

**INTERVIEW: ANIL SARDANA****MANAGING DIRECTOR, TATA POWER**

# 'Mundra blending 70% low-calorific coal to cut costs'

*TATA Power is experimenting with blending of low-calorific coal to restore commercial viability of the Mundra ultra mega power project where its fuel cost calculations have gone haywire because of the unprecedented increase in the Indonesian coal price after the South East Asian country changed its mining law. Anil Sardana, managing director, Tata Power, discusses the initial results and the potential of the fuel experiment with FE's Noor Mohammad. Excerpts:*

**The Mundra UMPP is using low-calorific value imported coal to cut its fuel costs in the absence of tariff revision to reflect the change in Indonesian coal price. How is the trial going?**

We have commenced blending and deploying alternate coal called eco-coal, which is equally environment friendly, low in sulphur content and cost competitive. Up to 70% blending is being done to offset some of the cost impact due to the steep increase in international coal prices and we plan to maximise this to reduce the overall cost of fuel. Tata Power has also filed a petition with the Central Electricity Regulatory Commission and would await further proceedings and outcome.

**How far can this blending help reduce the fuel cost per unit?**

This is a partial solution that will mitigate large excursions in costs from rupee depreciation and the increase in the cost of fuel. However, this is not enough to achieve a break-even, and as mentioned, we would now await the outcome of CERC proceedings.

**If the trial is successful, will it help the company to adopt this fuel-mix at other**

but the results would depend on the design and technology of the plant. We have in a way learnt this from our pilot runs at the Trombay thermal station in Mumbai.

**How environment-friendly is the coal-mix?**

As mentioned, the alternate coal is called eco-coal and has significantly low emission levels.

watt hour of energy generated will be about 750 grams of carbon dioxide per kWh, as compared to the national average of 1,259 for coal-based power plants. The world average is 919 g CO<sub>2</sub>/ kWh, while the average for OECD countries is 888 g CO<sub>2</sub>/ kWh. (Figures are for 2005.) The plant will emit 23.4 million tonnes of CO<sub>2</sub> per year, substantially less than the 27 million tonnes



**What technology is the project using, and how does it differ from traditional technology?**

Mundra UMPP is based on supercritical technology and has brought the first 800 MW-sized supercritical unit to the country. This technology and the choice of unit sizes will help the project to have lower greenhouse gas emissions than regular coal-fired power stations. In addition, the choice of imported coal significantly lowers sulphur emissions.

Supercritical technology will help the project achieve higher efficiency, which saves fuel and reduces greenhouse

that a plant of similar installed capacity would emit.

As compared to any other subcritical power plant in India, this project will avoid burning 1.7 million tonnes of coal per year, thus averting carbon emissions of 3.6 million tonnes per year.

It is expected that India will continue to be dependent on coal to meet its power requirements because of the limited availability and high prices of gas, hydro, and other renewable sources. Hence the need of the hour is to promote thermal power projects that have lower greenhouse gas emissions and superi-