

## **Policy for CBM projects to reduce safety hazards**

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New Delhi, Jul 10: Coal mining and coal bed methane (CBM) activities could be carried out simultaneously without any safety hazards, as practiced in other countries by Indian mining companies. The coal ministry is working out a policy framework for harmonious exploitation of coal as well as coal bed methane (CBM) in a coal mine in consultation with directorate general of hydrocarbon (DGH).

This will also provide clean burning fuel for domestic and industrial use and reduce explosion hazards in underground coalmines. Sources said once the policy is in place, coal mining and CBM activities could be carried out simultaneously without any safety hazards, as practiced in other countries.

Till the policy is in place, MoC will consult the ministry of petroleum and natural gas for allocation of coal mining blocks within CBM blocks.

ONGC conceived the country's first CBM project in 2004-05 with a production target of 3.5 lakh cubic metre a day by March 2007. However, the project has not yet taken off and there have been no operations at the Parbatpur coal block.

India is endowed with huge reserves of bituminous coal of paleozoic and tertiary ages within the CBM window at depths of nearly 250-1,200 metre. Lack of data on producible reserves of CBM, gas content, reservoir saturation and permeability has prevented full exploitation of the resource along with a policy framework.

Proposals for exploration under coal bed methane (CBM) contracts are treated in line with the policy under the new exploration licensing policy (Nelp) and an investment of Rs 1,000 crore was expected during the 11th Plan.

The government has till date signed 26 CBM blocks under three rounds of CBM which has been held so far covering an area of 13,000 sq km. Production of CBM is expected to be 2.6 billion cubic metre during the 11th Plan. However, not much headway has been made.

Electro Steel Ltd, which was to set up a CBM project in the same Parbatpur coal block have not started operations till date. Sources said that the broad objective of the exploration policy is to maintain the integrity of the bidding process and the spirit of the contract to explore and produce CBM gas. However, there are major impediments in the production process and the policy is silent on it.

Sources added that a committee under adviser (projects) MoC with members from MoPNG, DGH and DGMS has already deliberated the issue and the report of the committee is being finalised. However, the country's largest coal producer Coal India Ltd (CIL) seems to have bucked the trend of undue delays and will have the distinction of powering a small township through CBM.

"Next month CIL will inaugurate a methane powered township in Mooridih, Jharkhand, which will be powered by a 250 kva generating unit from the Jharia coalfields," said CIL chairman P Bhattacharya.

(Source: The Financial Express)