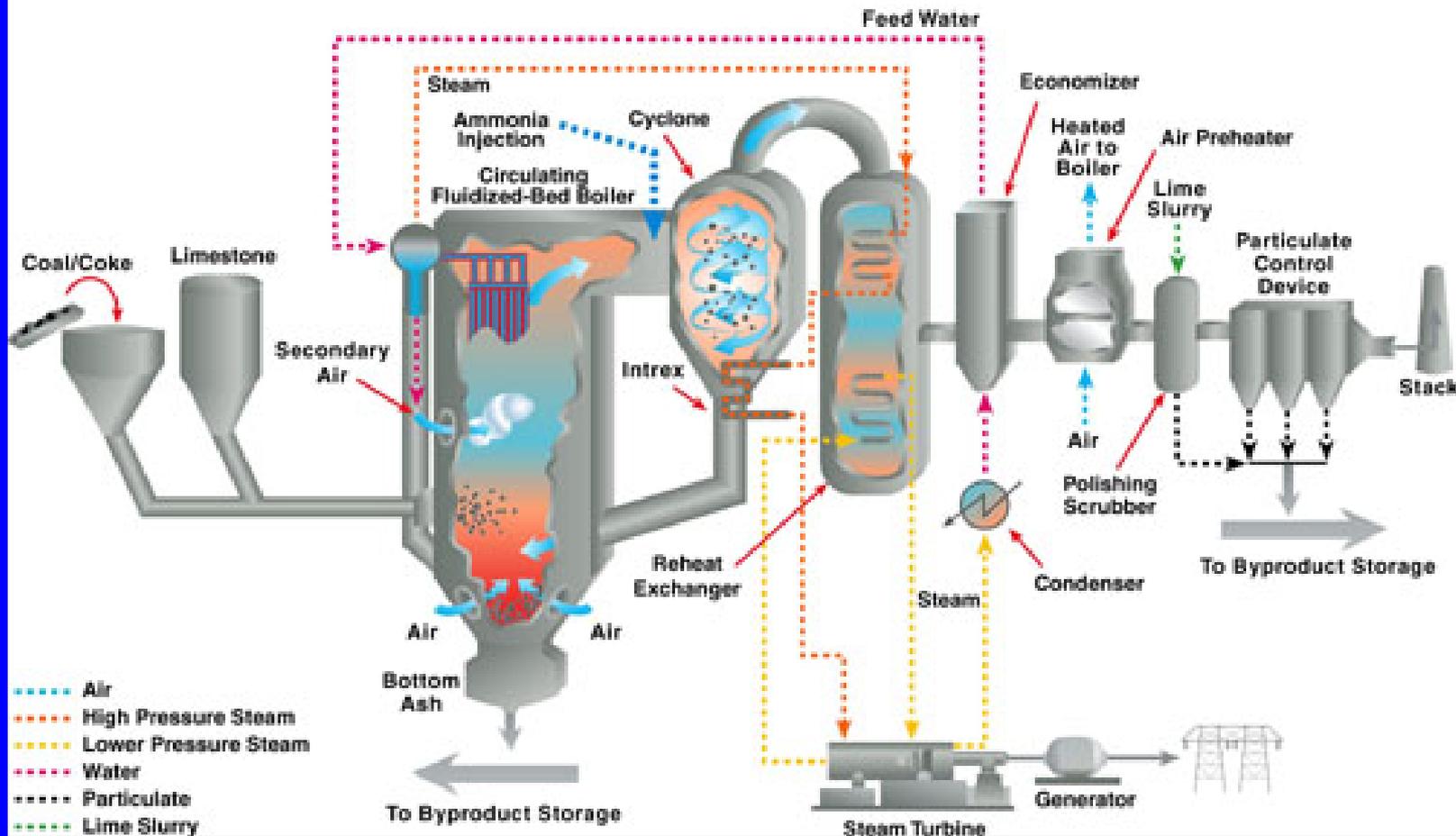
Pulverized Coal Technology

	Conditions	Net Energy Efficiency	Heatrate HHV
Subcritical	2,400 psig	35%	9,751 Btu/kWh
Supercritical	3,500 psig	37%	9,300 Btu/kWh
Advanced Supercritical	->4,710 psig	42%	8,126 Btu/kWh
Ultra-Supercritical	5,500 psig	44%	7,757 Btu/kWh



Fluid Bed Combustion

JEA Large-Scale CFB Combustion Demonstration Project



Fluid Bed Combustion

- Conventional technology
 - 104 Boilers-8,900 MW in operation
 - 33 Projects- 12,897 MW of announced projects- including Mantiwoc and Nelson Dewey
 - Up to 320 MW size range offered
- Greater fuel flexibility—(waste coals, pet coke, fuels,..)
- Lower heatrate efficiency vs. pulverized coal
- Inherent low NO_x rates from lower combustion temperatures (0.37→0.07#NO_x/MMBtu)



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Fluid Bed Combustion Technology Changes

- Fluid Bed Size
 - Boiler size designs have been expanding increasing unit output (up to 320 MW)
- Improved sulfur capture performance
 - Improved mixing to lower Ca:S ratios and increased bed capture rate (up to 97%)
 - Some designs added FGD controls to further decrease emissions (0.13-0.15#SO₂/MMBtu)
- Increase steam cycle pressure



Fluid Bed Combustion Technology Sizes Have Been Increasing

1981	Great Lakes	
1986	Scott Paper	1x65MW
1987	Ultrasystems	15-43MW
1988	Shawnee (Repower)	1x150 MW
1989	Thames/Shady Point	75 MW
1990	TNP One	2x155 MW
1993	Warrior Run	210 MW
1996	Provence, KEPCO	220-250MW
1998	Red Hills	2x250 MW
2001	Enel	320 MW

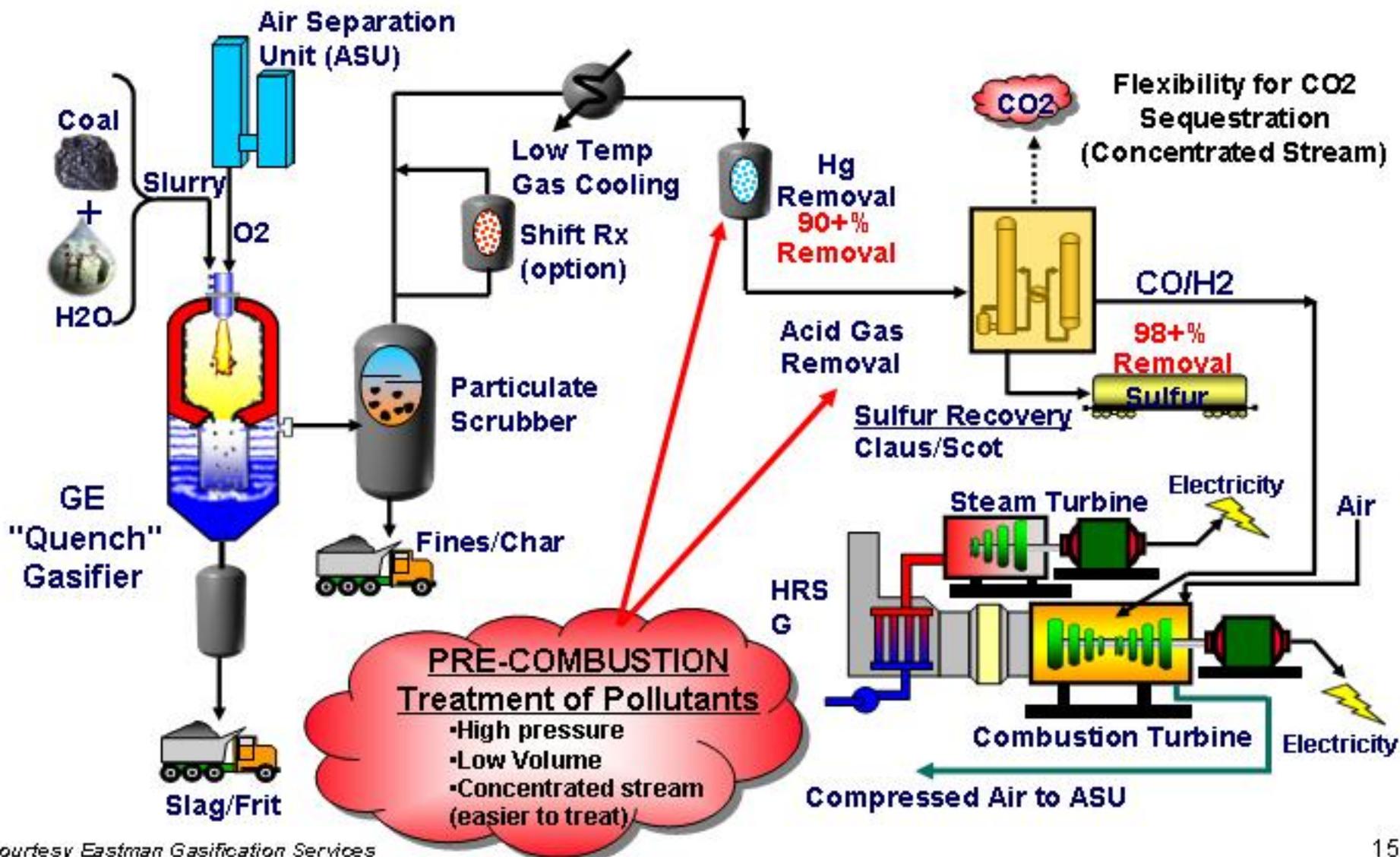


Integrated Gasification Combined Cycle

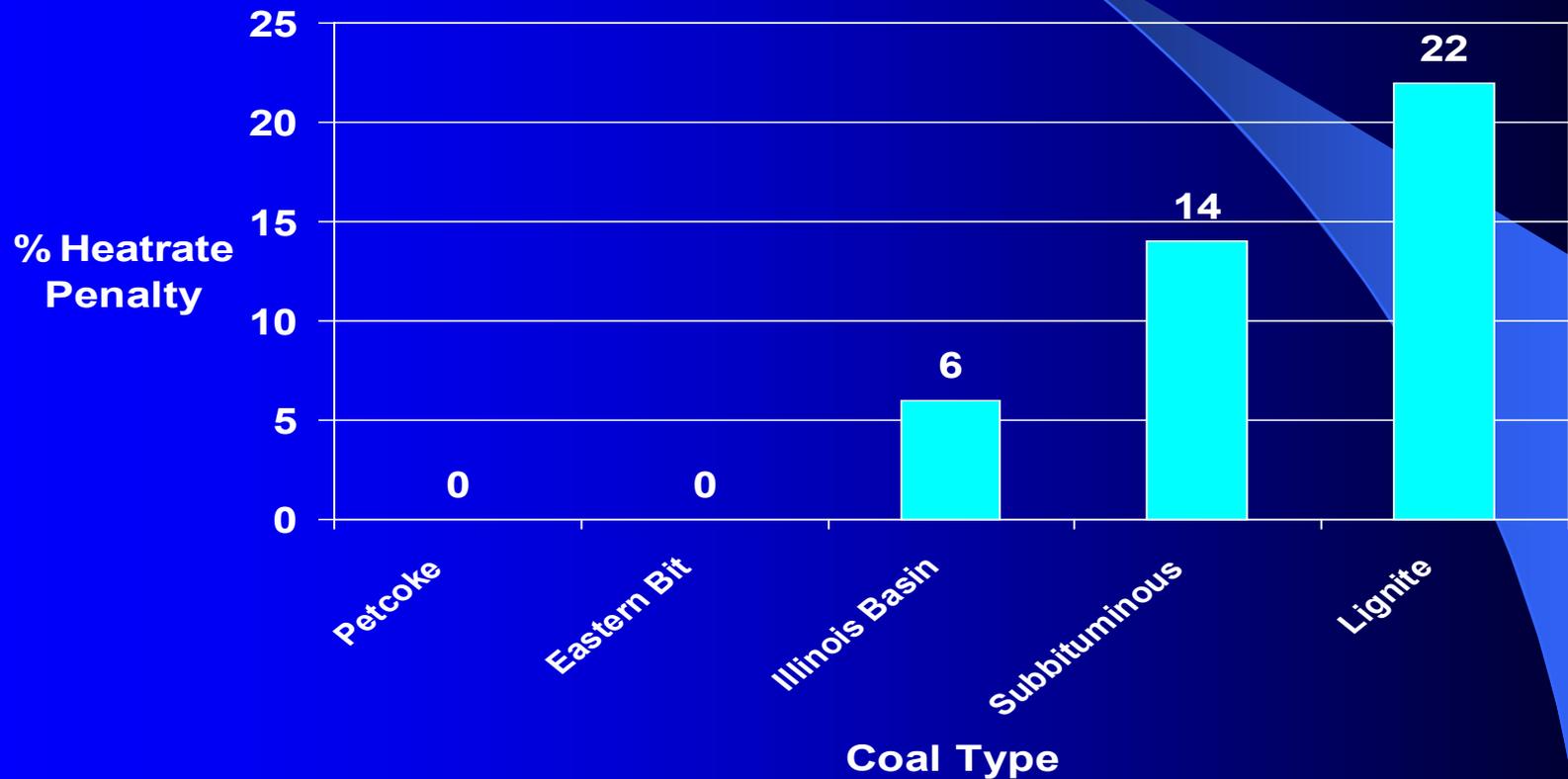
- 117 plants with 385 Gasifiers in operation in 2004. These facilities produce mostly chemicals (37%), gas (36%) or power (19%)
- Multiple Gasification process technologies
 - Entrained flow (Shell, GE (Texaco)- Polk Co, Conoco-Phillips (Dow/Destec)- Wabash River)
 - Fixed bed (Lurgi, EPIC)- Dakota Gasification Corp
 - Fluidized bed (Southern Co- Staunton, KRW-Pinon Pine)
- Current IGCC power technology applications focus on producing CO rich syngas that can be burned in turbines.
- Future IGCC technologies maybe developed to produce hydrogen rich syngas with maximum carbon capture (aka “zero emission” IGCC).
- 27 Proposed IGCC power projects—17,296 MW
Including Elm Road #3



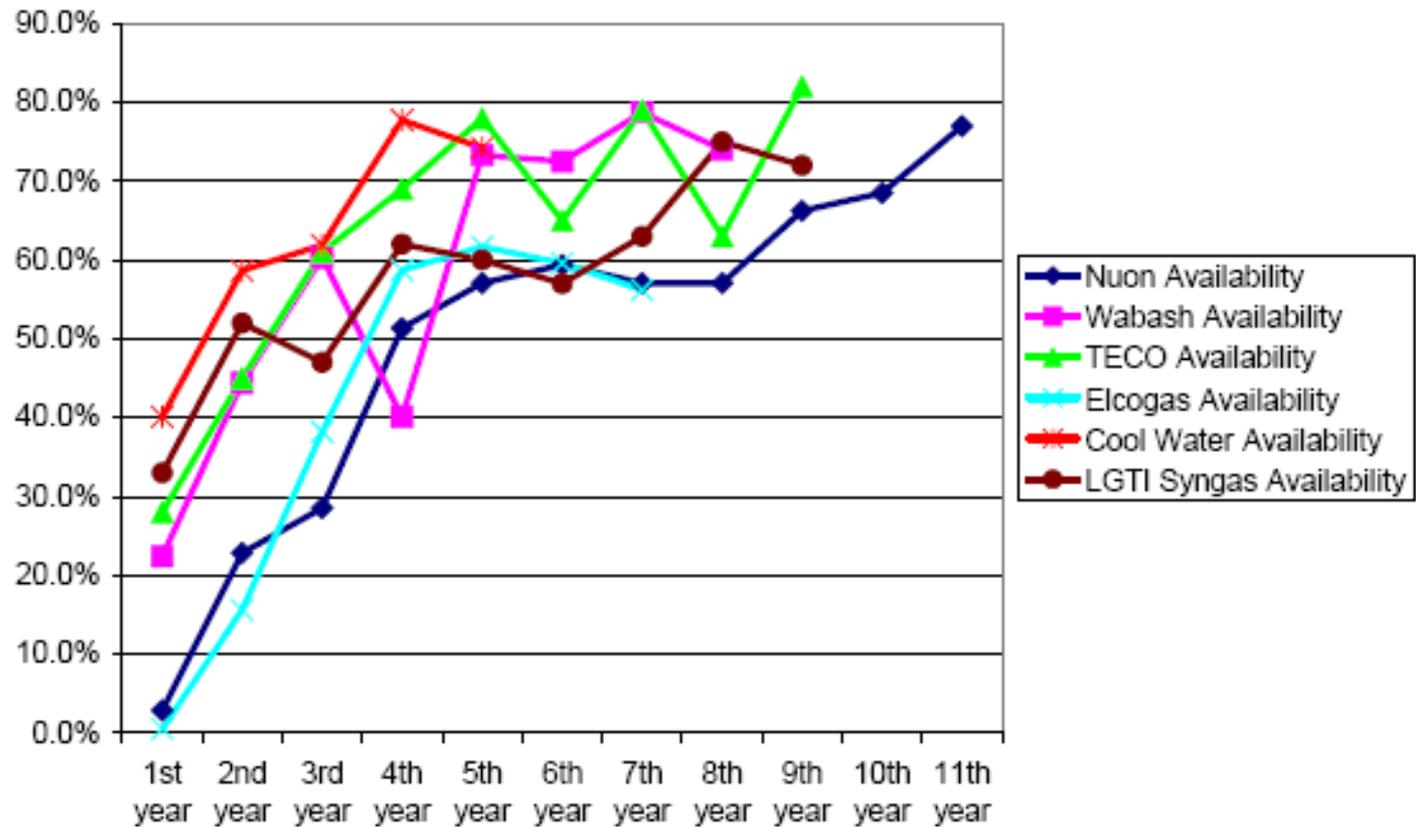
IGCC Overview



IGCC Heatrate Penalty vs. Fuel Type



IGCC Availability History (excludes operation on back-up fuel)



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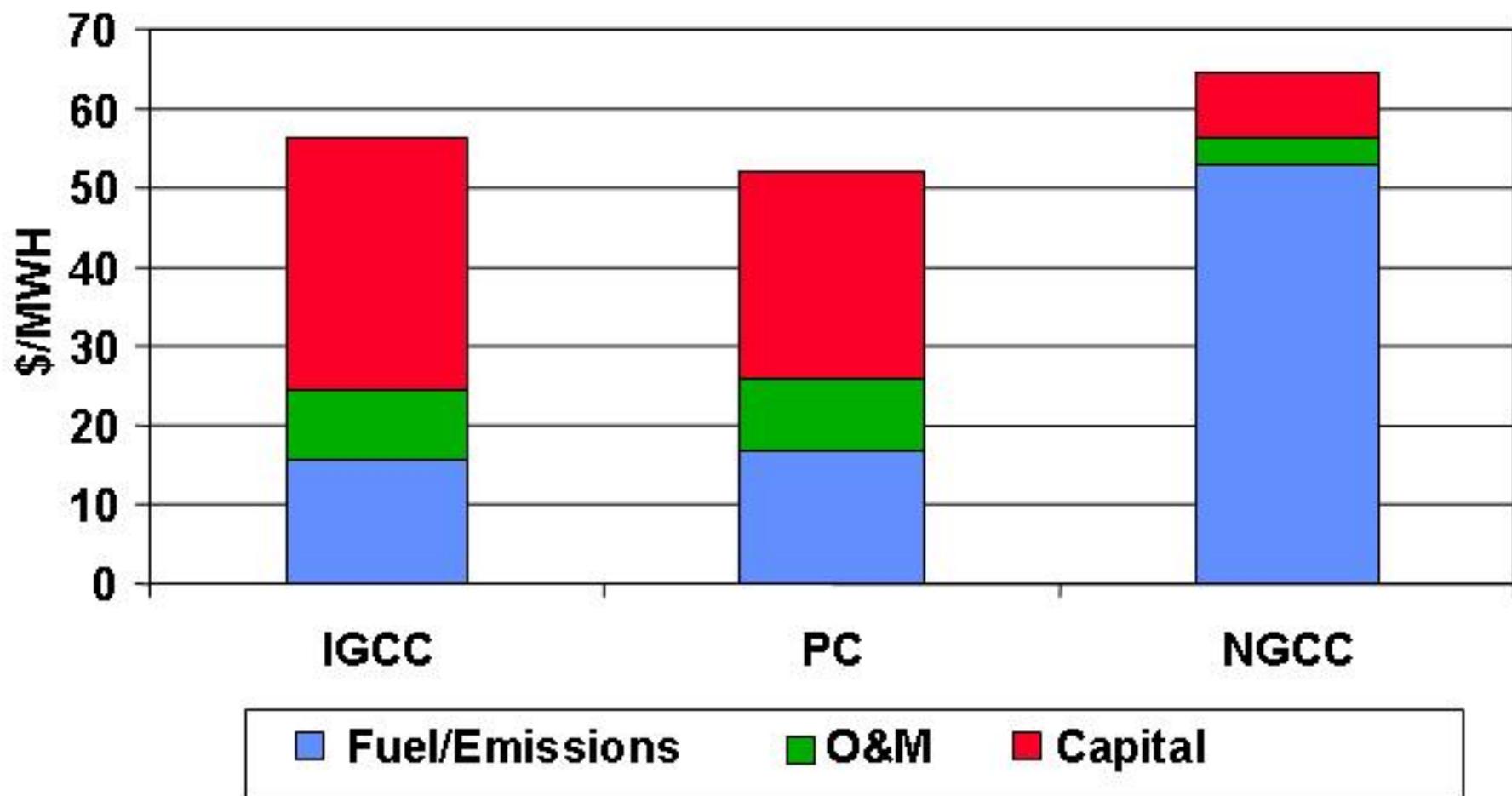
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Availability Comparison

	After 3 Years	Currently
IGCC		
Polk	60%	80% (After 9 yrs)
Nuon	30%	80% (After 11 yrs)
Supercritical	<u>+90%</u>	<u>+90%</u>
Subcritical	96%	96%



Current Economics of New Baseload Generation



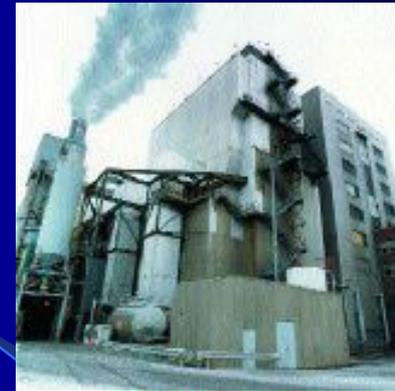
Integrated Gasification Combined Cycle

- Air vs. oxygen blown gasifiers— potential to save Air separation unit costs, reduce onsite power consumption
- Dry vs. slurry fuel feed— Improve energy efficiency by 2.6%
- Hot syngas clean-up— Improve energy efficiency 1.0-1.5%
- Improve gasifier reliability to save redundancy
- Gas turbine advancements— new turbine classes (FB->H 2.2% improvement), hydrogen rich fuel combustion for carbon regulation world
- Shift reactor technology to maximize syngas CO₂ capture and hydrogen production for carbon regulation
- Syngas mercury capture





Activated Carbon Injection with
COHPAC to Reduce Mercury



Selective Catalytic Reduction
To Reduce NO_x Emissions



Flue-Gas Desulfurization to Reduce
Sulfur Dioxide Emissions



MEA Scrubber to capture
Carbon Dioxide Emissions



Flue Gas Desulfurization

- Large amounts of FGD retrofits required to meet comply with environmental requirements under both Acid Rain program and Clean Air Interstate Rule
 - 100,603 MW of post 2005 announced FGD retrofits
 - 39,017 MW more FGD retrofits required by 2025
- All new coal units



Flue Gas Desulfurization



- Duct injection vs. FGD
- Regenerative vs. Non-regenerative reagents
- Wet vs. Dry
- Improved reagent reactivity
- Improved mixing designs to lower Ca:S ratios
- Larger reactor vessels
- Design removals steadily improving. Up to 98%
- Avg FGD emission rate- 0.34#SO₂/MMBtu
- Weston #4 SCPC permit limit- 0.09#SO₂/MMBtu
- Elm Road SCPC#1-2 permit limit- 0.15#SO₂/MMBtu
- Elm Road IGCC draft limit- 0.03#SO₂/MMBtu



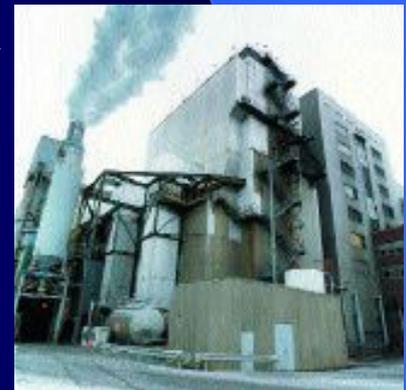
Selective Catalytic Reduction

- EPA SIP Call and Clean Air Interstate Rule Require more NO_x reductions.
 - 24,080 MW of announced SCR Retrofits post 2005 (116,600 MW total retrofits when completed)
 - Will need 100,000 MW more retrofits over next 10 years. Will continue to grow to 137,000 MW in 15 years
- All new PC coal plants



Selective Catalytic Reduction

- Catalyst improvements
- Larger catalyst beds– Cost vs. performance tradeoffs
- Fuel quality issues affecting SCR performance
- Design removals steadily improving. Up to 90% SCR designs
- Avg SCR rate 0.08#NO_x/MMBtu
- Weston #4 permit limit- 0.06#NO_x/MMBtu
- Elm Road #1-2 permit limit- 0.07#NO_x/MMBtu
- Elm Road IGCC draft limit- 0.06#NO_x/MMBtu



Mercury Control



- Mercury speciation—Varies significantly by coal quality
 - Oxidized mercury—water soluble, high removal with FGD
 - Elemental mercury—Non-water soluble, not removed by most existing control configurations
 - Particulate mercury—Removed by existing particulate controls

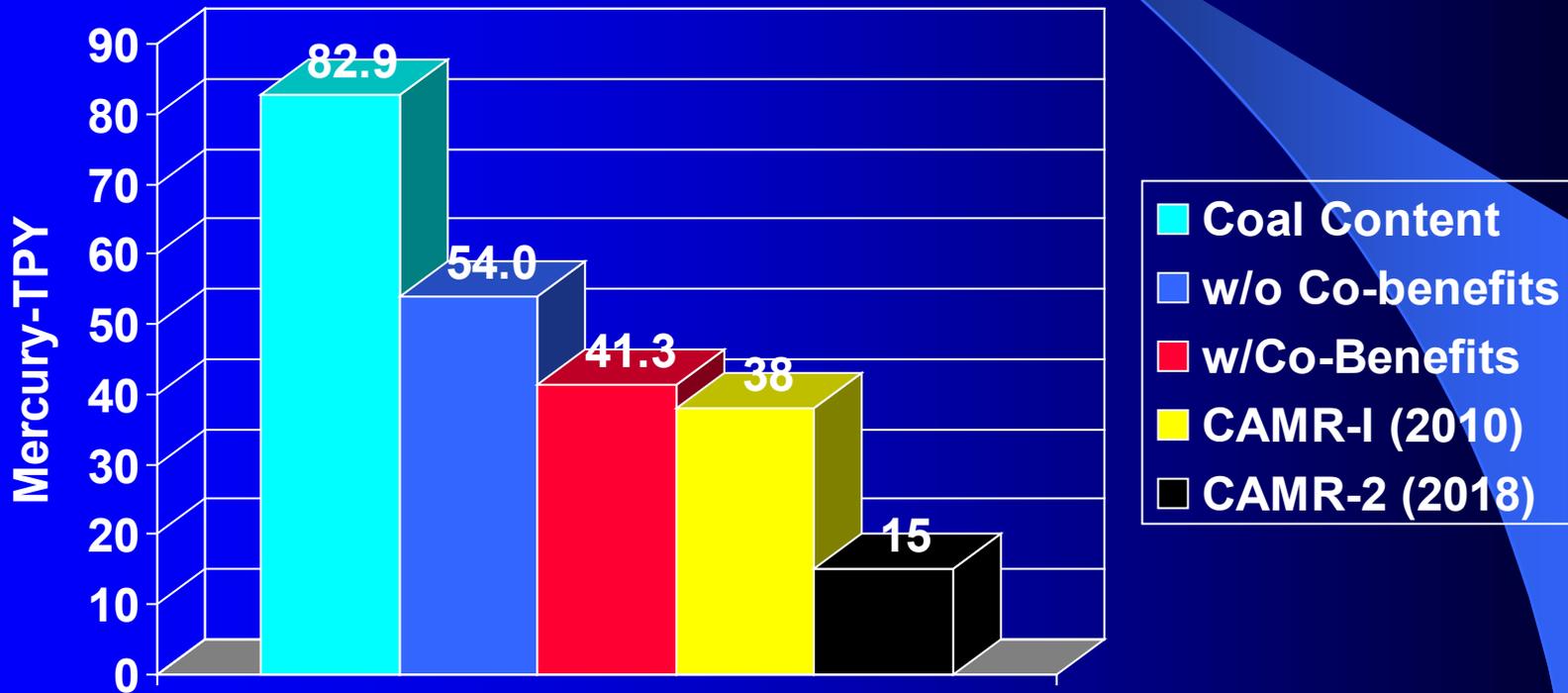


Mercury Removal Performance

Configuration	Bituminous	Subbituminous	Lignite
HS-ESP	0	0	0
CS-ESP	36	3	0
Fabric Filter	75	65	0
CS-ESP+SD	40	20	0
CS-ESP+WFGD	60	18	44
FF+SD	90	15	44
FF+WFGD	90	75	0
ESP+WFGD+SCR	85	18	44



2010 Coal-Fired Mercury Emissions



Mercury Control R&D



- Improve oxidized mercury capture rate
 - FGD Additives
- Increase oxidized mercury share
 - Fuel additives
- Elemental mercury removal
 - Activated carbon injection
 - Novel sorbent use
 - Flue gas temperature control to improve adsorption



Mercury Policy Issues



- Some states have set very strict mercury emission rate targets that exceed current demonstrated technology capability.
- Fuel quality issues— Some waste fuels have higher mercury contents
- Incremental removal vs. overall removal
- Transport/deposition characteristics

- Weston #4 permit limit- 1.7#Hg/TBtu or 88% control
- Elm Road #1-2 permit limit- 1.12#Hg/TBtu or 90% control
- Elm Road IGCC draft limit 5.6#Hg/TBtu or 95% control



CO₂ Control Alternatives



- Improved energy efficiency
- Co-fire/switch to lower carbon fuels
- Pre-Combustion
 - Strip CO₂ from IGCC syngas (FutureGen would convert CO rich syngas to hydrogen and CO₂– improving overall system CO₂ removal efficiency)
 - Strip nitrogen gas from inlet combustion air (Oxyfuel) to lower flue gas volume
- Strip carbon dioxide from flue gas exhaust using absorption (MEA scrubber)- 4 US plants
 - Research on using alternative scrubber reagents
- Carbon sequestration- disposal of captured CO₂



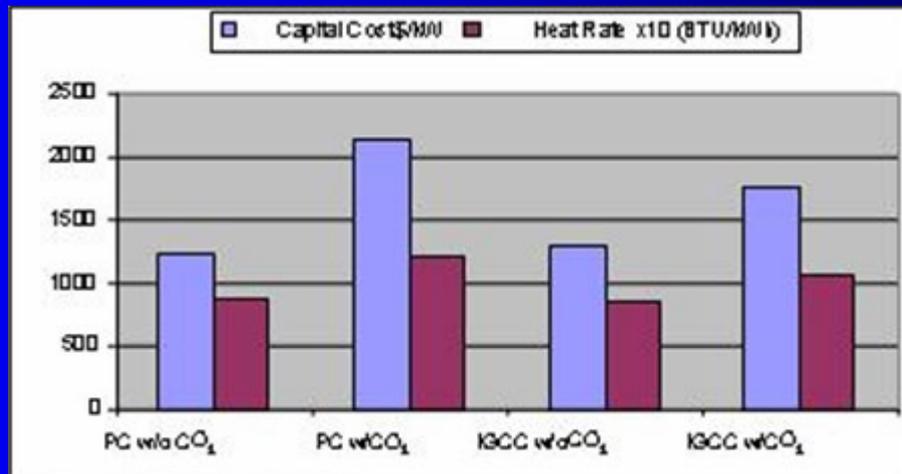
CO₂ Capture

- Carbon capture (“scrubbing”) is a difficult and expensive process:
 - CO₂ is a very stable molecule
 - CO₂ concentration is very low in flue gas
 - Amine processes (MEA) are currently the only proven approach – **high capital cost**
 - A large amount of steam is required to regenerate the amine (strip the CO₂ from the “carbon getter”) – **large energy efficiency penalty**



Impact of Adding CO₂ Capture

	Pulverized Coal	IGCC	NGCC
Capital Cost	+65% to 75%	+30% to 40%	+85% to 90%
Efficiency	-30% to -35%	-18% to -22%	-20% to -25%
Cost of Electricity	+50%	+30%	+60%



Take away: CO₂ scrubbing is very expensive; economic technologies do not now exist, however IGCC is currently more conducive to carbon capture.



Coal Generation Policy Issues



- Coal remains our cheapest fossil fuel and should play an important role in keeping US energy costs low
- Clean coal generation technology continues to improve and become more energy efficient.
- Environmental control technology advancements have made coal lower emitting.

