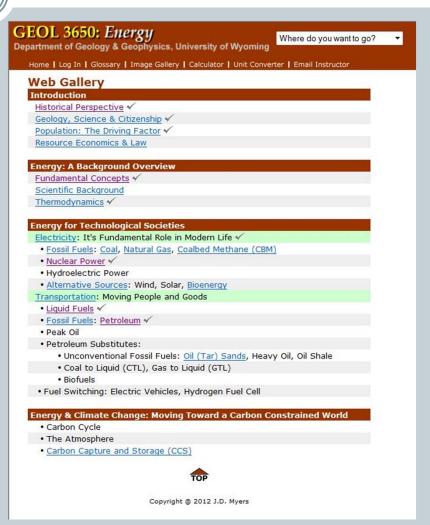
# Coal, China and International Climate Agreements

JAMES D. MYERS, GEOLOGY & GEOPHYSICS ALAN R. BUSS, ELEMENTARY & EARLY CHILDHOOD SARAH RAMSEY-WALTERS, SMTC

#### GEOL3650: Energy: A Geological Perspective

#### • primary use:

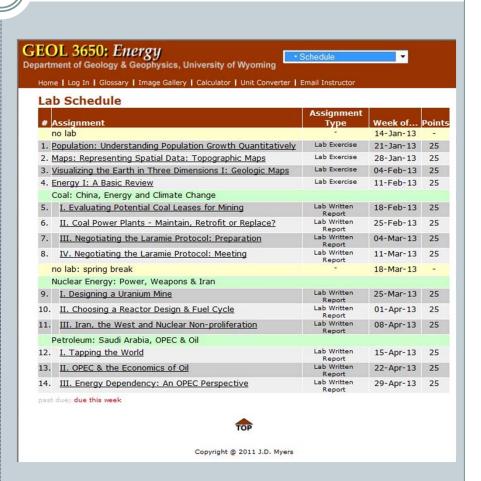
- upper division class
- non-majors & majors (50:50)
- o enrollment: 40-60
- 4 credit: 3 hour lectures (1 hr) and 1 lab (2 hr)
- secondary use:
  - Global Sustainability:
     Managing the Earth's
     Resources



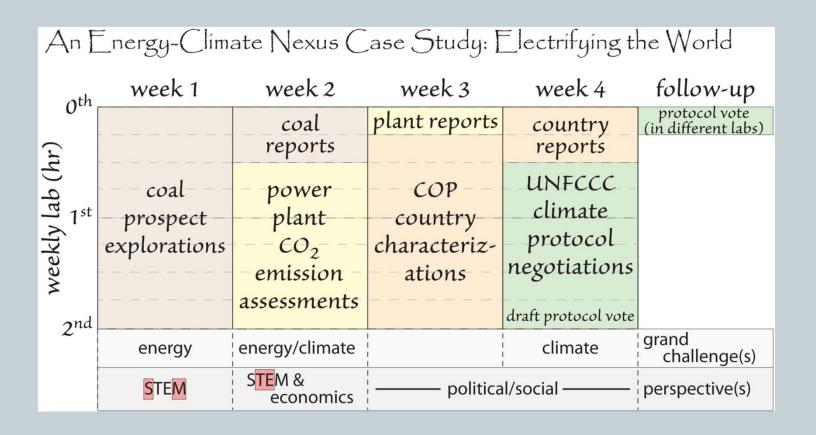
http://www.gg.uwyo.edu/geol3650

### GEOL3650: Energy – Lab Component

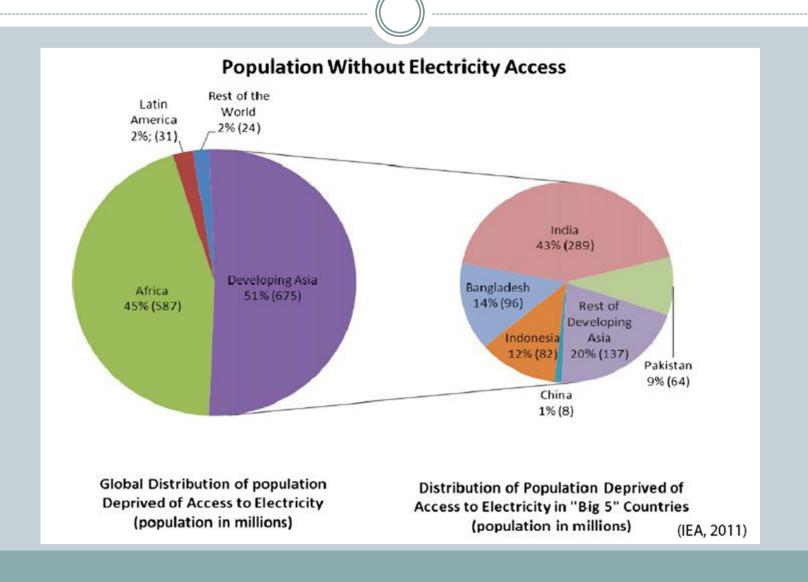
- case study in lab
- others include:
  - nuclear power, weapons & Iran
  - oil, OPEC & Saudi Arabia (poster in Share Fair)



#### Coal, China & International Agreements: Case



### Grand Challenge: Energy



### **Grand Challenge: Energy**

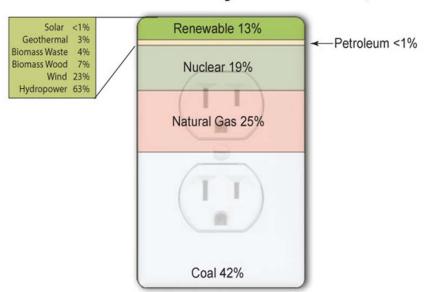


### Grand Challenge: Energy & Climate



### Grand Challenge: Energy & Climate

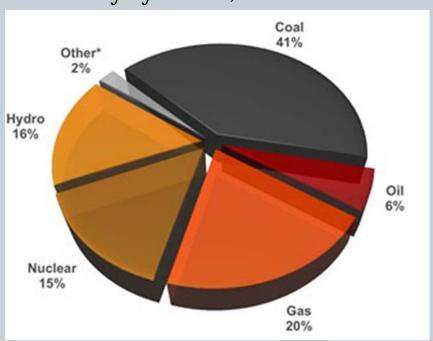
#### Sources of Electricity Generation, 2011



Note: Includes utility-scale generation only. Excludes most customer-sited generation, for example, residential and commercial rooftop solar installations

Source: U.S. Energy Information Administration, *Electric Power Monthly* (March 2012). Percentages based on Table 1.1, preliminary 2011 data.

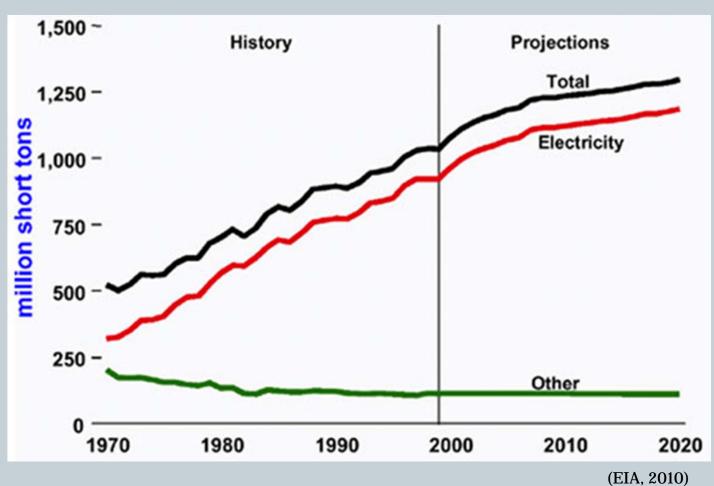
#### Electricity by source, 2006



(IEA, 2008)

### Grand Challenge: Energy-Climate





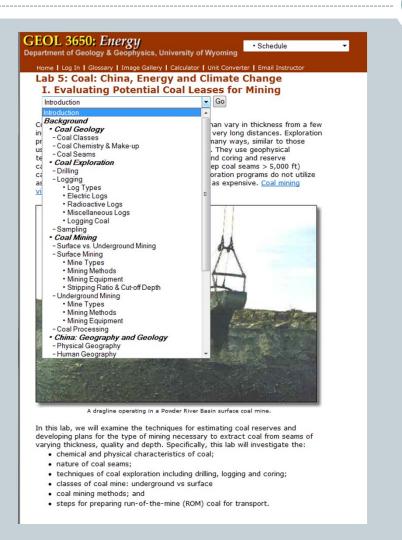
### Module 1

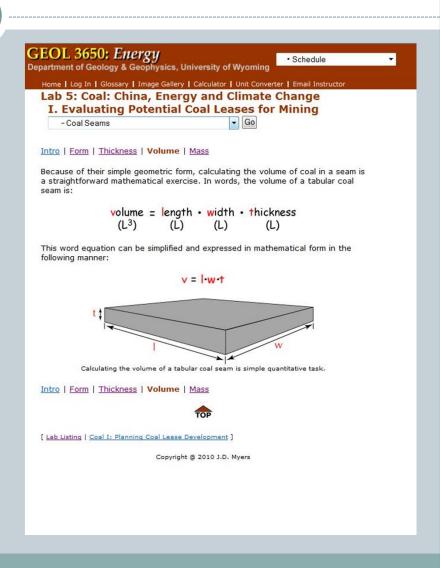
**COAL EXPLORATION** 

#### **Task**

- investigates problem of ensuring coal supplies
  - exploration
  - evaluation
  - assessment
- done in groups
- done in one lab period
  - short follow-up next week for oral presentation
- assignments
  - oral presentation
  - o written report

### Background





### **Drilling Program**

- conduct drilling program to find coal seam(s)
- construct mental 3-D model by:
  - drawing cross-sections
  - defining lateral extent
  - drawing structural contour maps
- determine rank, quality, etc.
- recommend mine (y/n) and method

Comrade Coal Group

Project: Coal Lease Evaluation

#### Comrade Coal Group Coal Lease Evaluation

Based on exploratory boreholes that all intersected coal seams, The Comrade Coal Group has paid \$107 million for exclusive exploratory rights on three potential coal leases. To determine which, if any, of these leases the company should bid on for permanent development rights, they have assigned your geologic team the task of completing the assessment of each lease. As part of the assessment, your team is to devise a drilling program that will characterize, i.e. determine the depth, thickness, dip, rank, quality, variability and lateral extent, the coal seams associated with each lease. Based on your assessment, the company wants you to determine if mining is feasible for any of the seams you found. If so, you are to recommend the type of mining, e.g. surface vs. underground. Your recommendation must identify the most likely mining method to be used.

For this assessment program, you have been given a budget totaling \$4,450,000. This budget will have to cover the cost of your drilling program as well as all the analyses you have done. Your report to the company's Board of Directors will be due next week.

#### **Evaluation Program**

#### A. Assessment Program

Budget: \$4,450,000

- 1. Devise and implement a drilling program designed to:
  - a. locate and define the depth and lateral extent of any coal seams underlying each
- b. evaluate the variation in seam thickness;
- determine the rank and grade, i.e. quality, of each seam and how variable these quantities are;
- 2. Use this information to:
- a. construct a N-S (A-A') and an E-W (B-B') cross-section for each lease;
- b. draw the subcrop extent of the topmost coal seam on the topographic map for each lease;
- c. draw the structural contours on any dipping seam you encounted

#### B. Mining Planning and Development

- 1. Based on you geologic information you have acquired, determine:
  - a. if development of the lease should proceed or not;
  - if development is to be pursued, select the most appropriate mining class (surface vs underground) that should be used
  - determine the mining method, e.g. room and pillar, longwall, open-pit, etc. most appropriate for extracting the coal.

#### Exploration Costs:

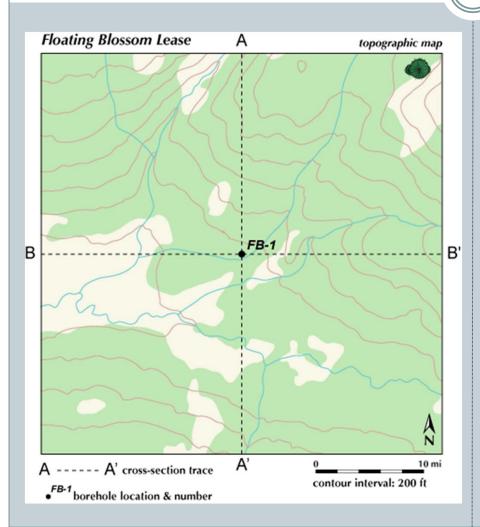
		borehole dept				
drilling	<500 ft	500-1500 ft	>1500 ft			
diamond	\$46/ft	\$105/ft	\$138/ft			
rotary	\$32/ft	\$57/ft	\$108/ft			
percussion	\$15/ft	\$37/ft	-			
logging		2000				
gamma						
density						
neutron						
sonic						
caliper						
coring	\$28/ft	\$70/ft	\$150/ft			
plug & abandon borehole		\$500/borehole	2			

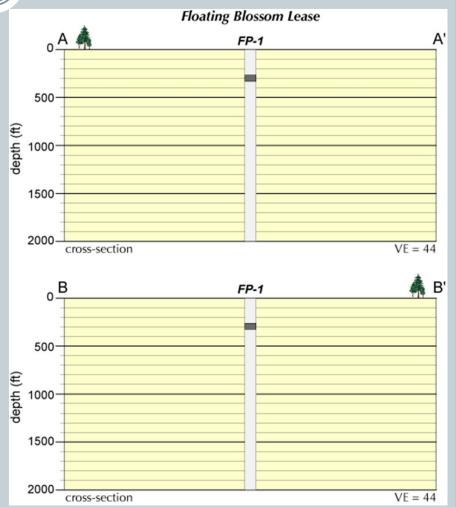
17-Feb-11

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#### 3-D Mental Model





### **Evaluating Coal Value**

Comrade Coal Group, Ltd. Project: Coal Lease Evaluation

#### **Coal Characteristic Report**

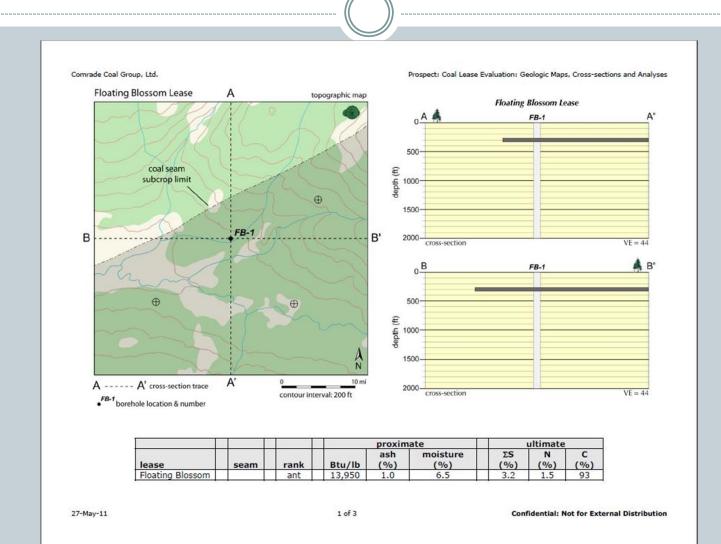
Floating Blossom								
			proximate			ultimate		
borehole #	seam	rank	Btu/lb	ash (%)	moisture (%)	ΣS (%)	N (%)	(%)
		+	0	)	5	3		/1
	2 2		fe - v					. 1
					-			
	1 2		e s 1					
	2 0 1			-		3 -		/ 1
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1 of 3

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#### **Instructor Feedback**



### Module 2

#### GENERATING ELECTRICITY

#### **Tasks**

- evaluate impact of carbon policy on power plant technology selection
  - business-as-usual (BAU)
  - S50/ton carbon tax
- technologies:
  - o coal-fired: PC, SCPC, IGCC
  - natural gas combined cycle
  - o nuclear (AP1000)
- energy, economics, policy

The Clean and Clear Air Defense Counci

Project: Power Plant Evaluation

#### The Clean and Clear Air Defense Task Force Power Plant Technology, Economics and Emissions

The Clean and Clear Air Defense Task Force has argued that the electric power industry has benefited from the passing of significant and numerous hidden costs (externalities) of fossil fuel combustion on to consumers, taxpayers and global citizens. The task force has argued that if these costs were tied directly to electrical generating costs alternative and less environmentally damaging technologies, e.g. wind and solar, could compete more effectively with fossil fuels in the electrical generating market place.

To illustrate their point, they reference the Clean Air Act (CCA) of 1990. Because the loans for these power plants had not yet been paid off when the act was passed, power companies argued the plants should be exempt from the more stringent emission controls. Rather, the companies argued the newer, cleaner plants would replace the aging and highly polluting designs when the operational lifetimes of the latter were reached and their initial investors were fully compensated. Consequently, coal-fired electrical power stations built before 1985 were grandfathered out of the original CCA. However, this scenario has not been realized. Instead companies have performed expansions disguised as maintenance, thereby extending the lifetime of the grandfathered plants while simultaneously expanding their generating capacity. Thus, instead of seeing emissions of traditional pollutants (e.g. S and N) decrease, they have increased from this class of power plant. At the same time, the amount of greenhouse gases (CO<sub>2</sub>) produced has grown steadily because of the lower thermal efficiency of these older plants. The cost of environmental pollution and health problems associated with these emissions is borne not by the companies that produce them, but by local, regional, national and international communities. This is an example of a hidden cost, i.e. an externality. The Clean and Clear Air Defense Task Force has long argued for a carbon tax to remove this hidden, external cost and make it part of the actual cost of electricity generation

To bolster their case for a carbon tax, the Task Force is conducting an economic assessment of a carbon tax on power plant technology selection and its impact on future emissions. As an active member of the task force, they have asked you to carry out one of the assessments. The hypothetical situation is a grandfathered coal-fired power plant built before 1985, in operation for the last 36 years and completely paid off. The plant produces 550MW of electrical power, but demand has grown continually in the last 10 years and is projected to exceed the plant's capacity in 5 years. Projections suggest that by this time demand will reach a daily average base load of 850 MW<sub>e</sub>. To evaluate how a power company might respond to this type of situation and the impact of a carbon tax on this decision, the task force has devised six potential replacement/retrofit scenarios for the power plant (see table below). Your task is to perform an economic assessment of one of the scenarios and present the results orally next week as well as in written form. We will compare your analysis with those of the other scenarios to see the impact of a proposed carbon tax on future emissions.

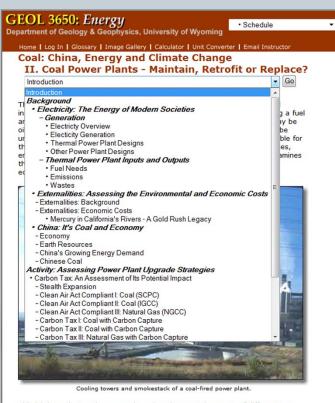
Using the worksheet on the Web site to complete your plant evaluation. You will turn it in next week for grading. To fill out the worksheet, follow these steps:

- 1. Using your plant's size (MWe) and efficiency, calculate its MWm
- 2. Calculate construction costs and spread them over 30 years (the normal economic lifetime of a large power plant).
- 3. Estimate, in J and Btu, the energy needed to run your plant for a year assuming the plant runs 24/7, 365 days a year (theoretical).

  a. Using the plant capacity, calculate the amount of energy needed to run the plant
  - given the actual time it operates (operational)

22-Feb-11 1 of 4

### Background



This lab investigates the economic and environmental aspects of different types of coal-fired power plants and compares them to a nuclear plant. In particular, you will:

- . examine the difference between MW, and MW, ;;
- · calculate the energy needed to power a plant for a year;
- · determine the annual fuel needs of a variety of plant designs;
- · access the annual fuel costs;
- · evaluate the carbon dioxide and sulfur emissions of the different plants; and
- assess the impact of a carbon tax on power plant design.



Steam turbines and generators in a coal-fired power plant.

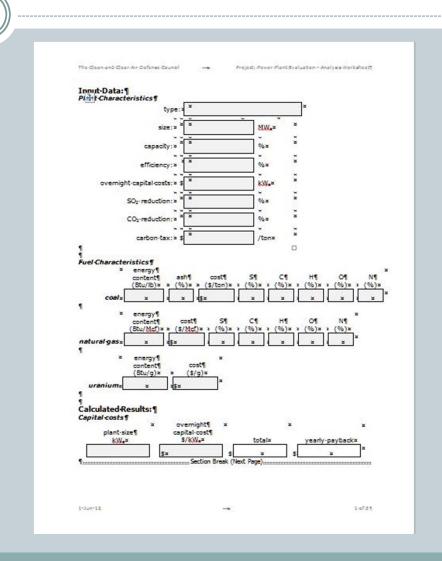
The importance of electricity in American life is reflected in the fact that it is a \$170 billion a year business. Yet, providing for our ever increasing electrical needs is a formidable task. A large (1 gigawatt) power plant costs more than \$1 billion to build and requires many years of planning to obtain regulatory and environmental permits. Clearly, an understanding of how electricity is generated and its impact on Earth resources is important.

Intro | Overview | Prime Mover | Turbine | Generator | Energy Conversions



### **Quantities Calculated**

- fossil fuel options evaluated with and without carbon capture
- calculate:
  - o overnight costs
  - $\circ$  MW<sub>e</sub> MW<sub>Th</sub>
  - o energy needs
  - o fuel needs & costs
  - SO<sub>2</sub> and CO<sub>2</sub> emissions
- compare results from all technologies



### Results

#### Plant Costs

i idiic costs					
	size (MW <sub>e</sub> )	efficiency (%)	size (MW <sub>Th</sub> )	construction cost	payback (\$/yr)
Stealth	300	36	833	\$330,000,000	\$11,000,000
SCPC					
w/o CC	850	CO <sub>2</sub>			
	The State of the S	2			

w/o CC	850
w/ CC	850
IGCC	
w/o CC	850
w/ CC	850
NGCC	
w/o CC	850
w/ CC	850
AP1000	850

	produ	produced		ted		
	year (ton)	lifetime (ton)	year (ton)	lifetime (ton)	carbon tax (y <sup>-1</sup> )	
Stealth	10,338,000	310,150,000	10,338,000	310,150,000	-	
SCPC						
w/o CC	8,753,500	262,610,000	8,753,500	262,610,000	-	
w/ cc	11,502,000	345,060,000	1,150,200	34,506,000	57,510,401	
IGCC						
w/o CC	7,801,200	234,040,000	7,801,200	234,040,000	-	
w/ cc	9,628,900	288,870,000	962,890	2,888,700	48,144,421	
NGCC						
w/o CC	630,650	18,919,510	630,650	18,919,510		
w/ cc	837,019	25,110,563	83,702	2,511,056	\$4,185,094	
AP1000	-	-	-	-	-	

### Module 3

# PREPARATION FOR COP MEETING

#### Purpose

- introduce students to UNFCCC and its protocols
- countries:
  - O Brazil
  - China
  - Indonesia
  - Norway
  - Saudi Arabia
  - United States
- prepares students for role in COP

GEOL 3650: Energy: A Geold	Sear Copecut	China, Energy and Climate C	mange. III. Negociati	ng the Laramie Protocol
	Cour	ntry Introductio	n	
We represent	, an Anne	ex I/Annex II/non-Annex [cir	cle one] signator	y to the UN
Framework Convention	n on Climate Chang	ge.		
		Population		
Currently,	has a total p	population of	, but it	is projected to
grow/decrease [circle o	one] to	by 2025. Prese	ently, the country	's population is
growing at a rate of	96/y.	At birth, a man can expect t	to live year	rs whereas the
average life expectancy	y for a woman is	years. The pop	ulation has a me	dian age of
years (	yea	ars for females and	years fo	r males). The
5,000		Economics stimated at	7	69
largest economy in the Agriculture comprised % of the popular	world % of the ecc	stimated at''s economy was groo onomy, industry % an overty level. The nation imp in the same	wing at a rate of diservicesorted \$	%. Approximately,
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largest economy in the Agriculture comprised	world.  % of the ecc tion is below the pi exported S  member of IEA, IAI ricle the proper ene ne world. This energiow graph]. Togeth eing dominated by	stimated at	wing at a rate of d services orted \$ _	%. Approximately, in in energy [list PES's[circle the
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largest economy in the Agriculture comprised	world.  % of the ecc tion is below the pi exported 5  member of IEA, IAI rcle the proper ene ne world. This energious graph]. Togeth eing dominated by tity, renewables pla has an installed eil	stimated at's economy was group on my, industry	wing at a rate of d services	%. Approximately, in

### Module 4

## NEGOTIATING A NEW UNFCCC CLIMATE PROTOCOL

#### Module 4: Laramie Protocol

- focus:
  - UNFCCC
  - UNFCCC protocols
  - o Kyoto
  - IPCC
- Conference of the Parties
- simulates the negotiation process
  - several rounds
  - debate
  - o vote
  - ratification

#### Coal: China, Energy and Climate Change IV. Negotiating the Laramie Protocol: Meeting

Your Charge



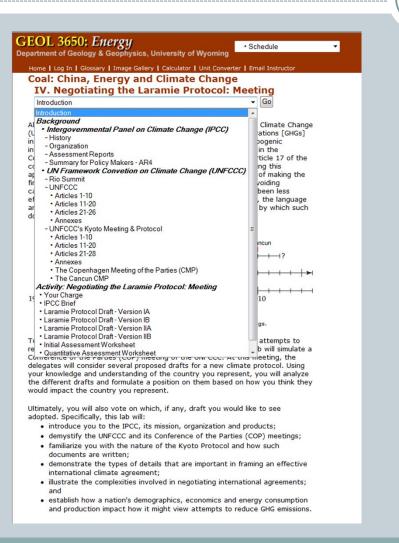
#### COP #18: Negotiating a new UNFCCC Climate Protocol

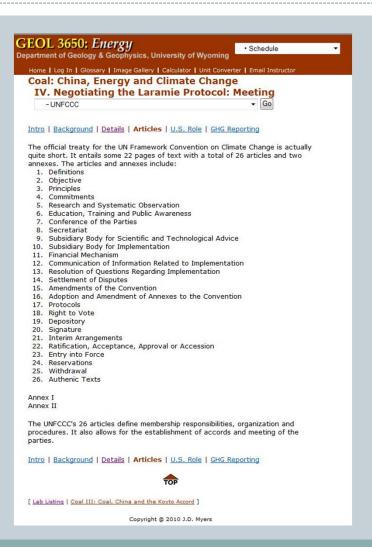
For this Conference of the Parties meeting, you have four drafts of a proposed new climate protocol to the UNFCCC to consider. The drafts have been proposed by two different groups with very different views of how global greenhouse gas emissions should be reduced. Each group has submitted two variations of their proposal (IA & IB and IIA & IIB). The differences in the details of the different drafts reflect slight differences in opinion on how reductions attained within the groups. The parties will start with these initial drafts and in a series of negotiations craft a final draft protocol to be considered for adoption by the COP. Should consensus be reached on the language of the proposed protocol, the final instrument will be communicated to the respective governments for final ratification and adoption. Protocol negotiations will occur in three stages:

- Round I: identify which of the four drafts will be accepted as a working draft for the new protocol;
  - a. complete Initial Assessment worksheet
  - use the Quantitative Assessment worksheet to calculate quantitatively the impact of the protocol on your country's emission
- 2. Round II: consider and vote on proposed changes to the working draft;
  - a. complete the Potential Modifications worksheet
- Round III: vote on whether to accept or reject the final draft of the protocol; and
- Round VI: return the adopted Protocol to the home government for ratification, acceptance, approval or accession.



### Background





#### Module 4: Laramie Protocol

Laramie Protocol to UNFCCC

Draft Proposal (version IA)

#### Laramie Protocol to the UN Framework Convention on Climate Change

The parties to this Protocol,

being Parties to the United Nations Framework Convention on Climate Change, hereinafter referred to as "the Convention",

in pursuit of the ultimate objective of the Convention as stated in its Article 2,

recalling the provisions of the Convention,

being guided by Article 3 of the Convention,

Have agreed as follows:

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1 of 5

#### ARTICLE 1

For the purposes of this Protocol, the definitions contained in Article 1 of the Convention shall apply. In addition:

- "Convention" means the United Nations Framework Convention on Climate Change, adopted in New York on 9 May 1992.
- 2. "Party" means, unless the context otherwise indicates, a Party to this Protocol.
- "Party included in Annex I" means a Party included in Annex I to the Convention, as may be amended, or a Party which has made a notification under Article 4, paragraph 2 (g), of the Convention.

#### ARTICLE 2

- 1. The Parties included in Annex I shall, individually or jointly, ensure that their aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Appendix I do not exceed their assigned amounts, calculated pursuant to their quantified emission limitation and reduction commitments inscribed in Appendix III and in accordance with the provisions of this Article, with a view to reducing their overall emissions of such gases by at least 25 per cent below 1990 levels in the commitment period 2015 to 2025.
  - a. Economic activities/sectors covered by this Protocol are listed in Appendix II.
- Each Party included in Annex I shall, by 2017, have made demonstrable progress in achieving its commitments under this Protocol.
- 3. The net changes in greenhouse gas emissions by sources and removals by sinks resulting from direct human-induced land-use change and forestry activities, limited to afforestation, reforestation and deforestation since 1990, measured as verifiable changes in carbon stocks in each commitment period, shall be used to meet the commitments under this Article of each Party included in Annex I. The greenhouse

Laramie Protocol to UNFCCC

Draft Proposal (version IIA)

15-Mar-12

#### Laramie Protocol to the UN Framework Convention on Climate Change

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#### ARTICLE 2

- 1. The Parties included in Annex I shall, individually or jointly, ensure that their aggregate anthropogenic carbon dioxide equivalent per capita emissions of the greenhouse gases listed in Appendix I do not exceed their assigned amounts, calculated pursuant to their quantified emission limitation and reduction commitments inscribed in Appendix III and in accordance with the provisions of this Article, with a view to reducing their overall per capita emissions of such gases by at least 25 per cent below 1990 levels in the commitment period 2015 to 2025.
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15-Mar-12 1 of 5

#### Module 4: Laramie Protocol

GEOL3650: Energy: A Geological Perspective

China, Energy & Climate Change: IV. Protocol

#### Laramie Protocol: Initial Assessment

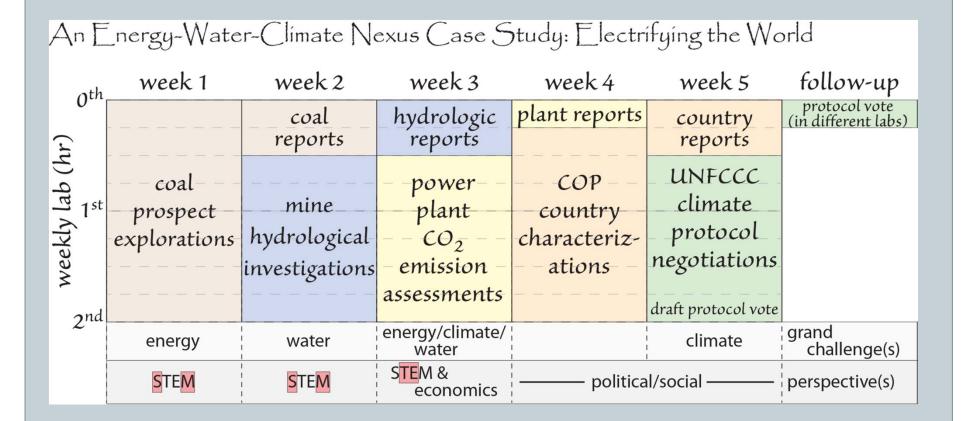
	version IA	version IB	version IIA	version IIB
base year:				
emission metric:				
reduction %:				
reduction mechanisms available:				
states (nations) covered:				
GHGs covered:				
economic sectors covered:				
adlines/dates:				
commitment period (years):				
start year:				
significant progress year (years after start):				7
LULUCF base year:				
etification requires:		•		
number countries % of Convention Parties <sup>1</sup> ):				
% CO <sub>2</sub> emissions covered:				

<sup>1</sup>currently the Framework Convention on Climate Change currently has 194 signatories

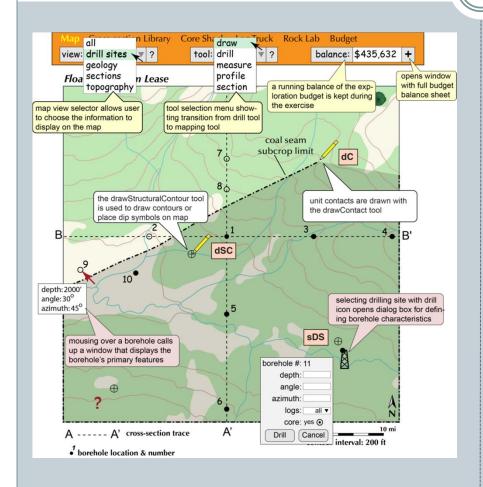
### **Next Steps**

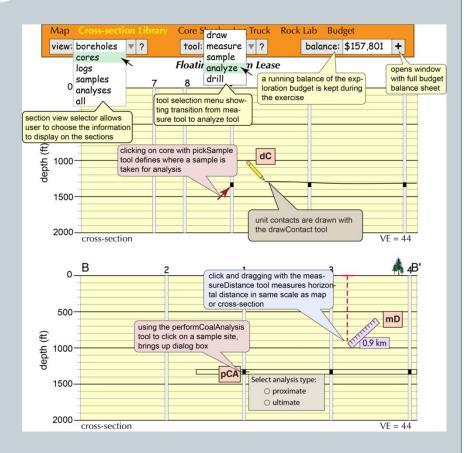
- addition of another module on water and mining
- conversion of coal and water to computer dynamic digital case study
  - melding of visualization and simulation with inquiry learning of case studies
- modification power plant technology module to include water demand
- use of forms to collect data in real time for module 3 (new) and 4

#### Water Module



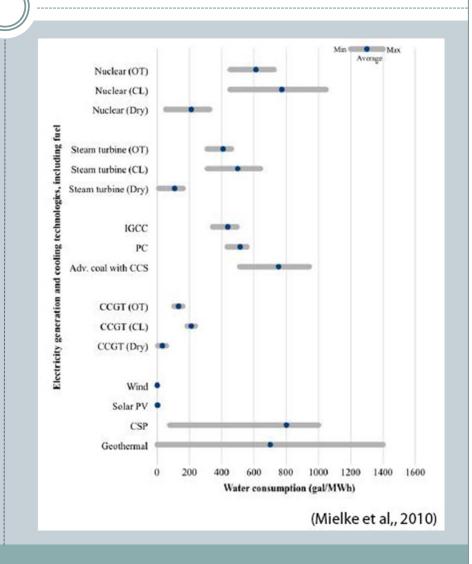
### Dynamic Digital Case Studies (DDCS)





#### **Water Demand**

- electricity production is closely tied to water
- different demands for different technologies
  - nuclear power plants shut down because of drought or water too hot
- will look at how water demand can limit technological choices
  - must be balanced with all other variables



#### **Automating Data Collection**

- for modules 3 & 4, need to collect data students either calculate (3) or acquire (4)
  - used for whole lab discussion
- currently, done manually
  - o students fill in overhead; or
  - o complete sheet and read it
- both are time consuming and use valuable discussion time
- automate this collection so more time on discussion
  - Google forms
  - Acrobat X forms

### Summary

- case study focused on grand challenges of:
  - energy
  - o water
  - climate
- resource focus: coal
- perspectives: science, engineering, technology, mathematics, economics, policy, politics, international agreements
- done at UW as integrated sequence to emphasize interconnectedness
  - each module can be done as standalone case study
- url: <a href="http://www.gg.uwyo.edu/geol3650">http://www.gg.uwyo.edu/geol3650</a> (lab schedule)