

Utilization of brown coals for coal gasification as coal/water slurry

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INTRODUCTION

It is well known that Australian brown coals, such as Loy Yang and Yallourn, have very high moisture content from 50 to 70%. When these brown coals are used for coal combustion or gasification, this high moisture content is cause of the low thermal efficiency because a part of the energy of coal is used for this water to evaporate. In order to maintain reasonable power plant outputs, large and costly plant is needed and considerable quantities of carbon dioxide are emitted. Furthermore, brown coals must be used at a power plant adjacent to the open cut mines since high moisture raises calorie-based cost of transport and dried coal has spontaneous combustibility.

Several coal-drying technologies have been considered for effective utilization of brown coals [1-8]. Hydrothermal Dewatering (HTD) process is one of the coal-drying technologies [1-6]. In the process, brown coal containing 62% moisture is converted to pumpable slurry containing 50% moisture. The advantages of this process are that latent heat of water vaporization is not expended and that water-soluble inorganic compounds can be removed because the water is removed as a liquid. Obtained slurry can be fired in conventional boilers. Recently, Mechanical Thermal Expression (MTE) process is developed [1,7,8]. The mechanical energy required to remove the water from coal is less than 1% of the thermal energy required for an equivalent drying by evaporation. However, total costs of drying brown coal for HTD and MTE processes are too expensive, because the wastewater treatment is necessary.

KEM Corporation developed a new process which converts brown coal to coal/water slurry (CWS). In this process, brown coals are subjected to somewhat high temperature ($< 200^{\circ}\text{C}$) and high shear stress (about 1.0 MPa). This strongly interacted water with coal is dissociated by the heat and shear stress. The crush of coal particles and collapse of pores in the coal by high shear stress prevents re-adsorption of water. Brown coals are converted to concentrated slurry having combustion heat equivalent to that of conventional CWS from bituminous coal by removing a part of water during the process. Obtained the slurry is stable because brown coal has hydrophilic property and dissolved organic acid acts as surfactant. However thermal efficiency of coal combustion or gasification is still low since the slurry contains water.

Miyatani [13] suggested that evaporation of water in CWS before coal gasifier increases

cold gas efficiency from calculation. The water in CWS should be evaporated before injection to coal gasifier or boiler in order to increase the cold gas efficiency or the thermal efficiency. However, the preheating and in-line vaporization of CWS requires special design to address the needs of handling phase change and multi-phase flow at different pressures. Before, the pre-vaporization was considered and tried, but this failed to cause the line plugging, so the prevailing technology today still uses direct combustion CWS without pre-vaporization.

In the mid-1980s, a research group in General Applied Science Laboratories Inc. in NY, US, proposed and tested thermal preconditioning of CWS to produce coal/steam suspensions as an alternative of conventional atomization of CWS [9,10]. Roffe *et al.* [9] tried to evaporate water in CWS with preheating and found line plugging using CWS of 40-60wt%-coal as feed, but the CWS was successfully fed together with 10wt% of steam flow. CWS vaporizer development was reported in 1987 with useful experimental observations and conclusions [10]. The feature is that the tube of the preheater has extended gradually. Tests for the gas turbine combustor using CWS vaporizer was performed at a CWS flow rate of about 140 kg/h (containing 54-60 % coal) and combustion pressure of 0.8 MPa for the testing-unit gas turbine combustor. The test durations were varied between 10 and 20 min. It appears that this work was not continued. Usui *et al.* [11,12] also tried to feed CWS with steam flow. In their experiment, CWS was continuously fed while coal particles aggregated and ratio of evaporated water was only 16%. Regardless of the above works, no successful demonstration has been reported.

The authors designed and developed the in-line vaporizer that accommodate CWS pressure and flow change as well as phase change in the same transfer line leading the feed from CWS tank to gasifier [14]. In the present paper, the authors introduce brown coal utilization processes using combination of CWS production process licensed by KEM Corporation with CWS in-line vaporizer. Furthermore, pilot plant for CWS in-line vaporizer is designed, and feasibility study is performed based on the plant cost.

EXPERIMENTAL

Firstly, experimental kneader having 5L of vessel (Fig. 1a) was used for confirmation of CWS production. Sample vessel of the kneader, which equipped with oil heater, is high-pressure type. The kneader has two wings that gave small shear stress (about 0.1 to 0.2 MPa).

Indonesian (ID) and Loy Yang (LY) brown coals were used as raw materials, whose elemental compositions are shown in Table 1. Particle sizes for ID and LY coals were < 0.25 and < 5 mm, respectively. 2.5 kg of raw material was heated in a closed sample vessel with kneading. Pressure in the vessel went up to 1.0 MPa-G due to increase in vapor pressure of water at 185°C. After 5 h of maintaining the pressure, sample vessel was cooled down to room temperature. Obtained slurries from ID coal and LY coal were termed ID slurry and LY

slurry, respectively.

The large-scale kneader having capacity of about 200 kg, shown in Fig 1b, was used to produce CWS for vaporizer. The kneader has shaft with screw and blade. The kneader can give high shear stress (about 0.5 MPa) to the sample while has no external heater and no pressurized system. LY coal having average particle size of 0.31 mm was introduced into the kneader. LY coal was kneaded for 4.5 h.

Original coals and obtained slurries were subjected to several analyses. Viscosity of obtained slurry was measured with rotary viscometer (shear rate: 6.7–1008 s⁻¹). Distribution of types of water in original coal and obtained slurry were measured using ¹H-NMR on the basis of freezing properties of water [15]. ¹H-NMR relaxation measurement was performed at temperatures of 20, -5 and -50°C. For the measurement of gas adsorption and desorption, original coal and obtained slurry were dried at 60°C under the vacuum condition for 1 day. The surface area of these was determined with CO₂ adsorption at 0°C. The pore size distribution was measured with Ar adsorption and desorption at -195°C.

The CWS in-line vaporizer having capacity of about 2.0 tons-coal/day [14] used the LY slurry producing with large-scale kneader. Figures 2 and 3 are shown schematic diagram and photographs of the vaporizer, respectively. This apparatus was composed of CWS feed section and CWS heating section. CWS feed section consisted of 200 L of drum-can, a mohno-pump and high-pressure pump having maximum flow rate of about 200 L/h. CWS was heated in a feed tube settled in the three heaters (termed 1st, 2nd or 3rd heater) by heating medium. Diameters and lengths of feed tube were designed to steadily feed CWS and to completely vaporize water in CWS. Flow of steam/coal went to combustion furnace from outlet of 3rd heater, and was burned in the furnace whose temperature is maintained with crude oil burner. Another exhaust line is prepared for start-up with vaporization of water, monitoring condition of coal/steam exhaust, and sampling of dried coal particles.

The diameters and lengths of coils in each heater are schematically shown in Fig. 4. The length of coil in 1st heater was about 70 m which means 80 sec of residence time. Total length of coils in 2nd and 3rd heater was 47.9m and its residence time was < 10 sec. Temperatures and pressures at the outlet of each heater were detected in order to estimate the state of the fluid and to check steadily flowing of the fluid.

RESULTS

Production of CWS from brown coals

Pulverized ID coal having particle size of < 0.25 mm was subjected to CWS production process. ID coal has less moisture than LY coal as shown in Table 1. About 0.5 g-water/g-ID coal of water was added so that the total moisture of slurry was 50%. Figure 5a shows photographs of slurry production for ID coal at start and end of the operation. Smooth and

pumpable slurry was obtained by this operation. LY coal having particle size of < 5 mm was also kneaded. Slurry was obtained as shown in Fig. 5b. ID and LY slurries were separately left at rest in buckets. The authors detected no precipitation for 2 or more days after the experiment while the slurries include no surfactant. This characteristic comes from hydrophilic property of brown coals and effect of organic acid dissolved in the water.

The LY slurry was also produced with large-scale kneader having 0.5MPa shear stress. About 180 kg of sample was introduced into the kneader. Despite low temperature and atmospheric pressure, LY slurry was obtained by this operation.

Properties of CWS obtained from brown coals

The viscosities of obtained slurries were measured with a rotary viscometer. The viscosities of ID slurry and LY slurry were 140–1030 mPa·s and 1000-5000 mPa·s, respectively. The viscosity of LY slurry is relatively higher than that of ID slurry since LY coal. This phenomenon originates in the size of the particle of original coal.

Distributions of types of water for LY coal and LY slurry obtained at 170°C for 1 h were measured using $^1\text{H-NMR}$ on the basis of freezing properties of water and shown in Fig 6. Free water is identical to bulk water that freezes at around 0°C. Bound water is defined as pore condensed water that freezes at a temperature range of 0 to -50°C. Non-freezable water does not freeze at -50°C. The comparison demonstrates that this CWS production process decreases amount of non-freezable water and increases amount of free water. Fluidity of LY coal might increase with increasing content of free water. Figure 7 compares pore size distributions for LY coal and LY slurry. Figure 7 means qualitative comparison pore size and volume for LY coal with those for LY slurry since drying of brown coal is known to cause of irreversible shrinkage and/or collapse of pores in the coal [15-17].

Preheating and combustion of CWS obtained from LY coal

The CWS vaporizer shown in Fig. 2 was used for drying LY slurry. The slurry produced by large-scale kneader had contained about 10% particles having > 0.5 mm size and had same viscosity of commercialized CWS. Small amount of water was added and large coal particles were removed from the slurry by precipitation before the experiment since minimum diameter of feed tube was 2 mm ϕ . This in-line evaporator causes blocking in the first evaporation pipe (2mm ϕ) when about ten % coal particle of 0.5mm or more is in CWS. The water content of the slurry became about 75% and viscosity of the slurry was less than commercialized CWS (< 1000 mPa·s).

The LY slurry was preheated and exhausted into atmosphere in order to monitor condition of the exhaust and to measure water content of exhausted coal particles. Temperature of heating medium and flow rate of sample were 300°C and 120 L/h, respectively. After vaporization of water, about 5 kg of LY slurry was introduced from the CWS tank and the vaporization of water in CWS exhausted to outside. Figure 8 shows exhaust of steam/coal

from the LY slurry. The moisture in obtained coal particles was 5-6 wt%.

The LY slurry was preheated and introduced directly into the combustion furnace. At the experiment, temperature of heating medium and flow rate of sample were 310°C and 120 L/h, respectively. The log data at the experiment is shown in Fig.9. The LY slurry was steadily fed into the combustion furnace for 90 min without plugging of feed tube. Experiment was terminated because all of sample in a CWS tank having volume of about 200 L was completely fed.

From read out the log data, followings were found:

1. Fluid was in a solid/liquid (slurry) phase at the outlet of 1st heater since pressure and temperature of outlet of the heater were 8.5 MPa and 285°C, respectively. (vapor pressure of water is 8.5 MPa, at 300°C)
2. Fluid was in a solid/liquid/gas phase at the outlet of 2nd heater since pressure and temperature of outlet of the heater were 1.7–1.8 MPa and 200°C, respectively. (vapor pressure of water is 1.5 MPa, at 208-210°C)
3. Fluid was in a solid/gas phase at the outlet of 3rd heater since pressure and temperature of outlet of the heater were 0.8 MPa and > 200°C, respectively. (vapor pressure of water is 0.8 MPa, at 176°C)

Temperature in the combustion furnace increased from 530 to 600°C and consumption of crude oil decreased with feeding of LY slurry. This means LY slurry is steadily burned in the furnace. Fire of LY coal could not monitor because the nozzle of the vaporizer was settled to the monitoring window.

SUMMARY

From the above results, LY coal was converted to slurry using their own moisture and without any surfactant. 200 L of product slurry is pumpable and transportable. Water in the slurry was completely evaporated with vaporizer and was burned in the combustion furnace during 1.5 h of experimental period.

ACKNOWLEDGEMENTS

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Table 1. Elemental composition of raw materials

	wt% (as received)		wt% (dry basis)				
	Moist.	Ash	C	H	O	N	S
Indonesian (ID) Coal	22.2	4.93	66.03	5.19	20.59	1.37	0.39
Loy Yang (LY) Coal	59.0	0.37	67.28	4.97	25.34	0.60	0.28

(a) Experimental kneader



(b) Large-scale kneader



Figure 1 Photographs of experimental (a) and large-scale (b) kneader

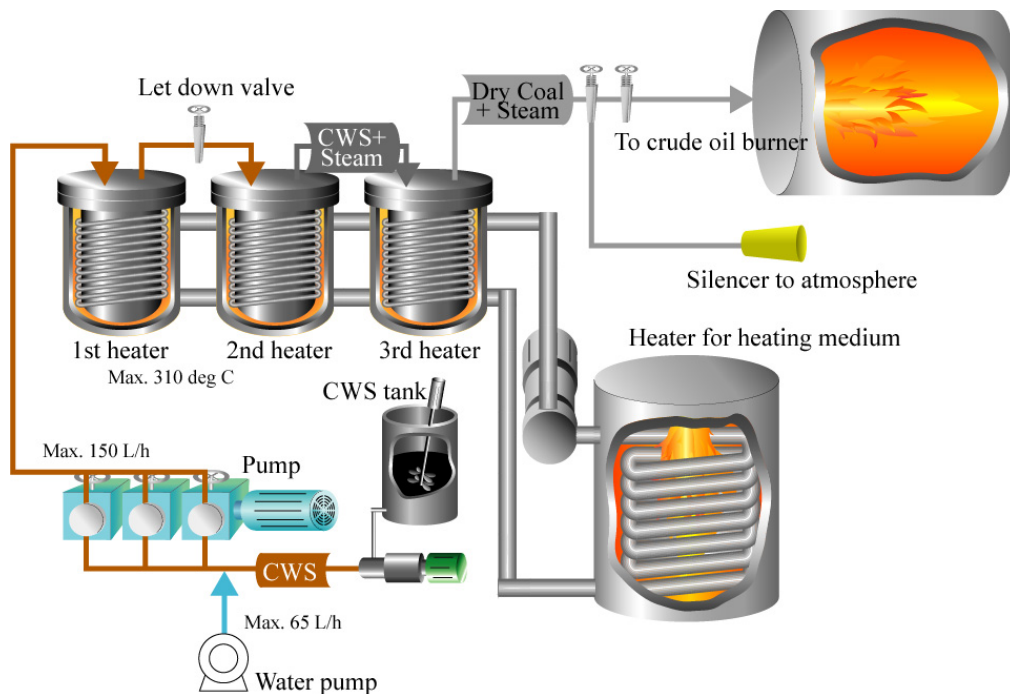


Figure 2. Schematic diagram of CWS vaporizer



Figure 3. Photographs of CWS vaporizer system

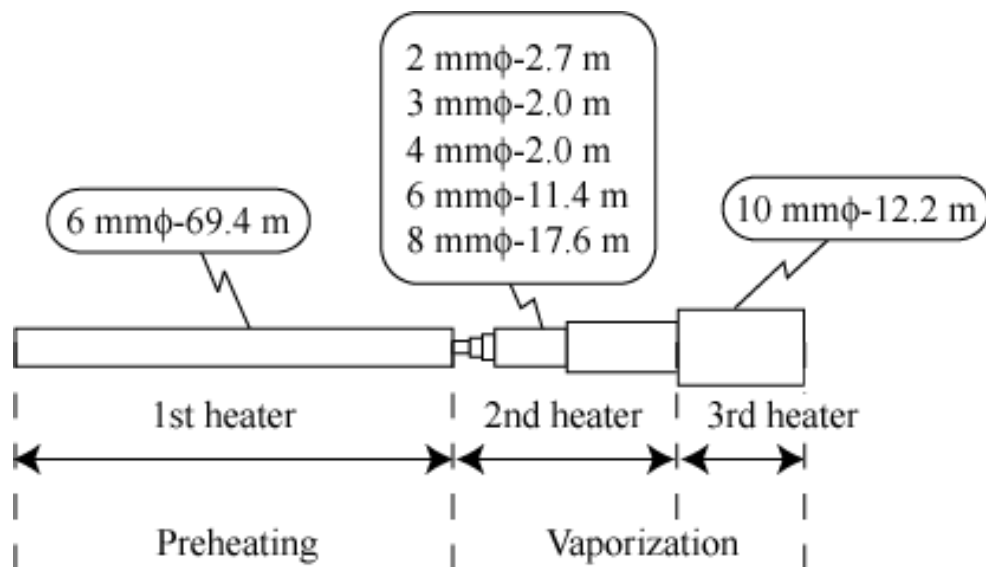
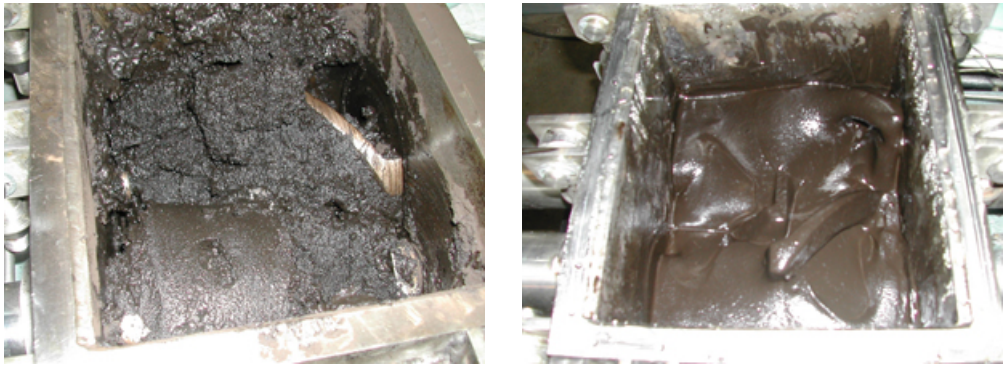


Figure 4. Diameters and lengths of coils

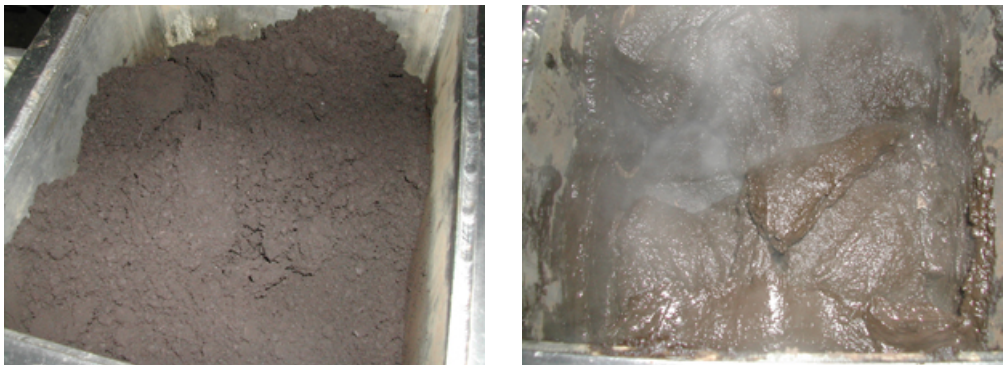
(a) ID coal



Start of operation

End of operation

(b) LY coal



Start of operation

End of operation

Figure 5. Photographs of CWS production at start and end of operation

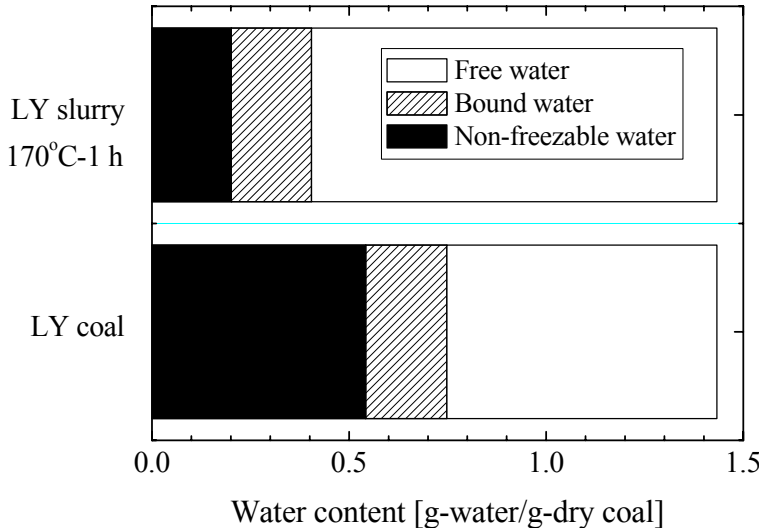


Figure 6 Freezing properties of water in LY coal and LY slurry

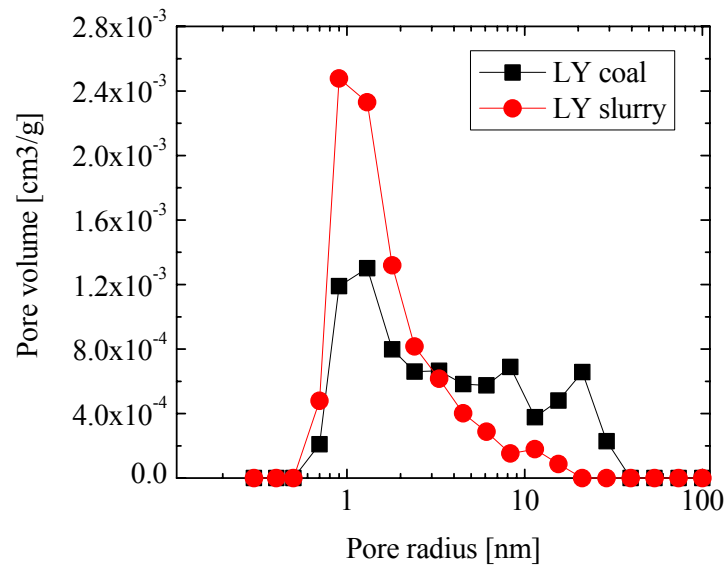


Figure 7 Pore size distribution of dried LY coal and LY slurry



Figure 8 Exhaust of steam/coal from LY slurry

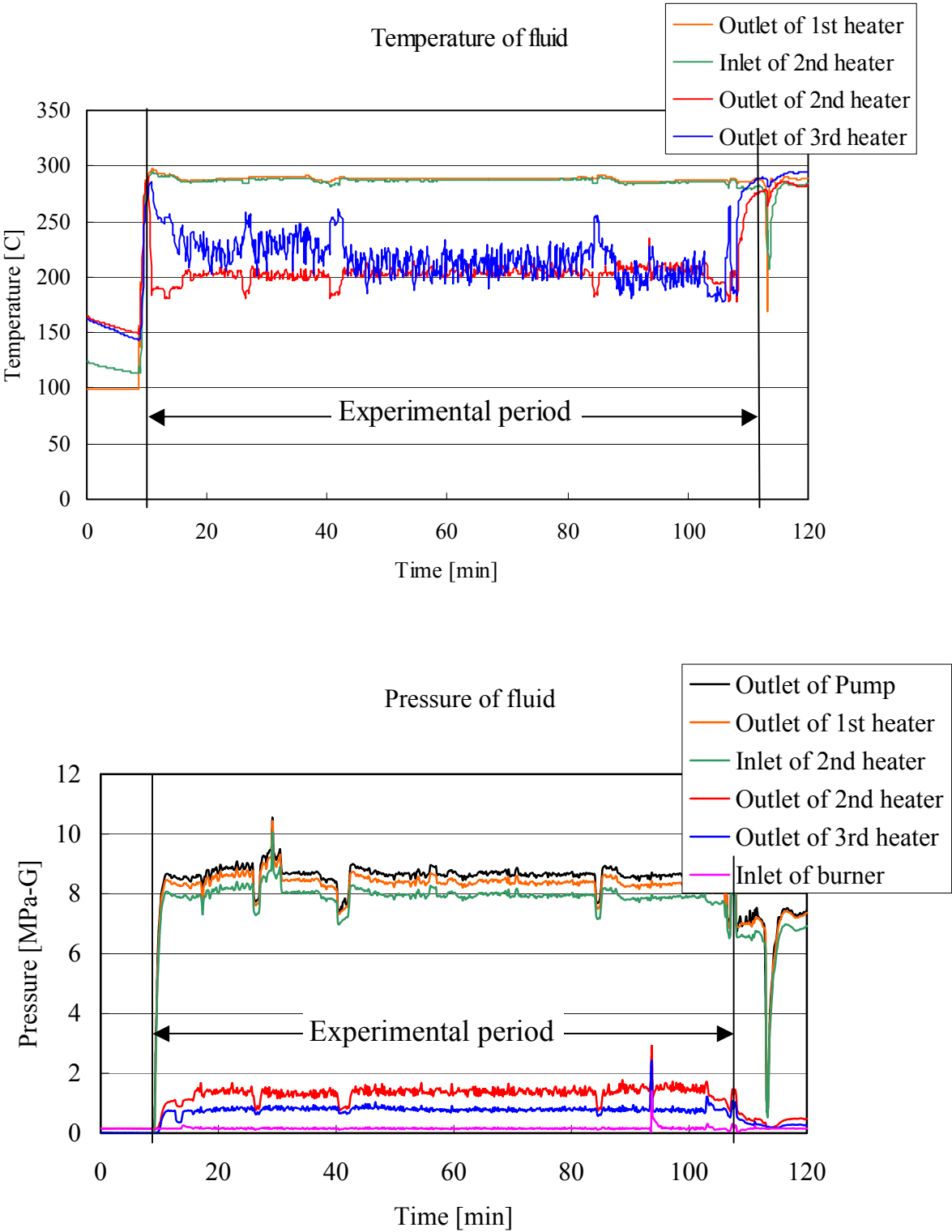


Figure 9 Log data of preheating of LY slurry

Evaluation of Brown Coal Power Plant using CWS System

1 Evaluation of CWS preheating system

1.1 Conditions

Processing ability: 300 t/d-dry coal

Type of vaporizer: race track

Heating medium: Molten salt (340°C, 1 m/s)

1.2 Material

CWS from brown coal: 65wt%-CWS (35% water+65% dried coal)

1.3 Design

Number of feed tube: 1

Design of feed tube:

Design of tube	
Inner diameter [mm]	Length [m]
85.4	500
25	40
32.9	20
38.4	20
49.5	20
62.3	40
85.4	40
120.8	40
143.2	40
190.9	40

Prediction of temperature, ratio of water evaporation, pressure, and velocity for large-scale CWS preheater are shown in Figure 1.3-1. Left side and right side of these figures indicate outlet and inlet of CWS preheater, respectively.

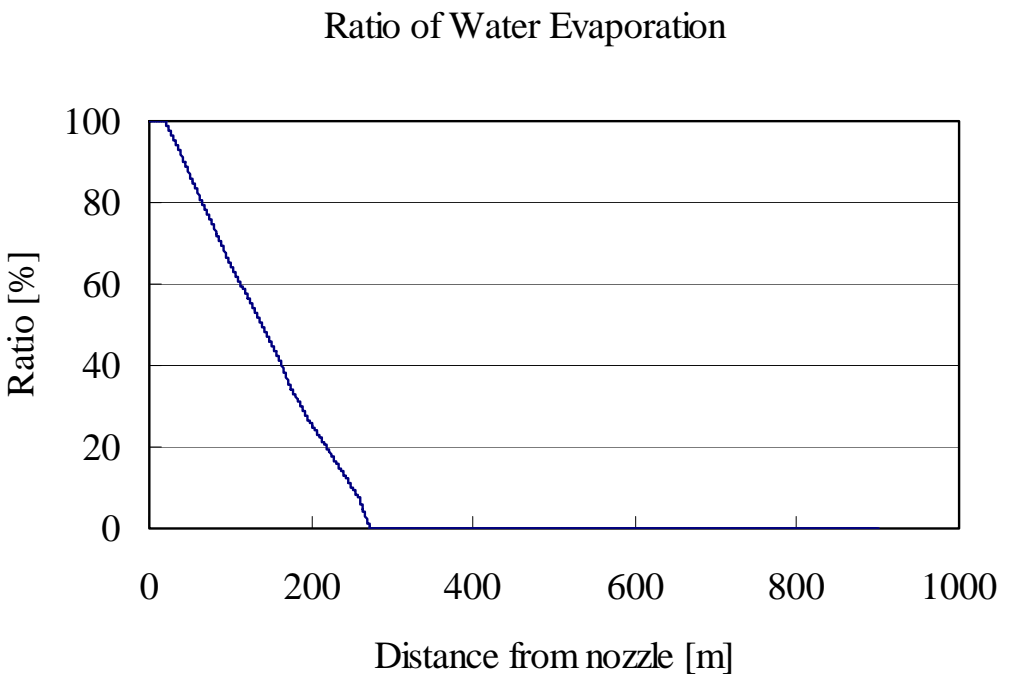
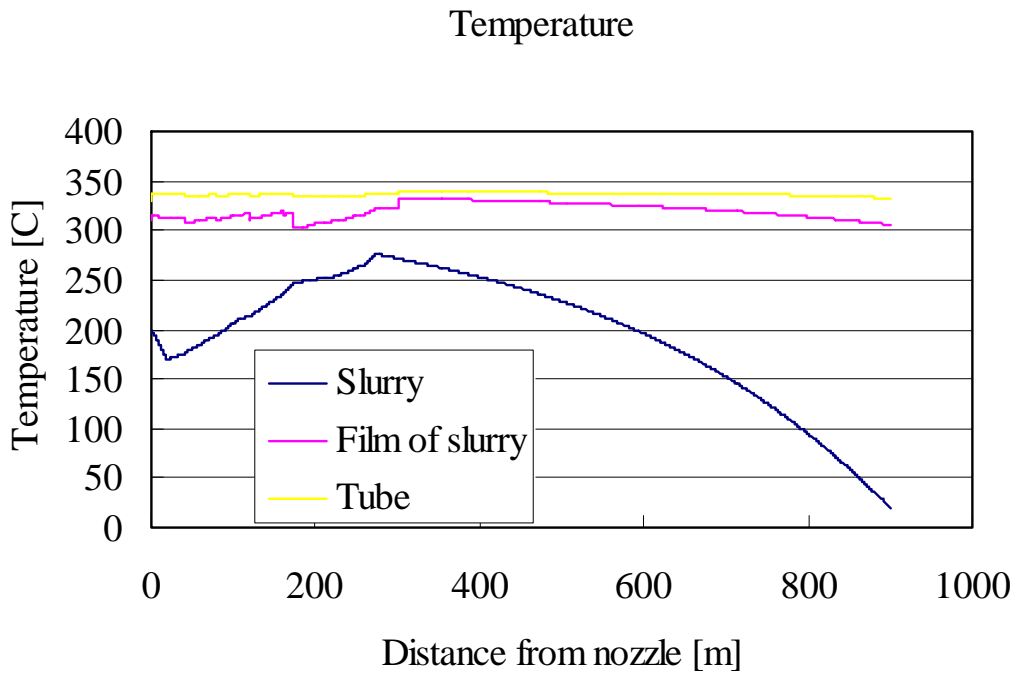


Figure 1.3-1 Prediction of CWS flowage and heat transfer

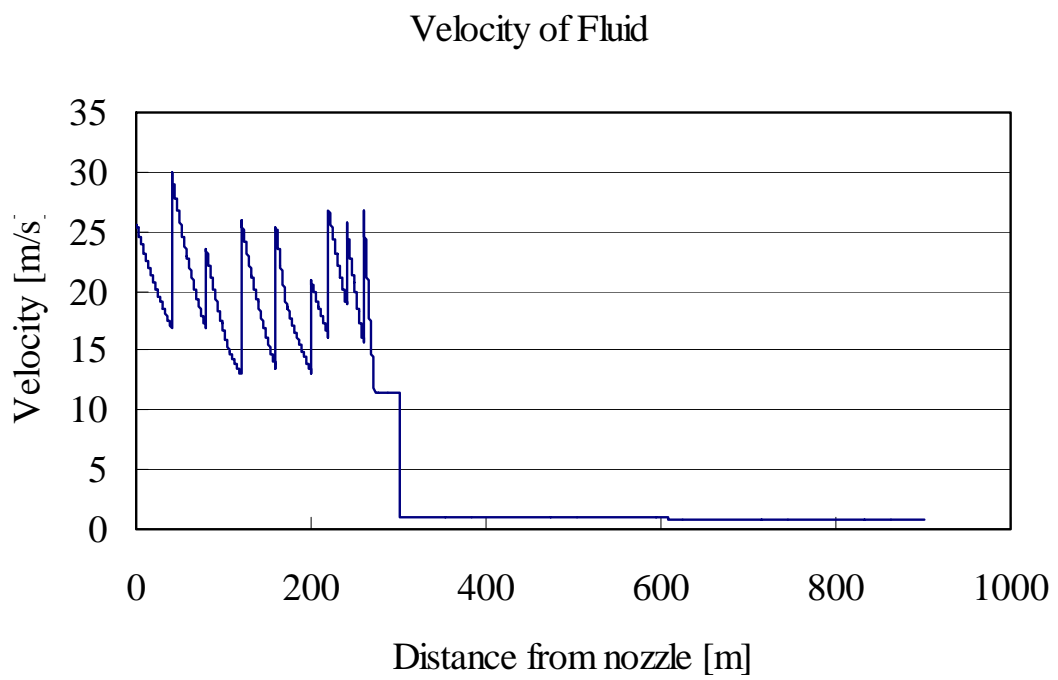
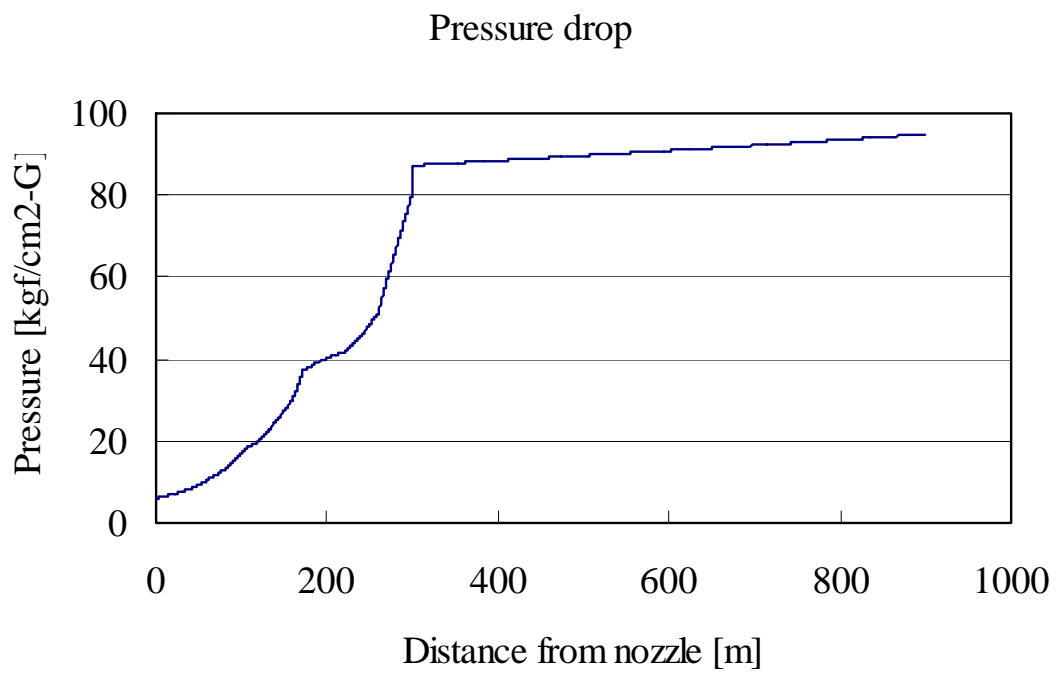


Figure 1.3-1 Continued

1.4 General representation of CWS preheating system

Process flow diagram, equipment list, and engineering flow diagram for CWS preheating system are shown in Fig.1.4-1, Table 1.4-1, and Fig.1.4-2, respectively.

CWS produced with CWS kneader is supplied to CWS tank (FA101) at temperature of 170°C and pressure of 1.0 MPa-G. The CWS is pressurized with CWS pump (GA101) to 10.0 MPa-G, and is fed to preheater (EA101). The CWS is heated up to 270°C with EA101.

Water in the CWS vaporizes with the vaporizer (EA102A and EA102B). At the initial of EA102A, water in the CWS is in a saturated state. The water vaporizes through EA102A and EA102B having different inner diameters of feed tube. The CWS is completely converted to coal/steam mixture and is fed into boiler.

Molten salt is heated to 340°C with molten salt heater (BA201). The molten salt gives heat for each unit (EA101, EA102A and EA102B), and goes back to BA201 through molten salt tank (FA201) with pump (GA201)

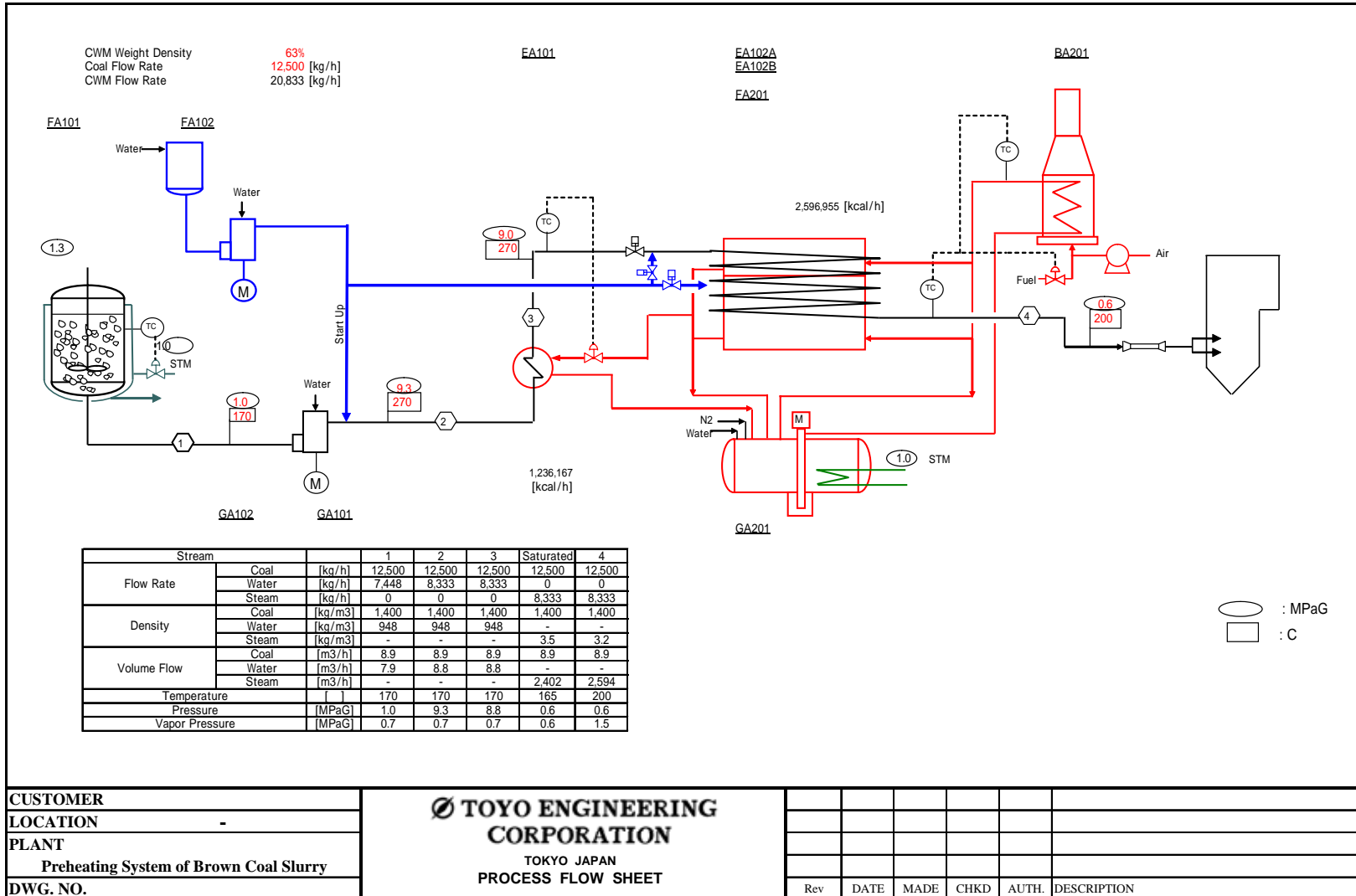


Figure 1.4-1 Process flow diagram


PLANT		 Equipment List CLASS "D" "F" Tower, Tank												MADE BY	DATE		
SECTION														Preheating System of Brown Coal Slurry	CHECK BY	DATE	
JOB No.														APPR. BY	DATE		
Rev	Item No.	Service Name	No. Req'd	Fluid Name	Type	Specifications			Materials	Design Conditions		Operating Conditions		Accessories	Code	Insulation	Remarks
					I.D. (mm)	T-T Length (mm)	Volume (m ³)	Temp. ()		Pressure (MPaG)	Temp. ()	Pressure (MPaG)					
0	FA101	CWM Tank	1	Brown Coal Slurry 63 wt.%	Vertical Cylindrical with Jacket	3,300	4,270	40.0	C.S.	198/203	1.1/1.1	170/175	1.0/1.0	Agitator	-	H	CWM for 2 hours (35.4) 80~90%
0	FA102	Water Tank	1	Water	Vertical Cylindrical	2,000	2,350	8.0	C.S.	60	Full Liquid	20	ATM	-	-	-	Preheating Line*1.2
0	FA201	Molten-salt Tank	1	Molten-salt	Horizontal Cylindrical	3,100	5,950	50.0	C.S.	374/203	0.6/1.1	340/175	0.3/1.0	Steam Coil	-	H	

Table 1.4-1 Equipment list



PLANT		<div style="text-align: center;">  TOYO ENGINEERING CORPORATION </div>												MADE BY		DATE													
SECTION														<div style="text-align: center;"> Preheating System of Brown Coal Slurry </div>												CHECK BY		DATE	
JOB No.																										<div style="text-align: center;"> Equipment List CLASS "E" Heat Exchanger </div>			
Rev	Item No.	Service Name	No. Req'd		Fluid Name	Type	Surface Area (m ²)	Specifications			Materials	Design Conditions		Operating Conditions		Duty (W)	Code	Insulation	Remarks										
								DIA (mm)	Length (mm)	Tube No.		Temp. ()	Pressure (MPaG)	Temp. ()	Pressure (MPaG)														
0	EA101	Preheater	1	T	CWM	V-AEU	27	15.9			C.S.	298	13.2	270	9.3	Nor.	-	H											
				S	Molten-salt			300	9,000	61	C.S.	371	0.6	338/308	0.3	1,437,403		H											
0	EA102A	Vaporizer	2	T	CWM	Coil	*1	*1			304SS	308	13.2	280	8.8	Nor.	-	H	*1 See Datasheet										
				S	Molten-salt				*1	*1	C.S.	374	0.6	340/338	0.3	752,829		H											
0	EA102B	Vaporizer	2	T	CWM	Coil	*1	*1			304SS	278	13.2	250	4.0	Nor.	-	H	*1 See Datasheet										
				S	Molten-salt				*1	*1	C.S.	374	0.6	340/331	0.3	3,019,715		H											

Table 1.4-1 Continued

PLANT		 TOYO ENGINEERING CORPORATION											MADE BY	DATE												
SECTION													Equipment List CLASS "G" Pump											CHECK BY	DATE	
JOB No.																								APPR. BY	DATE	
Rev	Item No.	Service Name	No. Req'd	Fluid Name	Type	Specifications Capacity (m ³ /h) Head (m)		Pressure Suc./Dis. (MPaG)	Density (kg/m ³)	Viscosity (cP)	Vapor Pressure (kPa)	Operating Temp. ()	Material	Motor Rating (kW)	Code	Remarks										
0	GA101	CWM Pump	1	Brown Coal Slurry 63 wt.%	Reciprocating	16.8	1,010	1.0/12.0	1,189	3.8	690.7	170	S.S.	B.V.	-	Pulsation Prevention Safety Valve										
0	GA102	Water Pump	1	Water	Reciprocating	16.8	1,200	0.0/12.0	1,000	1	2.3	20	S.S.	B.V.	-	Pulsation Prevention Safety Valve										
0	GA201	Molten-salt Pump	1	Molten-salt	Centrifugal	2,300	30	0.0/0.3	1,831	2.6	-	340	S.S.	B.V.	-											


PLANT		 TOYO ENGINEERING CORPORATION											MADE BY	DATE												
SECTION													Equipment List Others											CHECK BY	DATE	
JOB No.																								APPR. BY	DATE	
Rev	Item No.	Service Name	No. Req'd	Fluid Name	Type	Volume	Specifications	Materials	Design Conditions Temp. () Pressure (MPaG)		Operating Conditions Temp. () Pressure (MPaG)		Code	Insulation	Remarks											
0	BA201	Molten-salt Heating System	1	Molten-salt	-	Duty *1) 4,480,554 kcal/h		C.S.	374	0.6	340	0.3	-	-	*1) Heat loss and burner efficiency are not expecting											

Table 1.4-1 Continued

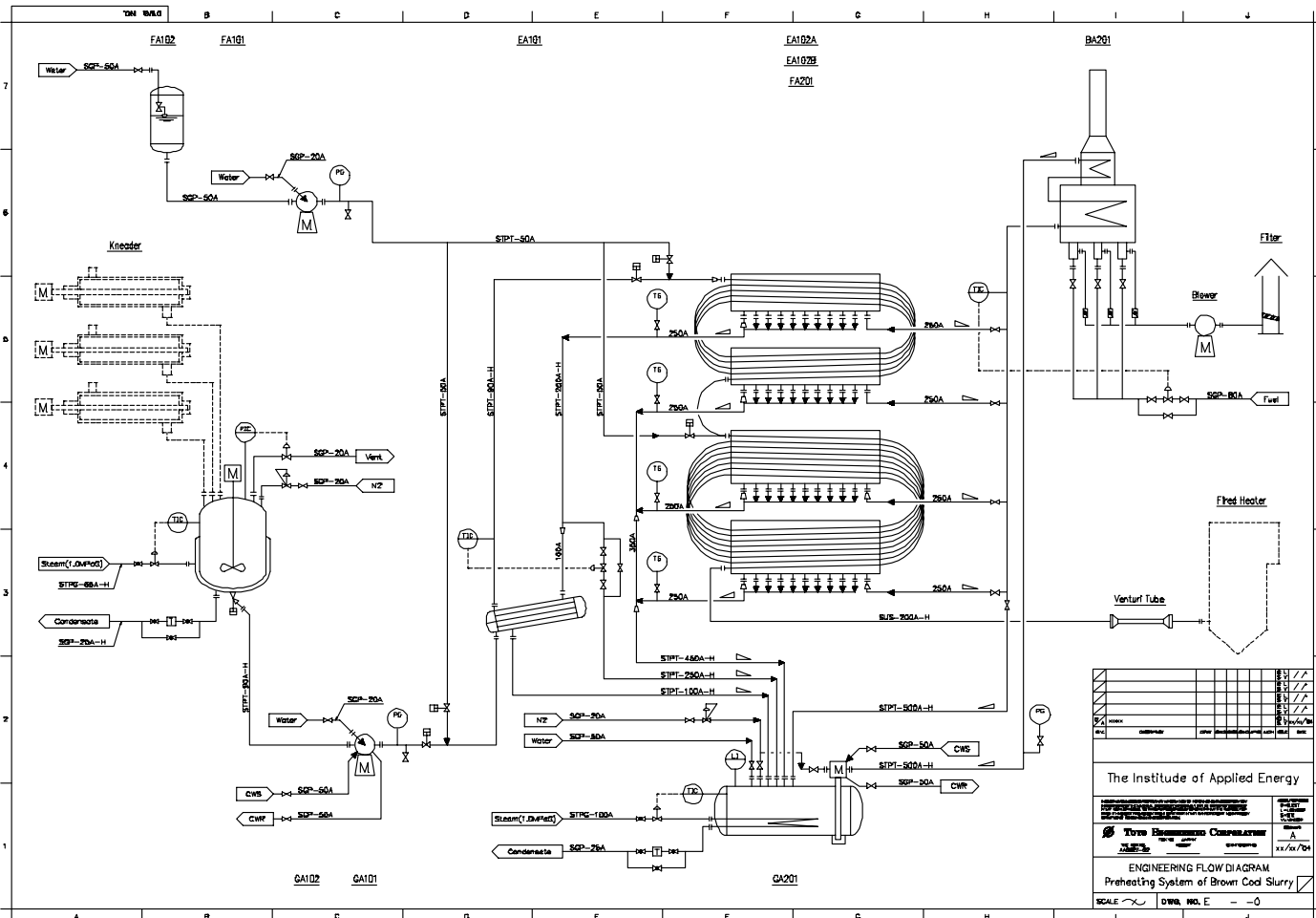

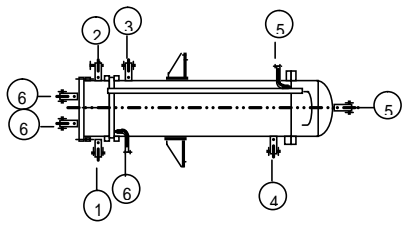




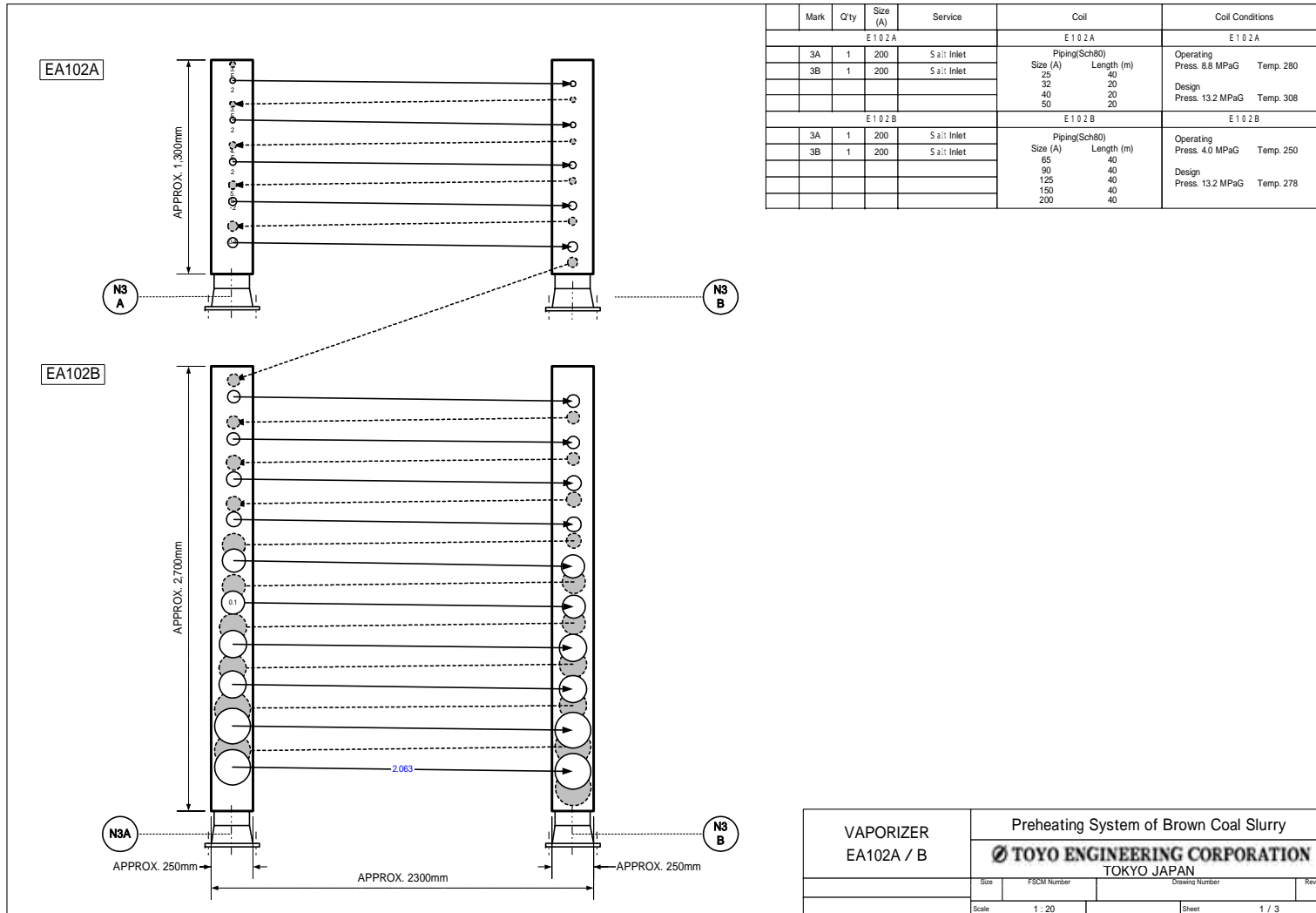
Figure 1.4-2 Engineering flow diagram

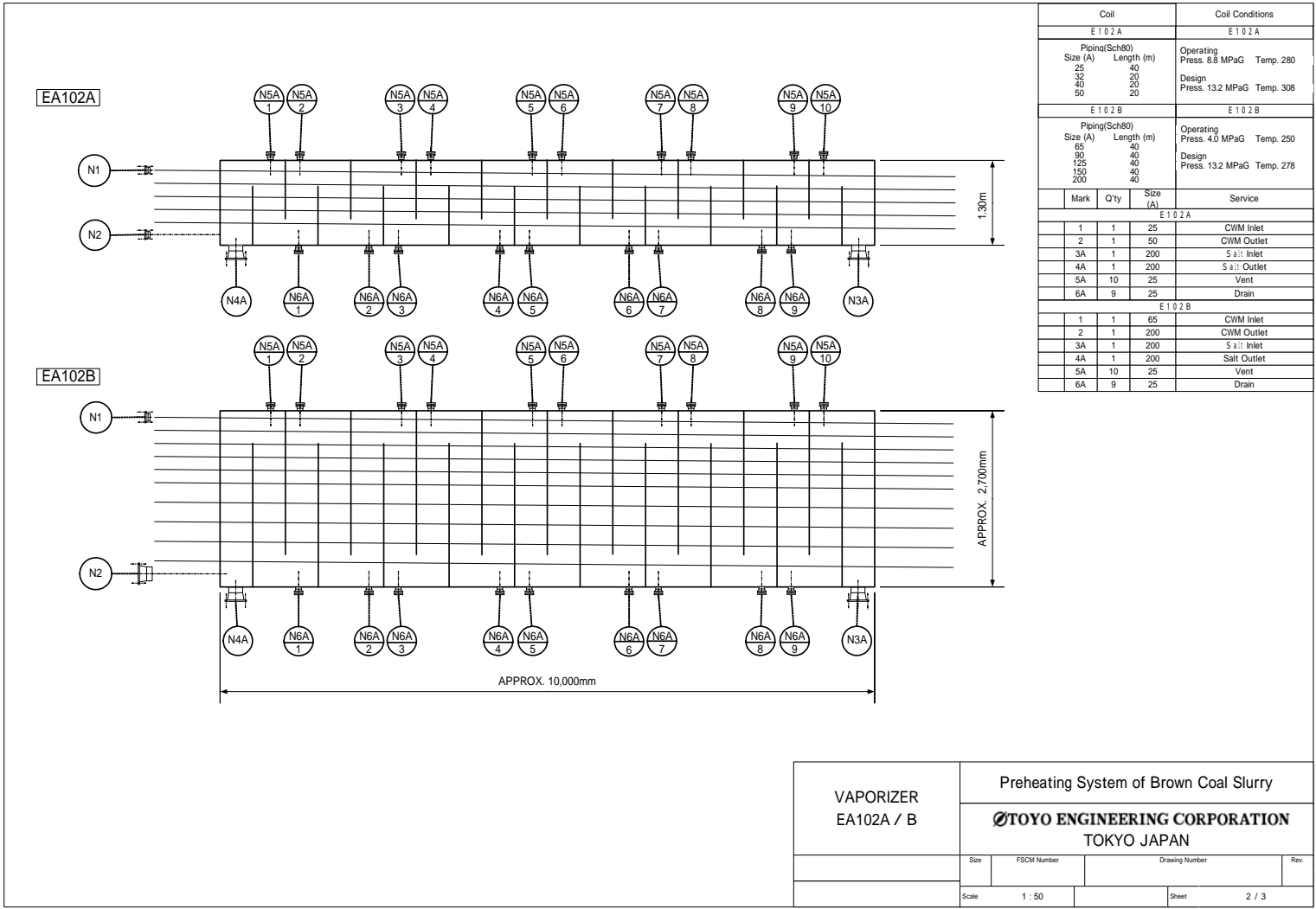
1.5 Data sheet for main equipments

 TOYO ENGINEERING CORPORATION <small>TOKYO JAPAN</small>		HEAT EXCHANGER												
		SPECIFICATION SHEET												
1	CUSTOMER	REV.	DATE	MADE	CHKD.	AUTH.	LINE NO.							
2	PLANT LOCATION													
3	WORK NO.	ITEM NO. EA101												
4	SERVICE OF UNIT	CASE												
5		Preheater												
6	NO. REQ'D WORKING	1	STANDBY	0	TOTAL	1								
7	SIZE	TYPE V-AEU		CONNECTED IN	PARALLEL	SERIES								
8	SURF -	m ² SHELLS PER UNIT		SURFACE PER SHELL		27.1	m ²							
PERFORMANCE OF ONE UNIT														
FLUID ALLOCATION		SHELL SIDE			TUBE SIDE									
10	FLUID NAME	Molten-salt			CWM									
11	FLUID QUANTITY TOTAL	kg/h	107,825	x	1.0	19,948	x	1.00						
12	VAPOR	kg/h	IN.	107,825	OUT.	19,948	IN.	19,948						
13	LIQUID	kg/h	107,825		107,825	19,948		19,948						
14	STEAM	kg/h												
15	WATER	kg/h												
16	NON-CONDENSABLE	kg/h												
17	TEMPERATURE	°C	338		308	170		270						
18	DENSITY	V/L	kg/m ³	/	/	/		/						
19	VISCOSITY	V/L	mPa.s	/	/	/		/						
20	MOLECULAR WEIGHT-VAPORS													
21	MOLECULAR WEIGHT-NONCON.													
22	THERMAL CONDUCT.	V/L	W/m.K	/	/	/		/						
23	SPECIFIC HEAT	V/L	KJ/kg.K	/	/	/		/						
24	LATENT HEAT		KJ/kg											
25	OPERATING PRESSURE		KPaG			9200								
26	VELOCITY		m/s											
27	PRESSURE DROP,ALLOW./CALC.		KPaA	50	/	100	/							
28	FOULING RESISTANCE		m ² .K/W		0.00086		0.00086							
29	HEAT EXCHANGED		1,437,403	x	1.00	W	M.T.D(CORRECTED)	°C						
30	TRANSFER RATE-SERVICE						CLEAN	W/m ² .K						
		CONSTRUCTION OF ONE SHELL			SKETCH(BUNDLE/NOZZLE ORIENTATION)									
		SHELL SIDE		TUBE SIDE										
31	DESIGN PRESSURE	KPaG	600	&	13200			&						
32	TEST PRESSURE	KPaG												
33	DESIGN TEMPERATURE	°C	371	&	298			&						
34	NO.PASSES PER SHELL													
35	CORROSION ALLOWANCE	mm	3.0		3.0									
36	INSULATION		H		H									
37	CONNECTIONS	IN	100A	/	90A			/						
38	SIZE	OUT	100A	/	90A			/						
39	/	Drain	20A	/	20A			/						
40	RATING	Vent	20A	/	20A	/								
41	TUBES NO.	O.D.	mm	THK	mm	LENGTH	9,000	mm	PITCH	mm	30	60	90	45
42	TUBES TYPE	PLAIN			MATERIAL	CS								
43	SHELL	CS	I.D.	300	mm	SHELL COVER								
44	CHANNEL				CHANNEL COVER									
45	TUBESHEET-STATIONARY				TUBESHEET-FLOATING									
46	FLOATING HEAD COVER				IMPINGEMENT BAFFLE	<input checked="" type="radio"/> YES <input type="radio"/> NO								
47	BAFFLES-CROSS	TYPE			H.V.45	%CUT(DIAM/AREA)	SPACING	mm						
48	BAFFLE-LONG				SEAL TYPE									
49	SUPPORTS-TUBE				U-BEND	TYPE								
50	BYPASS SEAL ARRANGEMENT													
51	GASKETS-SHELL				CHANNEL	FLOATING HEAD								
52	CODE REQUIREMENTS				TEMA	CLASS	<input checked="" type="radio"/> R <input type="radio"/> B <input type="radio"/> C							
53	WEIGHT-EACH SHELL	kg	FILLED WITH WATER		kg	BUNDLE	kg							
54	REMARKS													
55														
56														
57														
58														
59														

 TOYO ENGINEERING CORPORATION <small>TOKYO JAPAN</small>		HEAT EXCHANGER									
		SPECIFICATION SHEET									
1	CUSTOMER	REV.	DATE	MADE	CHKD.	AUTH.	LINE NO.				
2	PLANT LOCATION										
3	WORK NO.	ITEM NO. EA102A									
4	SERVICE OF UNIT	CASE									
5		Vaporizer									
6	NO. REQ'D WORKING	2	STANDBY	0	TOTAL	2					
7	SIZE	TYPE Coil		CONNECTED IN	PARALLEL	SERIES					
8	SURF -	m ² SHELLS PER UNIT		SURFACE PER SHELL *1		m ²					
PERFORMANCE OF ONE UNIT											
FLUID ALLOCATION		SHELL SIDE			TUBE SIDE						
10	FLUID NAME	Molten-salt			CWM						
11	FLUID QUANTITY TOTAL	kg/h	824,116	x	1.0	19,948	x	1.00			
12	VAPOR	kg/h	IN.	824,116	OUT.	0	IN.	19,948			
13	LIQUID	kg/h	824,116		824,116	19,948		OUT.			
14	STEAM	kg/h									
15	WATER	kg/h									
16	NON-CONDENSABLE	kg/h									
17	TEMPERATURE	°C	340		338	280		250			
18	DENSITY	V/L	kg/m ³	/	/	/		/			
19	VISCOSITY	V/L	mPa.s	/	/	/		/			
20	MOLECULAR WEIGHT-VAPORS										
21	MOLECULAR WEIGHT-NONCON.										
22	THERMAL CONDUCT.	V/L	W/m·K	/	/	/		/			
23	SPECIFIC HEAT	V/L	KJ/kg·K	/	/	/		/			
24	LATENT HEAT		KJ/kg								
25	OPERATING PRESSURE		KPaG			8800					
26	VELOCITY		m/s								
27	PRESSURE DROP,ALLOW./CALC.		KPaA	50	/	*1	/				
28	FOULING RESISTANCE		m ² ·K/W		0.00086			0.00086			
29	HEAT EXCHANGED		752,829	x	1.00	W		M.T.D(CORRECTED)			
30	TRANSFER RATE-SERVICE							CLEAN W/m ² ·K			
CONSTRUCTION OF ONE SHELL		SHELL SIDE			TUBE SIDE			SKETCH(BUNDLE/NOZZLE ORIENTATION)			
31	DESIGN PRESSURE	KPaG	600	&	13200	&	See Attachment				
32	TEST PRESSURE	KPaG									
33	DESIGN TEMPERATURE	°C	374	&	308	&					
34	NO.PASSES PER SHELL										
35	CORROSION ALLOWANCE	mm	3.0		3.0						
36	INSULATION		H		H						
37	CONNECTIONS	IN	200A	/	25A	/					
38	SIZE	OUT	200A	/	50A	/					
39	/	LIQ.OUT	/		/						
40	RATING	INTERMEDIATE	/		/						
41	TUBES NO.	O.D	mm	THK	mm	LENGTH	*1	mm	PITCH	mm	◀30 ▶60 ▶90 ▶45
42	TUBES TYPE	PLAIN			MATERIAL	304 SS					
43	SHELL	CS	I.D.	*1	mm	SHELL COVER					
44	CHANNEL				CHANNEL COVER						
45	TUBESHEET-STATIONARY				TUBESHEET-FLOATING						
46	FLOATING HEAD COVER				IMPINGEMENT BAFFLE	◎ YES ○ NO					
47	BAFFLES-CROSS	TYPE			H.V.45	%CUT(DIAM/AREA)	SPACING	mm			
48	BAFFLE-LONG				SEAL TYPE						
49	SUPPORTS-TUBE				U-BEND		TYPE				
50	BYPASS SEAL ARRANGEMENT										
51	GASKETS-SHELL				CHANNEL		FLOATING HEAD				
52	CODE REQUIREMENTS					TEMA	CLASS	◎ R ◎ B ◎ C			
53	WEIGHT-EACH SHELL		kg	FILLED WITH WATER		kg	BUNDLE	kg			
54	REMARKS	*1: See Attachment									
55											
56											
57											
58											
59											

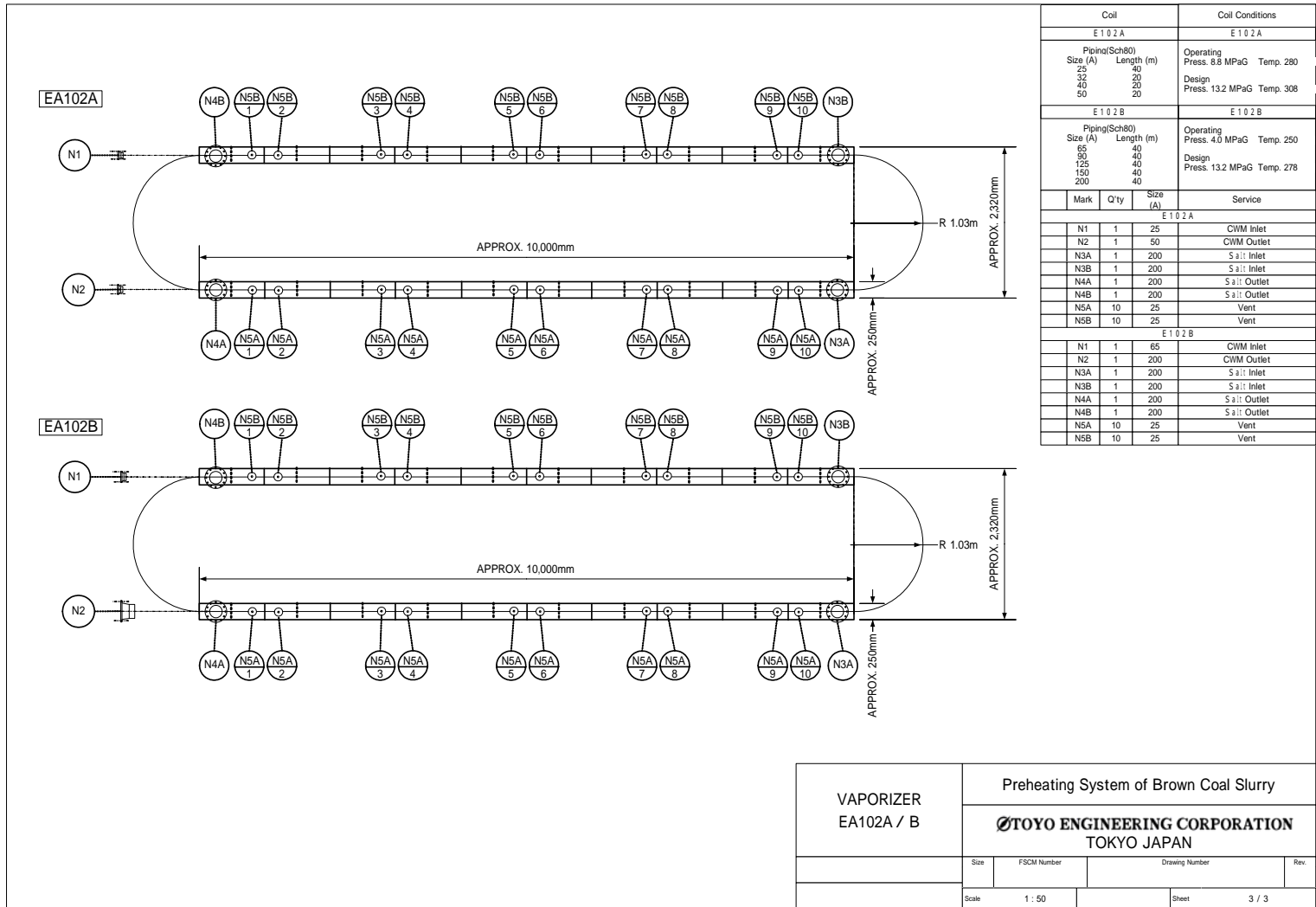
 TOYO ENGINEERING CORPORATION <small>TOKYO JAPAN</small>		HEAT EXCHANGER						
		SPECIFICATION SHEET						
1	CUSTOMER	REV.	DATE	MADE	CHKD.	AUTH.	LINE NO.	
2	PLANT LOCATION							
3	WORK NO.	ITEM NO. EA102B						
4	SERVICE OF UNIT	CASE						
5		Vaporizer						
6	NO. REQ'D WORKING	2	STANDBY	0	TOTAL	2		
7	SIZE	TYPE Coil		CONNECTED IN	PARALLEL	SERIES		
8	SURF -	m ² SHELLS PER UNIT		SURFACE PER SHELL		*1	m ²	
PERFORMANCE OF ONE UNIT								
FLUID ALLOCATION		SHELL SIDE			TUBE SIDE			
10	FLUID NAME	Molten-salt			CWM			
11	FLUID QUANTITY TOTAL	kg/h	824,116	x	1.0	19,948	x	1.00
12	VAPOR	kg/h	IN.	824,116	OUT.	5442	IN.	19,948
13	LIQUID	kg/h	824,116		824,116	14,506	OUT.	19,948
14	STEAM	kg/h						
15	WATER	kg/h						
16	NON-CONDENSABLE	kg/h						
17	TEMPERATURE	°C	340		331	250		200
18	DENSITY	V/L	kg/m ³	/	/	/		/
19	VISCOSITY	V/L	mPa.s	/	/	/		/
20	MOLECULAR WEIGHT-VAPORS							
21	MOLECULAR WEIGHT-NONCON.							
22	THERMAL CONDUCT.	V/L	W/m.K	/	/	/		/
23	SPECIFIC HEAT	V/L	KJ/kg.K	/	/	/		/
24	LATENT HEAT		KJ/kg					
25	OPERATING PRESSURE		KPaG			4000		
26	VELOCITY		m/s					
27	PRESSURE DROP,ALLOW./CALC.		KPaA	50	/	*1	/	
28	FOULING RESISTANCE		m ² .K/W		0.00086		0.00086	
29	HEAT EXCHANGED		W	3,019,715	x	1.00	W	M.T.D(CORRECTED)
30	TRANSFER RATE-SERVICE		W/m ² .K					CLEAN
		CONSTRUCTION OF ONE SHELL			SKETCH(BUNDLE/NOZZLE ORIENTATION)			
31	DESIGN PRESSURE	KPaG	600	&	13200	&	See Attachment	
32	TEST PRESSURE	KPaG						
33	DESIGN TEMPERATURE	°C	374	&	278	&		
34	NO.PASSES PER SHELL							
35	CORROSION ALLOWANCE	mm	3.0		3.0			
36	INSULATION		H		H			
37	CONNECTIONS	IN	200A	/	65A	/		
38	SIZE	OUT	200A	/	200A	/		
39	/	LIQ.OUT	/		/			
40	RATING	INTERMEDIATE	/		/			
41	TUBES NO.	O.D	mm	THK	mm	LENGTH	*1	mm
42	TUBES TYPE	PLAIN			MATERIAL	304 SS		mm
43	SHELL	CS	I.D.	*1	mm	SHELL COVER		
44	CHANNEL				CHANNEL COVER			
45	TUBESHEET-STATIONARY				TUBESHEET-FLOATING			
46	FLOATING HEAD COVER				IMPINGEMENT BAFFLE	◎ YES ○ NO		
47	BAFFLES-CROSS	TYPE			H.V.45	%CUT(DIAM/AREA)	SPACING	mm
48	BAFFLE-LONG				SEAL TYPE			
49	SUPPORTS-TUBE				U-BEND		TYPE	
50	BYPASS SEAL ARRANGEMENT							
51	GASKETS-SHELL				CHANNEL		FLOATING HEAD	
52	CODE REQUIREMENTS					TEMA	CLASS	◎ R ◎ B ◎ C
53	WEIGHT-EACH SHELL		kg	FILLED WITH WATER		kg	BUNDLE	kg
54	REMARKS	*1: See Attachment						
55								
56								
57								
58								
59								





Coil			Coil Conditions	
E 1 0 2 A			E 1 0 2 A	
Piping(Sch80)			Operating	
Size (A)	Length (m)		Press. 8.8 MPaG	Temp. 280
25	40			
32	20		Design	
40	20		Press. 13.2 MPaG	Temp. 308
50	20			
E 1 0 2 B			E 1 0 2 B	
Piping(Sch80)			Operating	
Size (A)	Length (m)		Press. 4.0 MPaG	Temp. 250
65	40			
90	40		Design	
125	40		Press. 13.2 MPaG	Temp. 278
150	40			
200	40			
Mark	Qty	Size (A)	Service	
E 1 0 2 A				
1	1	25	CWM Inlet	
2	1	50	CWM Outlet	
3A	1	200	Salt Inlet	
4A	1	200	Salt Outlet	
5A	10	25	Vent	
6A	9	25	Drain	
E 1 0 2 B				
1	1	65	CWM Inlet	
2	1	200	CWM Outlet	
3A	1	200	Salt Inlet	
4A	1	200	Salt Outlet	
5A	10	25	Vent	
6A	9	25	Drain	

VAPORIZER EA102A / B	Preheating System of Brown Coal Slurry		
	TOYO ENGINEERING CORPORATION TOKYO JAPAN		
Size	FSCM Number	Drawing Number	Rev.
Scale	1 : 50	Sheet	2 / 3



VAPORIZER
EA102A / B

Preheating System of Brown Coal Slurry

TOYO ENGINEERING CORPORATION
TOKYO JAPAN

Size	FSCM Number	Drawing Number	Rev.
Scale	1 : 50	Sheet	3 / 3

1.6 Utilities and cost of equipment

Service Name		Industrial Water (t/h)	10k Steam (t/h)	Cooling Water (t/h)	Nitrogen (Nm ³ /h)	Electricity (kWh)	Fuel (MMkcal/h)
FA101	CWS tank	-	0.09	-	Gas replacement	-	-
FA102	Water tank	0.84*	-	-	-	-	-
FA201	Molten salt tank	Molten salt adjustment	Shut down	-	Gas replacement	-	-

GA101	CWS pump	0.84	-	0.17	-	106	-
GA102	Water pump	0.84*	-	-	-	106*	-
GA201	Molten salt pump	-	-	0.17	Sealing	206	-

BA201	Molten salt heater	-	-	-	-	61	4.8
-------	--------------------	---	---	---	---	----	-----

Consumption pre hour	Industrial Water (t/h)	10k Steam (t/h)	Cooling Water (t/h)	Nitrogen (Nm ³ /h)	Electricity (kWh)	Fuel (MMkcal/h)
Total	0.84	0.09	0.34	Null	373	4.8

Consumption per year (8000 hours per year)	Industrial Water (t/y)	10k Steam (t/y)	Cooling Water (t/y)	Nitrogen (Nm ³ /y)	Electricity (kWh)	Fuel (MMkcal/y)
Total	6,720	720	2,720	Null	2,984,000	38,400

* Start up

Cost of equipment	9,375,000 AU\$\$
-------------------	------------------

2 Comparison of cost and technology for Loy Yang power and CWS system

Technologies for CWS production process and CWS in-line vaporizer have been developed and confirmed. In this section, we compared technology and cost of electricity for conventional Loy Yang power and CWS system (CWS kneader and CWS preheater).

2.1 Crushing and drying

Loy Yang

Wet brown coal is dried with hot flue gas (1010°C) taken from boiler combustion chamber, and then converted to fine particles in primary beater and mill. Moisture of the coal decreases from 67 to 33%.

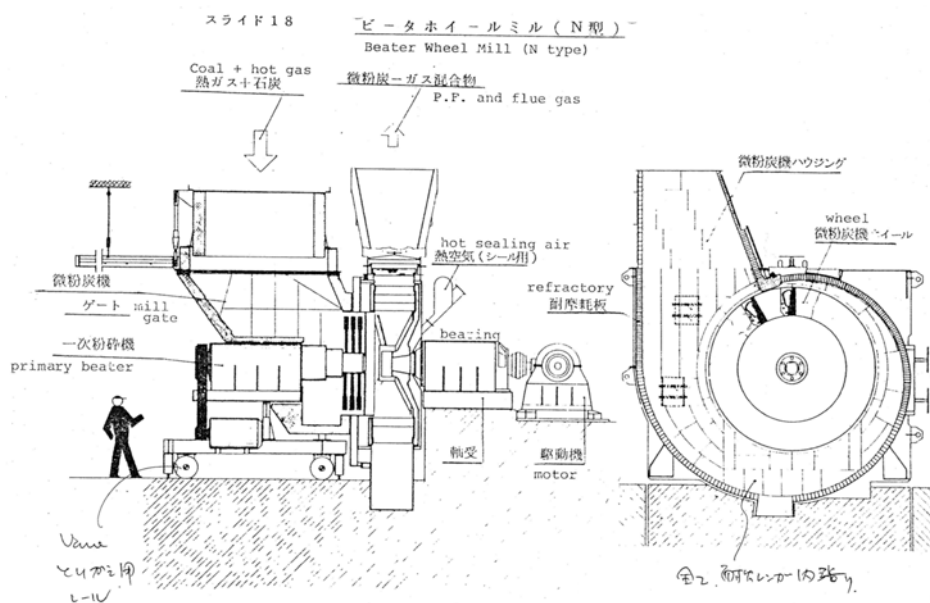


Figure 2.1-1 Wheel Mill

CWS system

Wet brown coal introduced into CWS kneader is converted to CWS with shear stress of 1.0 MPa and temperature of 175°C. In this process, about 37% of moisture is removed from the coal. CWS is converted to dried coal and steam with CWS preheater.

2.2 Steam classifier

Loy Yang

Coal/steam mixture exhausted from wheel mill is introduced into the steam classifier. Data from Yallourn power said that 80% of coal is contained in high concentrated coal/steam mixture and 20% of coal is in the low concentrated mixture.

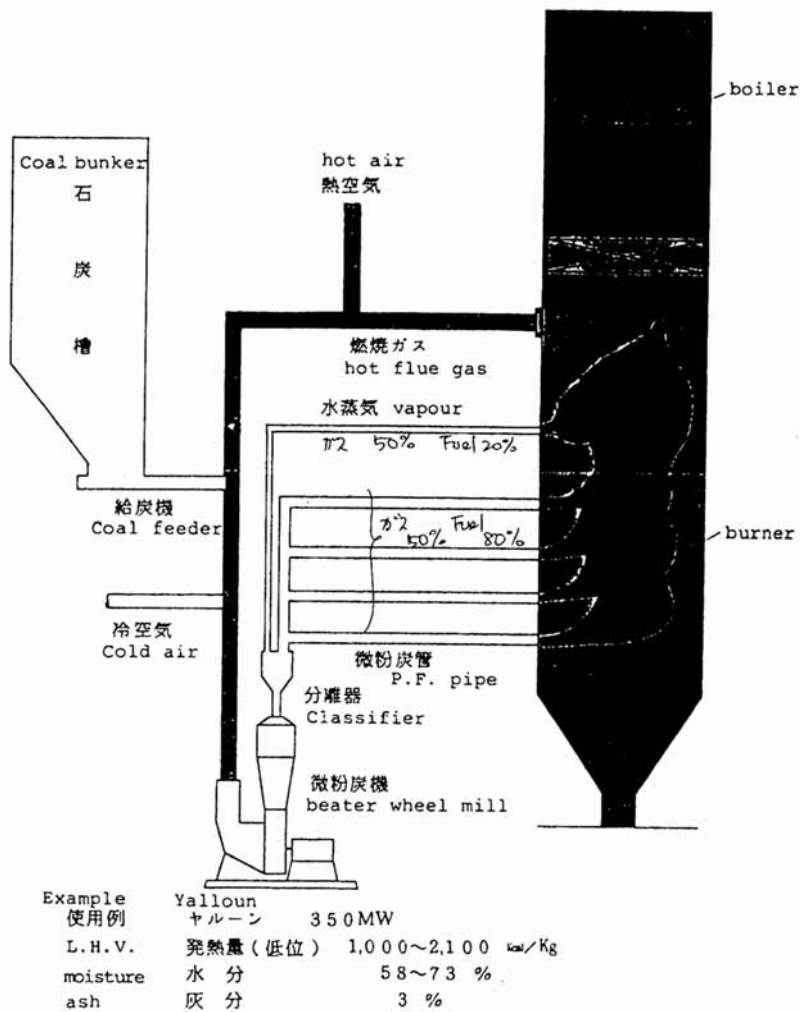


Figure 2.2-1 Simple overview of powdered coal boiler

CWS system

Classification is not needed since coal in CWS is concentrated during CWS production process.

2.3 Comparison of ability

2.3.1 Processing ability of CWS system

Prerequisite is that one CWS production kneader having processing ability of 144 ton/d-raw coal.

Mass balance for one kneader is following.

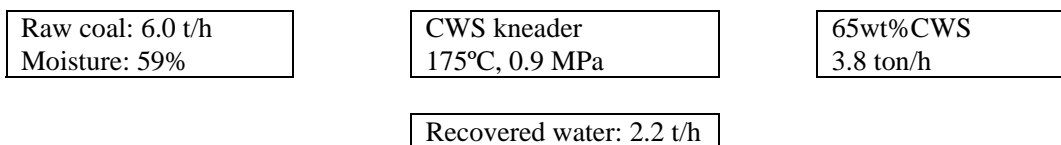


Figure 2.3-1 Mass balance for one kneader

CWS production ratio is $3.8 / 6.0 = 63.3\%$.

2.3.2 Characteristics of CWS

Characteristics of CWS are listed in Table 2.3-1. Heating value is calculated from that of dried Loy Yang (LY) coal of 6380 kcal/kg. 4147 kcal/kg of heating value for CWS is used for consumption of LY coal.

Table 2.3-1 Characteristics of CWS

Coal concentration (wt%)	65.0
Viscosity (cp@25 °C)	600
Ash content (%/coal)	0.46
Sulfur (%/coal)	0.17
Heating value (kcal/kg-CWM)	<u>4,147</u>

2.3.3 Production of electricity

Theoretical value of production of electricity for Loy Yang power is calculated from consumption of LY coal in Loy Yang power (public report). The value for CWS system is calculated with same consumption of LY coal. From Table 2.3-2, CWS system increases the theoretical electricity by 10%.

Table 2.3-2 Production of electricity

Year		2000 (Loy Yang)	CWS system	2001 (Loy Yang)	CWS system
Consumption of brown coal	ton	20,577,000	-	19,151,858	-
Consumption of CWS	ton	-	13,032,100	-	12,129,510
Heating value	kcal/kg	2,374	4,147	2,383	4,147
Amount of heat (theoretical)	GJ	204,537,545	226,271,818	191,064,921	210,600,463
Production of electricity (theoretical)	GWh	56,816	62,853	53,074	58,500

2.3.4 Power generation efficiency for CWS system

Conventional steam-power generation has following heat balance

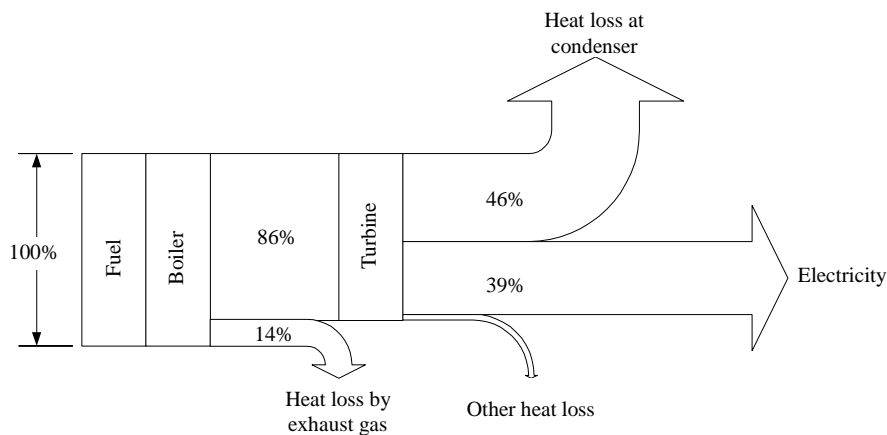


Figure 2.3-2 Heat balance for conventional steam-power generation

Power generation efficiency for Loy Yang power is about 30% calculated from consumption of brown coal and production of electricity. This low efficiency comes from drying brown coal by hot flue gas (1010°C). Energy consumption used for drying brown coal is calculated from latent heat of water evaporation as 440 kcal/kg. Brown coal has heating value of 2374 kcal/kg 18.5% of which is used for drying brown coal. Fig. 2.3-3 shows heat balance for Loy Yang power.

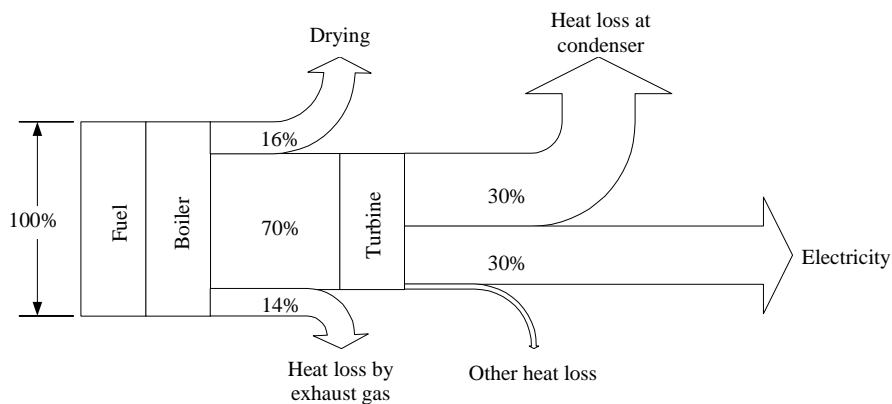


Figure 2.3-3 Heat balance for Loy Yang power

Power generation efficiency for CWS system is considered as 39% since it has drying system before coal injection to boiler. Production of electricity is estimated from the efficiency and data in Table 2.3-2.

Table 2.3-3 Production of electricity for Loy Yang power and CWS system

	Loy Yang 2000 year	CWS system	Loy Yang 2001 year	CWS system
Production of electricity (theoretical) GWh	56,816	62,853	53,074	58,500
Production of electricity GWh	16,945	24,513	16,317	22,815

CWS system can generate more electricity than Loy Yang power by 40%.

2.3.5 Scale-up of CWS system

We calculated consumption of LY coal for CWS system. Production of electricity for CWS system is conformed to that for Loy Yang power. Number of kneaders is calculated from the consumption of LY coal and the processing ability of CWS kneader.

Table 2.3-4 Number of CWS kneaders

	2000 year	2001 year
Consumption of brown coal for CWS system (t/year)	14,308,077	13,365,623
Consumption of brown coal for CWS system (t/h)	1,670	1,587
Number of CWS kneader	279	265

Number of the kneaders for one power unit is 70 since Loy Yang power has 4 power units having 500 MW of production of electricity. 8 units of CWS kneaders are needed for one burner assuming 500 MW boiler has 8 burners. Followings are assumptions for CWS in-line vaporizer and molten salt system;

a. Vaporizer

Number of CWS tank is 8 for overall power generation plant (2 for 500 MW boiler). The tank is shared for 35 units of CWS kneaders. One CWS pump and one vaporizer is settled for one burner. One backup CWS pump is settled for one CWS tank.

b. Molten salt system

Numbers of molten salt tanks and of molten salt heaters are 8 for overall power generation plant. 4 vaporizers are in one molten salt system.

c. Water start-up system

One sequence of water start-up system is settled for 4 CWS pumps.

Figure 2.3-4 shows schematic diagram for CWS system combined with boiler

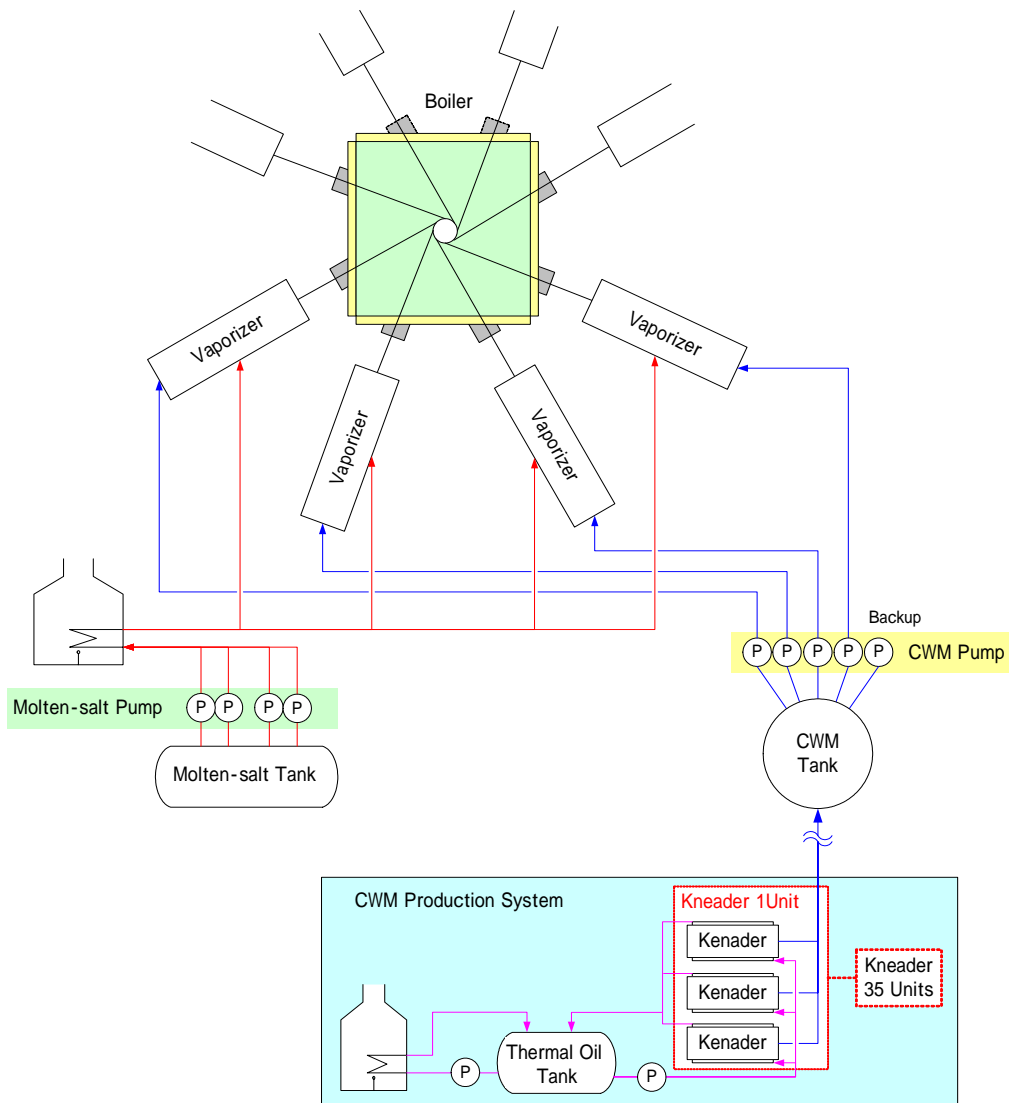


Figure 2.3-4 Schematic diagram for CWS system combined with boiler

2.4 Variable cost

2.4.1 Annual cost for CWS system

Annual cost for CWS system is calculated from annual costs for CWS production process and that for in-line vaporizer.

Construction cost for CWS production process is 46 billion yen (575 million AUS\$) for 280 units of CWS kneaders. Construction cost for preheating system is 50 billion yen (625 million AUS\$).

Condition of estimation

Lifetime is 25 years.

Employment cost for temporary employee is decided as 87,500 AUS\$ from following table.

Table 2.4-1 Average employment cost for Loy Yang power

	2001 year	2002 year
Total personnel cost	56,900,000 AUS\$	56,600,000 AUS\$
Employees	535	532
Average personnel cost	106,355 AUS\$	106,390 AUS\$

Manpower for preheating system is diverted from that for CWS production system.

Electricity used for preheater is diverted from that produced by the power plant.

Table 2.4-2 Annual costs for CWS system

			CWM Production System			Preheating System		
Construction Cost			4,600,000 x10 ⁴ yen			5,000,000 x10 ⁴ yen		
	Item	Unit Cost	Budget		Annual Cost x10 ⁴ yen	Budget		Annual Cost x10 ⁴ yen
			Hourly	Per Annum		Hourly	Per Annum	
Variable Cost	1 Utility							
	Industrial Water	13.75 ¥/ton				215 ton	1,720,320 ton	2,365
	Fuel	200 ¥/10 ⁶ kcal	264.0 x10 ⁶ kcal	2,112,000 x10 ⁶ kcal	42,240	1,216 x10 ⁶ kcal	9,728,000 x10 ⁶ kcal	194,560
	Cooling Water	5 ¥/ton				46 ton	371,667 ton	186
	Steam	3000 ¥/ton				23 ton	184,320 ton	55,296
2 Chemicals	30,000 ¥/ton		0.08 ton	640 ton	1,920			
3 Electric Power	0.00 ¥/kW					47,401 kW·h	379,205,349 kW·h	0
	Total Variable Cost				44,160			252,407
Constant Cost	1 Manpower Cost	7,000 x10 ³ yen/p·y		150 people	105,000			
	2 Capital Charge							
	Depreciation	6.16%	Construction Cost	4,600,000 x10 ⁴ yen	283,410	Construction Cost	5,000,000 x10 ⁴ yen	308,054
	Interest	4.0%						
	Repair Cost	3.0%	Construction Cost	4,600,000 x10 ⁴ yen	138,000	Construction Cost	5,000,000 x10 ⁴ yen	150,000
	Insurance	0.77%	Book Cost	2,530,000 x10 ⁴ yen	19,481	Book Cost	2,750,000 x10 ⁴ yen	21,175
	Property Tax	1.4%	Book Cost	2,530,000 x10 ⁴ yen	35,420	Book Cost	2,750,000 x10 ⁴ yen	38,500
3 Administrative expense	20.0%	Labor Cost	105,000 x10 ⁴ yen	21,000				
	Total Constant Cost				602,311			517,729
	Total Annual Cost				646,471			770,136

CWS production system = 6.46 billion yen/year (80.7 million AU\$\$/year)

Preheating system = 7.70 billion yen/year (96.4 million AU\$\$/year)

Total annual costs for CWS system is 14.16 billion yen/year (177.0 million AU\$\$/year)

2.4.2 Comparison of variable costs

Condition of estimation

Data for 2000 year are used.

Unit cost of LY coal is 2.5 AU\$/ton.

Unit cost of electricity is 33.6 AU\$/MWh.

Electrical consumption for Loy Yang is calculated from 1380kW of motor for pulverizing mill.

Table 2.4-3 Comparison of variable costs (cost of brown coal is 2.5 AU\$/ton)

Item	Unit Cost	Loy Yang		CWM Preheating System	
		Consumption	Budget	Consumption	Budget
Brown Coal (t)	200 yen/ton	20,577,000	411,540	14,308,077	286,162
Industrial Water (t)	13.75 yen/ton	-	-	1,720,320	2,365
Fuel (MMkcal)	200 yen/MMkcal	-	-	11,840,000	236,800
Cooling Water (t)	5 yen/ton	-	-	371,667	186
Steam (t)	3,000 yen/ton	-	-	184,320	55,296
Chemicals (t)	30,000 yen/ton	-	-	640	1,920
Sub Total (x10⁴yen)		411,540		582,729	
Electric Power(MWh)	2,688 yen/MW	49,067	13,189	379,205	101,930
Total (x10⁴yen)		424,729		684,659	
Total (AU\$)		53,091,125		85,582,375	

In the above table, cost of LY coal is expense price. Variable cost is calculated with sales price of LY coal and shown in Table 2.4-4.

Table 2.4-4 Comparison of variable costs (cost of brown coal is 5.3 AUS\$/ton)

Item	Unit Cost	Loy Yang		CWM Preheating System	
		Consumption	Budget	Consumption	Budget
Brown Coal (t)	424 yen/ton	20,577,000	872,465	14,308,077	606,662
Industrial Water (t)	13.75 yen/ton	-	-	1,720,320	2,365
Fuel (MMkcal)	200 yen/MMkcal	-	-	11,840,000	236,800
Cooling Water (t)	5 yen/ton	-	-	371,667	186
Steam (t)	3000 yen/ton	-	-	184,320	55,296
Chemicals (t)	30,000 yen/ton	-	-	640	1,920
Sub Total (x10⁴yen)		872,465		903,230	
Electric Power(MWh)	2,688 yen/MW	49,067	13,189	379,205	101,930
Total (x10⁴yen)		885,654		1,005,160	
Total (AUS\$)		110,706,750		125,645,000	

In the above table, variable cost except electricity for CWS system is close to that for Loy Yang power.

Tables 2.4-5 and 2.4-6 are effect of cost of LY coal on the total variable cost.

Table 2.4-5 Comparison of variable costs (case 1)

Item	Unit Cost	Loy Yang		CWM Preheating System	
		Consumption	Budget	Consumption	Budget
Brown Coal (t)	473 yen/ton	20,577,000	973,448	14,308,077	676,881
Industrial Water (t)	13.75 yen/ton	-	-	1,720,320	2,365
Fuel (MMkcal)	200 yen/MMkcal	-	-	11,840,000	236,800
Cooling Water (t)	5 yen/ton	-	-	371,667	186
Steam (t)	3000 yen/ton	-	-	184,320	55,296
Chemicals (t)	30,000 yen/ton	-	-	640	1,920
Sub Total (x10⁴yen)		973,448		973,448	
Electric Power(MWh)	2,688 yen/MW	49,067	13,189	379,205	101,930
Total (x10⁴yen)		986,638		1,075,378	
Total (AUS\$)		123,329,750		134,422,250	

Table 2.4-6 Comparison of variable costs (case 2)

Item	Unit Cost	Loy Yang		CWM Preheating System	
		Consumption	Budget	Consumption	Budget
Brown Coal (t)	615 yen/ton	20,577,000	1,264,730	14,308,077	879,422
Industrial Water (t)	13.75 yen/ton	-	-	1,720,320	2,365
Fuel (MMkcal)	200 yen/MMkcal	-	-	11,840,000	236,800
Cooling Water (t)	5 yen/ton	-	-	371,667	186
Steam (t)	3000 yen/ton	-	-	184,320	55,296
Chemicals (t)	30,000 yen/ton	-	-	640	1,920
Sub Total (x10⁴yen)		1,264,730		1,175,989	
Electric Power(MWh)	2,688 yen/MW	49,067	13,189	379,205	101,930
Total (x10⁴yen)		1,277,919		1,277,919	
Total (AUS\$)		159,739,875		159,739,875	

Variable costs except electricity for both systems are same in the case 1 (cost of coal is 473 yen/ton = 5.9 AUS\$/ton). Total variable costs for both systems are same in the case 2 (cost of coal is 615 yen/ton = 7.7 AUS\$/ton).

2.5 Ash disposal cost

2.5.1 Ash disposal cost for Loy Yang power

According to Loy Yang power Public Report 2000, amount of ash was 213,973 m³ (13 m³/GWh). It is reported that costs for power station precipitators and ash disposal are 1,333,563 AUS\$ and 1,145,103 AUS\$, respectively. Ash disposal cost for unit volume of ash is 11.6 AUS\$/m³.

2.5.2 Advantage of CWS system

CWS system can reduce consumption of brown coal by 30.5%. The system can save 756,000 AUS\$/year of cost of ash disposal

Table 2.5-1 Variable costs including ash disposal cost

Item	Loy Yang Budget (x10 ⁴ yen)	CWM Preheating System Budget (x10 ⁴ yen)
Variable Cost (Brown Coal=2.5AUS\$/t)	424,729	684,659
Ash Treatment	19,829	13,781
Total	444,558	698,440
Total (AUS\$)	55,569,750	87,305,000
Variable Cost (Brown Coal=5.3AUS\$/t)	885,654	1,005,160
Ash Treatment	19,829	13,781
Total	905,483	1,018,941
Total (AUS\$)	113,185,375	127,367,625

2.6. Estimation of emission of carbon dioxide

CWS system can reduce consumption of brown coal by 30.5%. This section evaluates effect of the reduction of coal consumption on the emission of carbon dioxide.

2.6.1 Cost of reduction of CO₂

According to Loy Yang power Public Report 2000, amount of emission of carbon dioxide is following.

Table 2.6-1 CO₂ Gas Emissions for Loy Yang power

Fuel	CO ₂ Gas Emissions (t)	CO ₂ Gas Emissions (t/GWh)	CO ₂ Gas Emissions (kg/MMkcal)
Brown Coal	19,143,975	1,225	390
Gas	1,995	0.1	246

For CWS system, amount of reduction of CO₂ is 5,838,912 ton. CO₂ generation from CWS vaporizer is calculated as following.

Fuel consumption (MMkcal) :	10,530,041
CO ₂ Gas Emissions (t) :	2,590,390
Reduction of CO ₂ Gas Emissions (t) :	3,248,522

Construction cost of CWS system is 91 billion yen (1137.5 million AUS\$). Cost needed for reduction of CO₂ is 1137.5 million AUS\$/3.248 million ton = 350 AUS\$/ton-CO₂.

Emissions trading are estimated from variable cost including ash disposal (Table 2.5-1) and constant cost (Table 2.4-2), and are listed in Table 2.6-2. Constant cost for Loy Yang power is calculated from cost of pulverizing mill.

Table 2.6-2 Emissions trading and variable cost

Item	Loy Yang Budget (x10 ⁴ yen)	CWM Preheating System Budget (x10 ⁴ yen)
Variable Cost(Brown Coal=2.5AUS\$/t)	444,558	698,440
Constant Cost (x10 ⁴ yen)	101,970	1,120,039
CO ₂ Gas Emissions (t)	-	3,248,522
Trading Value (yen/t)	-	3,951
Trading Value (AUS\$/t)		49.4
Environmental Interst (x10 ⁴ yen)	-	-1,271,952
Total	546,528	546,528
Variable Cost(Brown Coal=5.3AUS\$/t)	905,483	1,018,941
Constant Cost (x10 ⁴ yen)	101,970	1,120,039
CO ₂ Gas Emissions (t)	-	3,248,522
Trading Value (yen/t)	-	3,483
Trading Value (AUS\$/t)		43.5
Environmental Interst (x10 ⁴ yen)	-	-1,131,528
Total	1,007,453	1,007,453

2.7 Heat recovery system

In this section, introduction of heat pump into CWS production process is evaluated.

2.7.1 Heat pump system

Flow diagram of CWS production process is shown in Fig. 2.7-2. Heating medium is used for heat source and the medium is heated with furnace. Steam exhausted from kneader is compressed to 2.45 MPa-G and is converted into superheated steam of 333°C. Heating medium is heated by the steam from 220 to 247°C. The medium is further heated to 260°C with furnace.

Heat balance for 64 units of CWS kneaders is shown in the following figure.

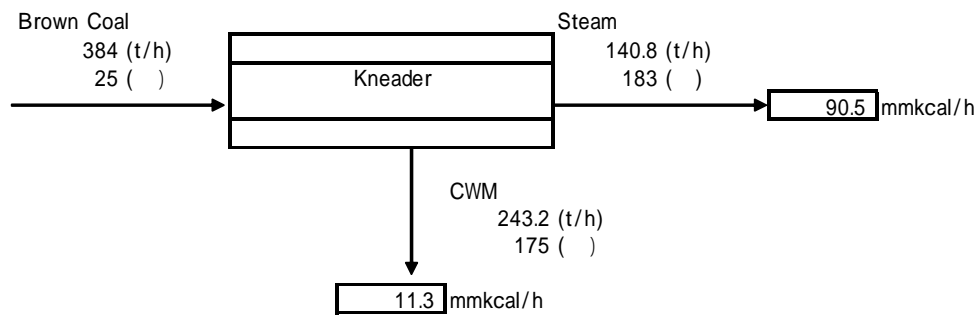
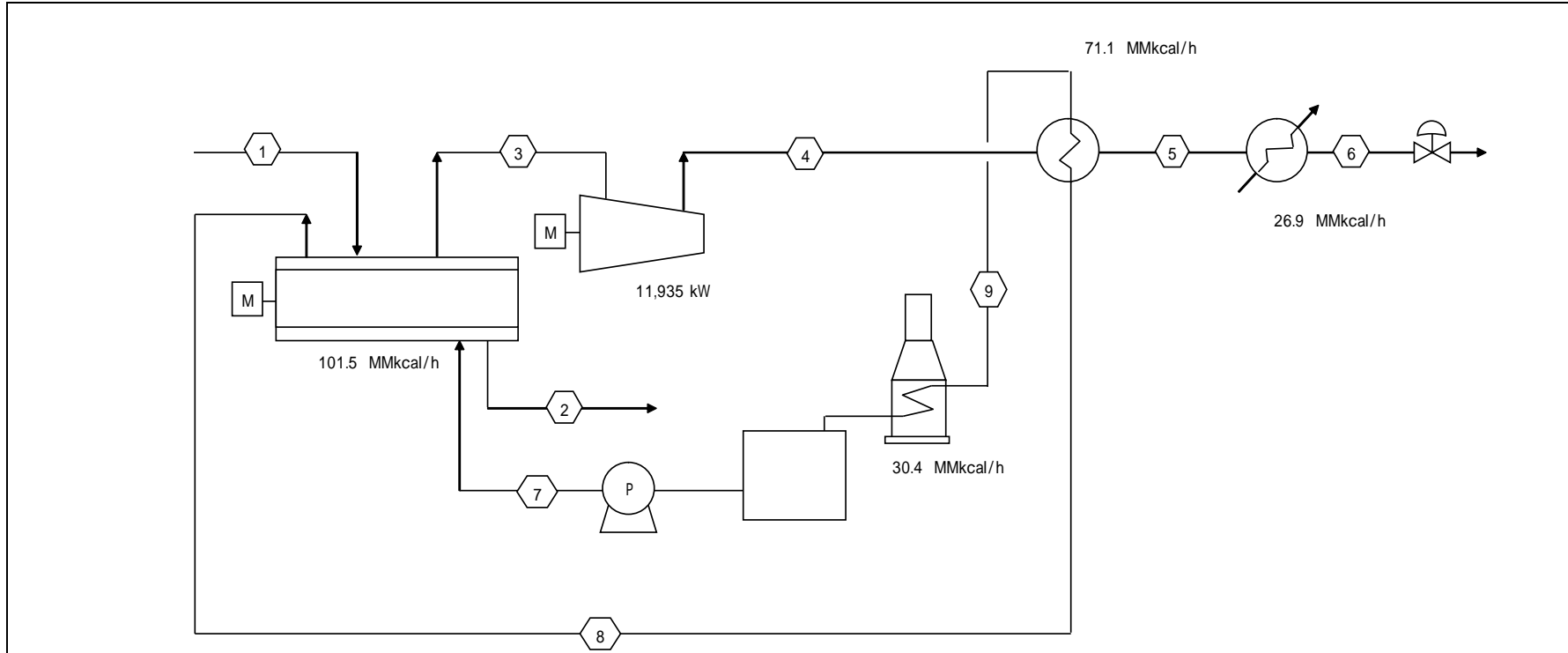


Figure 2.7-1 Heat balance



	1	2	3	4	5	6	7	8	9
	Brown Coal	CWM	Steam	Superheated Steam	Saturated Water	Waste Water	Heat Medium	Heat Medium	Heat Medium
Fluid Flow	t/h	384	243	140.8	140.8	140.8	5073.9	5073.9	5073.9
Pressure	kg/cm2G	0	10	10	26	26	0		
Temperature		25	175	183	333	225	40	260	220

CUSTOMER	 TOYO ENGINEERING CORPORATION TOKYO JAPAN PROCESS FLOW SHEET									
LOCATION						-				
PLANT						Heat Pump System				
DWG. NO.										
		Rev	DATE	MADE	CHKD	AUTH.	DESCRIPTION			

Figure 2.7-2 Flow diagram of heat pump system

2.7.2 Cost merit for heat pump system

Table 2.7-1 Cost for heat pump system

Construction Cost			Heat Pump System		
			210,000 x10 ⁴ yen		
	Item	Unit Cost	Budget		Annual Cost x10 ⁴ yen
			Hourly	Per Annum	
Variable Cost	1 Utility				
	Industrial Water	13.75 円/ton			
	Fuel	200 円/10 ⁶ kcal	-356 x10 ⁶ kcal	-2,844,336 x10 ⁶ kcal	-56,887
	Cooling Water	5 円/ton			
	Steam	3000 円/ton			
2 Chemicals		30,000 円/ton			
	3 Electric Power	0.00 円/kW	47,738 kW·h	381,905,365 kW·h	0
	Total Variable Cost				-56,887
Constant Cost	1 Manpower Cost	7,000 x10 ³ yen/p·y			
	2 Capital Charge				
	Depreciation	6.16%	Construction Cost	210,000 x10 ⁴ yen	12,938
	Interest	4.0%			
	Repair Cost	3.0%	Construction Cost	210,000 x10 ⁴ yen	6,300
	Insurance	0.77%	Book Cost	115,500 x10 ⁴ yen	889
	Property Tax	1.4%	Book Cost	115,500 x10 ⁴ yen	1,617
	3 Administrative expense	20.0%			
	Total Constant Cost			21,745	
	Total Annual Cost			-35,142	

2.8 Construction cost of power plant and cost of electricity

In this section, cost of electricity is calculated assuming construction of new power plant. Estimated results are shown in Tables 2.8-1 and 2.8-2. In case 1, costs of electricity for Loy Yang power and CWS system are same with changing environmental interest. In case 2, environmental interest is fixed at 5000 yen/t-CO₂ (62.5 AUS\$/t-CO₂).

Table 2.8-1 Cost of electricity (case 1)

Construction Cost			Brown Coal Thermal Power Generation(Loy Yang)			Brown Coal Slurry Thermal Power Generation		
			30,000,000 x10 ⁴ yen			39,900,000 x10 ⁴ yen		
	Item	Unit Cost	Budget		Annual Cost x10 ⁴ yen	Budget		Annual Cost x10 ⁴ yen
			Hourly	Per Annum		Hourly	Per Annum	
Variable Cost	1 Brown Coal(Wet Base)	400 yen/ton	2,415 ton	19,321,675 ton	772,867	1,679 ton	13,435,196 ton	537,408
	2 Utility							
	Industrial Water	13.75 yen/ton				215 ton	1,720,320 ton	2,365
	Fuel	200 yen/10 ⁶ kcal				1,295 x10 ⁶ kcal	10,361,600 x10 ⁶ kcal	207,232
	Cooling Water	5 yen/ton				46 ton	371,667 ton	186
	Steam	3000 yen/ton				23 ton	184,320 ton	55,296
	3 Chemicals	30,000 yen/ton				0.08 ton	640 ton	1,920
	4 Electric Power	0.00 yen/kW	200,000 kW·h	1,600,000,000 kW·h		295,139 kW·h	2,361,110,713 kW·h	
	Total Variable Cost				772,867			804,407
Constant Cost	1 Manpower Cost	7,000 x10 ³ yen/p·y		120 people	84,000		150 people	105,000
	2 Capital Charge							
	Depreciation	6.16%	Construction Cost	30,000,000 x10 ⁴ yen	1,848,323	Construction Cost	39,900,000 x10 ⁴ yen	2,458,270
	Interest	4.0%						
	Repair Cost	3.0%	Construction Cost	30,000,000 x10 ⁴ yen	900,000	Construction Cost	39,900,000 x10 ⁴ yen	1,197,000
	Insurance	0.77%	Book Cost	16,500,000 x10 ⁴ yen	127,050	Book Cost	21,945,000 x10 ⁴ yen	168,977
	Property Tax	1.4%	Book Cost	16,500,000 x10 ⁴ yen	231,000	Book Cost	21,945,000 x10 ⁴ yen	307,230
	3 Administrative expense	20.0%	Labor Cost	84,000 x10 ⁴ yen	16,800	Labor Cost	105,000 x10 ⁴ yen	21,000
Total Constant Cost				3,207,173			4,257,476	
Total Annual Cost					3,980,040			5,061,883
	Item	Unit Cost	Production Volume		Annual Cost x10 ⁴ yen	Production Volume		Annual Cost x10 ⁴ yen
			Hourly	Per Annum		Hourly	Per Annum	
Benefit	1 Power Price	¥/kW	1,800,000 kW	14,400,000,000 kW·h	5,271,752	1,753,928 kW	14,031,422,620 kW·h	5,132,040
	2 Patent Fee	-0.05 ¥/kW						-70,157
	3 Environmental Interest	-3,976 ¥/t-CO2	406 t/h	3,249,111 ton	-1,291,712			
	Total Benefit				5,271,752			5,132,040
Electric Power Production Unit Cost (yen/kW)					3.66			3.66

Electric power production unit costs for both systems are 45.75 AU\$\$/MW.

Table 2.8-2 Cost of electricity (case 2)

Construction Cost			Brown Coal Thermal Power Generation(Loy Yang)			Brown Coal Slurry Thermal Power Generation			
			30,000,000 x10 ⁴ yen			39,900,000 x10 ⁴ yen			
	Item	Unit Cost	Budget		Annual Cost x10 ⁴ yen	Budget		Annual Cost x10 ⁴ yen	
			Hourly	Per Annum		Hourly	Per Annum		
Variable Cost	1 Brown Coal(Wet Base)	400 yen/ton	2,415 ton	19,321,675 ton	772,867	1,679 ton	13,435,196 ton	537,408	
	2 Utility								
	Industrial Water	13.75 yen/ton				215 ton	1,720,320 ton	2,365	
	Fuel	200 yen/10 ⁶ kcal				1,295 x10 ⁶ kcal	10,361,600 x10 ⁶ kcal	207,232	
	Cooling Water	5 yen/ton				46 ton	371,667 ton	186	
	Steam	3000 yen/ton				23 ton	184,320 ton	55,296	
	3 Chemicals	30,000 yen/ton				0.08 ton	640 ton	1,920	
	4 Electric Power	0.00 yen/kW	200,000 kW·h	1,600,000,000 kW·h		295,139 kW·h	2,361,110,713 kW·h		
	Total Variable Cost				772,867			804,407	
Constant Cost	1 Manpower Cost	7,000 x10 ³ yen/p·y		120 people	84,000		150 people	105,000	
	2 Capital Charge								
	Depreciation	6.16%	Construction Cost	30,000,000 x10 ⁴ yen	1,848,323	Construction Cost	39,900,000 x10 ⁴ yen	2,458,270	
	Interest	4.0%							
	Repair Cost	3.0%	Construction Cost	30,000,000 x10 ⁴ yen	900,000	Construction Cost	39,900,000 x10 ⁴ yen	1,197,000	
	Insurance	0.77%	Book Cost	16,500,000 x10 ⁴ yen	127,050	Book Cost	21,945,000 x10 ⁴ yen	168,977	
	Property Tax	1.4%	Book Cost	16,500,000 x10 ⁴ yen	231,000	Book Cost	21,945,000 x10 ⁴ yen	307,230	
	3 Administrative expense	20.0%	Labor Cost	84,000 x10 ⁴ yen	16,800	Labor Cost	105,000 x10 ⁴ yen	21,000	
	Total Constant Cost				3,207,173			4,257,476	
Total Annual Cost						3,980,040			5,061,883
	Item	Unit Cost	Production Volume		Annual Cost x10 ⁴ yen	Production Volume		Annual Cost x10 ⁴ yen	
			Hourly	Per Annum		Hourly	Per Annum		
Benefit	1 Power Price	¥/kW	1,800,000 kW	14,400,000,000 kW·h	5,604,595	1,753,928 kW	14,031,422,620 kW·h	5,132,040	
	2 Patent Fee	-0.05 ¥/kW						-70,157	
	3 Environmental Interest	-5,000 ¥/t-CO2	406 t/h	3,249,111 ton	-1,624,555				
	Total Benefit				5,604,595			5,132,040	
Electric Power Production Unit Cost (yen/kW)						3.89			3.66

Electric power production unit cost for Loy Yang power is 48.6 AU\$/MW.

Electric power production unit cost for CWS system is 45.8 AU\$/MW.

Construction cost and cost of electricity

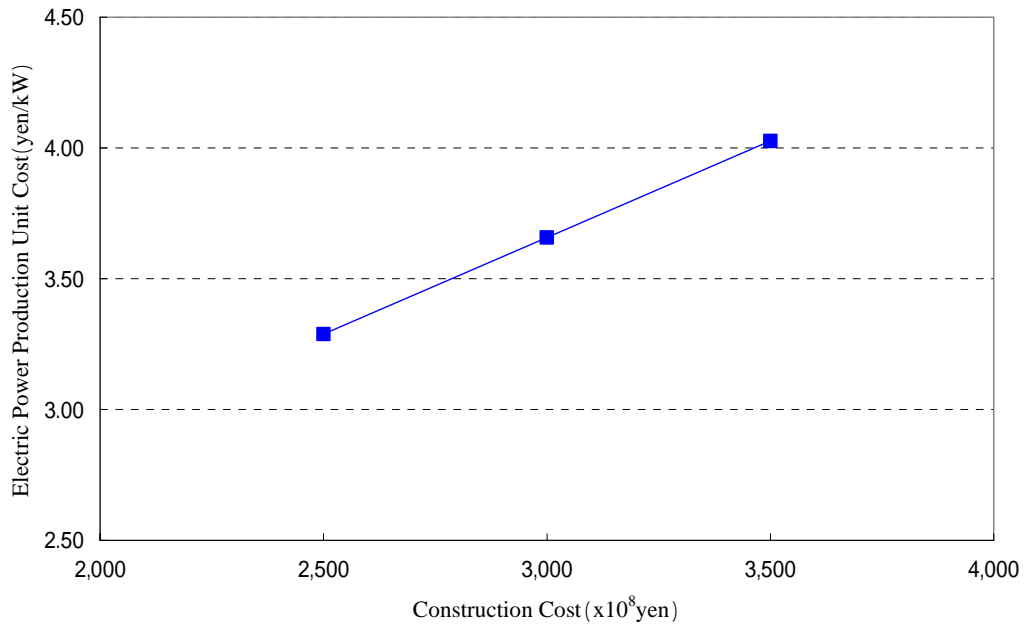


Figure 2.8-1 Construction cost and cost of electricity

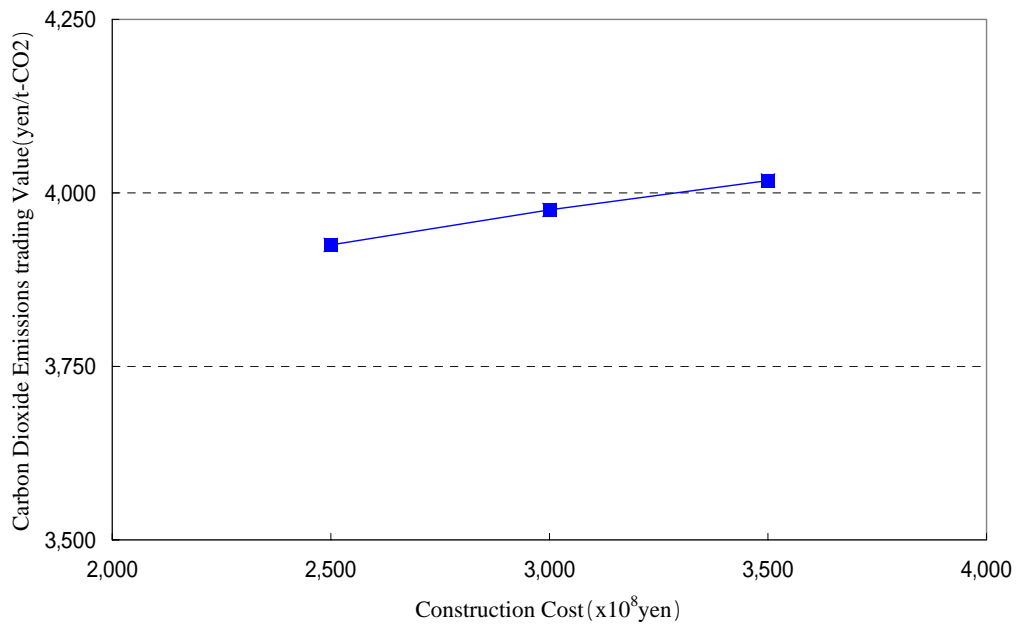


Figure 2.8-2 Construction cost and CO₂ trading value

Table 2.8-3 Cost of electricity (construction cost is 250 billion yen = 3125 million AU\$)

Construction Cost			Brown Coal Thermal Power Generation(Loy Yang)			Brown Coal Slurry Thermal Power Generation			
			25,000,000 x10 ⁴ yen			34,900,000 x10 ⁴ yen			
	Item	Unit Cost	Budget		Annual Cost x10 ⁴ yen	Budget		Annual Cost x10 ⁴ yen	
			Hourly	Per Annum		Hourly	Per Annum		
Variable Cost	1 Brown Coal(Wet Base)	400 yen/ton	2,415 ton	19,321,675 ton	772,867	1,679 ton	13,435,196 ton	537,408	
	2 Utility								
	Industrial Water	13.75 yen/ton				215 ton	1,720,320 ton	2,365	
	Fuel	200 yen/10 ⁶ kcal				1,295 x10 ⁶ kcal	10,361,600 x10 ⁶ kcal	207,232	
	Cooling Water	5 yen/ton				46 ton	371,667 ton	186	
	Steam	3000 yen/ton				23 ton	184,320 ton	55,296	
	3 Chemicals	30,000 yen/ton				0.08 ton	640 ton	1,920	
	4 Electric Power	0.00 yen/kW	200,000 kW·h	1,600,000,000 kW·h		295,139 kW·h	2,361,110,713 kW·h		
	Total Variable Cost				772,867			804,407	
Constant Cost	1 Manpower Cost	7,000 x10 ³ yen/p·y		120 people	84,000		150 people	105,000	
	2 Capital Charge								
	Depreciation	6.16%	Construction Cost	25,000,000 x10 ⁴ yen	1,540,269	Construction Cost	34,900,000 x10 ⁴ yen	2,150,216	
	Interest	4.0%							
	Repair Cost	3.0%	Construction Cost	25,000,000 x10 ⁴ yen	750,000	Construction Cost	34,900,000 x10 ⁴ yen	1,047,000	
	Insurance	0.77%	Book Cost	13,750,000 x10 ⁴ yen	105,875	Book Cost	19,195,000 x10 ⁴ yen	147,802	
	Property Tax	1.4%	Book Cost	13,750,000 x10 ⁴ yen	192,500	Book Cost	19,195,000 x10 ⁴ yen	268,730	
	3 Administrative expense	20.0%	Labor Cost	84,000 x10 ⁴ yen	16,800	Labor Cost	105,000 x10 ⁴ yen	21,000	
	Total Constant Cost				2,689,444			3,739,747	
Total Annual Cost						3,462,311			4,544,154
	Item	Unit Cost	Production Volume		Annual Cost x10 ⁴ yen	Production Volume		Annual Cost x10 ⁴ yen	
			Hourly	Per Annum		Hourly	Per Annum		
Benefit	1 Power Price	¥/kW	1,800,000 kW	14,400,000,000 kW·h	4,737,600	1,753,928 kW	14,031,422,620 kW·h	4,614,311	
	2 Patent Fee	-0.05 ¥/kW						-70,157	
	3 Environmental Interest	-3,925 ¥/t-CO2	406 t/h	3,249,111 ton	-1,275,289				
		Total Benefit				4,737,600			4,614,311
Electric Power Production Unit Cost (yen/kW)						3.29			3.29

Table 2.8-4 Cost of electricity (construction cost is 350 billion yen = 4375 million AU\$\$)

Construction Cost			Brown Coal Thermal Power Generation(Loy Yang)			Brown Coal Slurry Thermal Power Generation		
			35,000,000 x10 ⁴ yen			44,900,000 x10 ⁴ yen		
	Item	Unit Cost	Budget		Annual Cost x10 ⁴ yen	Budget		Annual Cost x10 ⁴ yen
			Hourly	Per Annum		Hourly	Per Annum	
Variable Cost	1 Brown Coal(Wet Base)	400 yen/ton	2,415 ton	19,321,675 ton	772,867	1,679 ton	13,435,196 ton	537,408
	2 Utility							
	Industrial Water	13.75 yen/ton				215 ton	1,720,320 ton	2,365
	Fuel	200 yen/10 ⁶ kcal				1,295 x10 ⁶ kcal	10,361,600 x10 ⁶ kcal	207,232
	Cooling Water	5 yen/ton				46 ton	371,667 ton	186
	Steam	3000 yen/ton				23 ton	184,320 ton	55,296
	3 Chemicals	30,000 yen/ton				0.08 ton	640 ton	1,920
4 Electric Power	0.00 yen/kW		200,000 kW·h	1,600,000,000 kW·h		295,139 kW·h	2,361,110,713 kW·h	
Total Variable Cost					772,867			804,407
Constant Cost	1 Manpower Cost	7,000 x10 ³ yen/p·y		120 people	84,000		150 people	105,000
	2 Capital Charge							
	Depreciation	6.16%	Construction Cost	35,000,000 x10 ⁴ yen	2,156,377	Construction Cost	44,900,000 x10 ⁴ yen	2,766,323
	Interest	4.0%						
	Repair Cost	3.0%	Construction Cost	35,000,000 x10 ⁴ yen	1,050,000	Construction Cost	44,900,000 x10 ⁴ yen	1,347,000
	Insurance	0.77%	Book Cost	19,250,000 x10 ⁴ yen	148,225	Book Cost	24,695,000 x10 ⁴ yen	190,152
	Property Tax	1.4%	Book Cost	19,250,000 x10 ⁴ yen	269,500	Book Cost	24,695,000 x10 ⁴ yen	345,730
	3 Administrative expense	20.0%	Labor Cost	84,000 x10 ⁴ yen	16,800	Labor Cost	105,000 x10 ⁴ yen	21,000
Total Constant Cost					3,724,902			4,775,205
Total Annual Cost					4,497,769			5,579,612
	Item	Unit Cost	Production Volume		Annual Cost x10 ⁴ yen	Production Volume		Annual Cost x10 ⁴ yen
			Hourly	Per Annum		Hourly	Per Annum	
Benefit	1 Power Price	¥/kW	1,800,000 kW	14,400,000,000 kW·h	5,803,200	1,753,928 kW	14,031,422,620 kW·h	5,649,769
	2 Patent Fee	-0.05 ¥/kW						-70,157
	3 Environmental Interest	-4,018 ¥/t-CO2	406 t/h	3,249,111 ton	-1,305,431			
	Total Benefit					5,803,200		
Electric Power Production Unit Cost (yen/kW)					4.03			4.03

