

Ammonia From Coal

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October 2006



imagination at work

ecomagination

A Changing World ...



Growing population & energy density



Fuel sourcing complexity



Increasing environmental requirements



Escalating security concerns



Technology & talent globalization

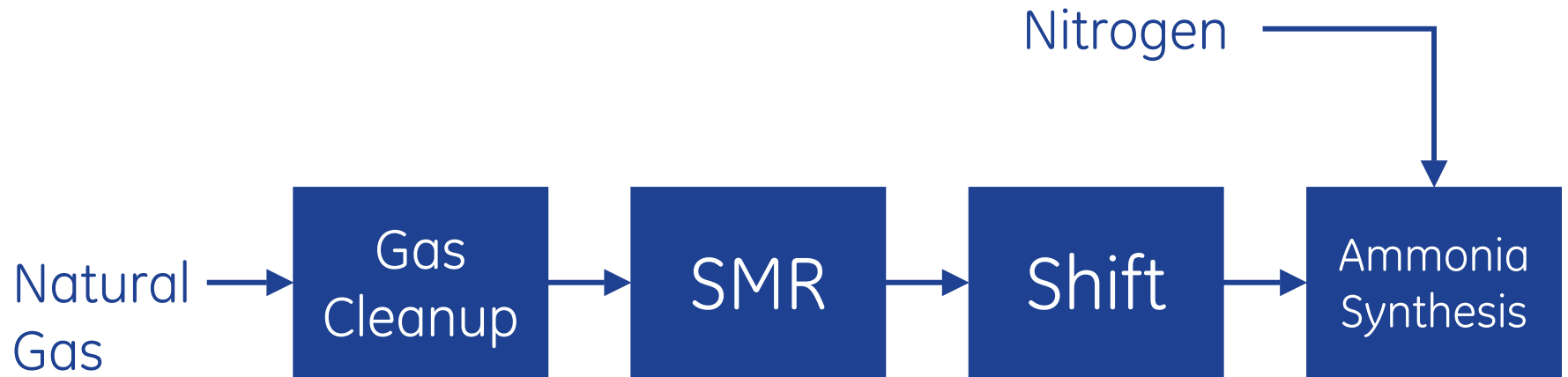


Heightened investor demands

**Everyone
under
pressure**

Traditional Ammonia Manufacturing

Natural Gas based manufacturing



Natural Gas Challenges

Clean Air Act

- Many gas turbines installed as clean power generation

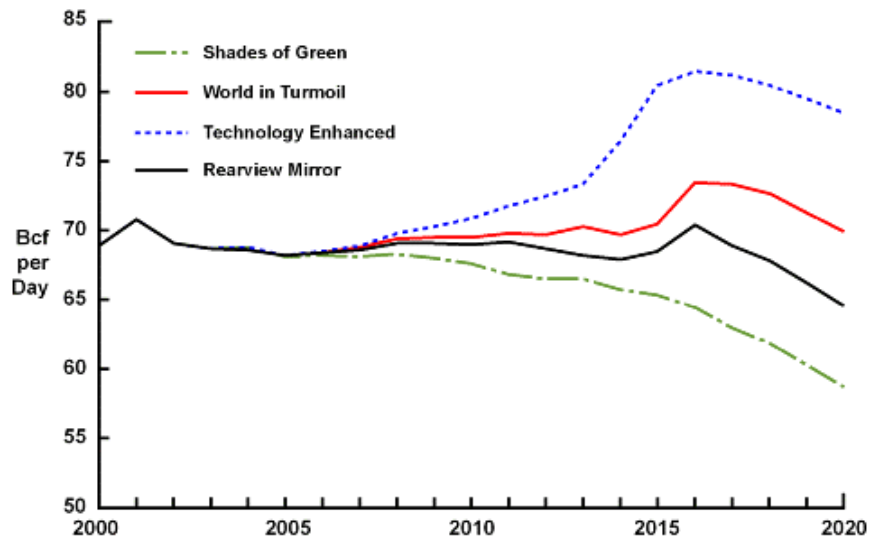
LNG

- Intense NIMBY opposition to LNG terminals
- Increases foreign energy dependency

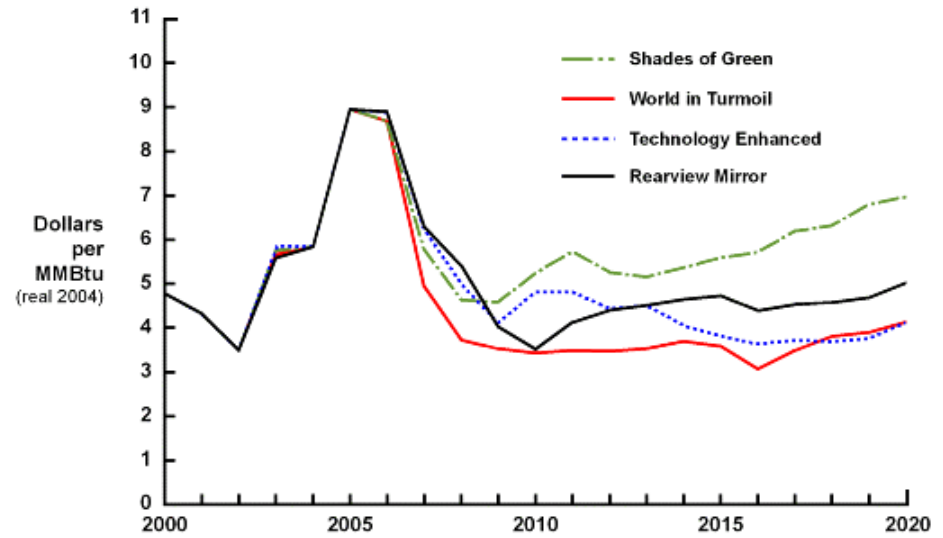
Canadian Oil Sands

- Reduces or eliminates WCSB natural gas exports from Canada

Projected Natural Gas, N. America Dry Productive Capacity, Henry Hub Pricing



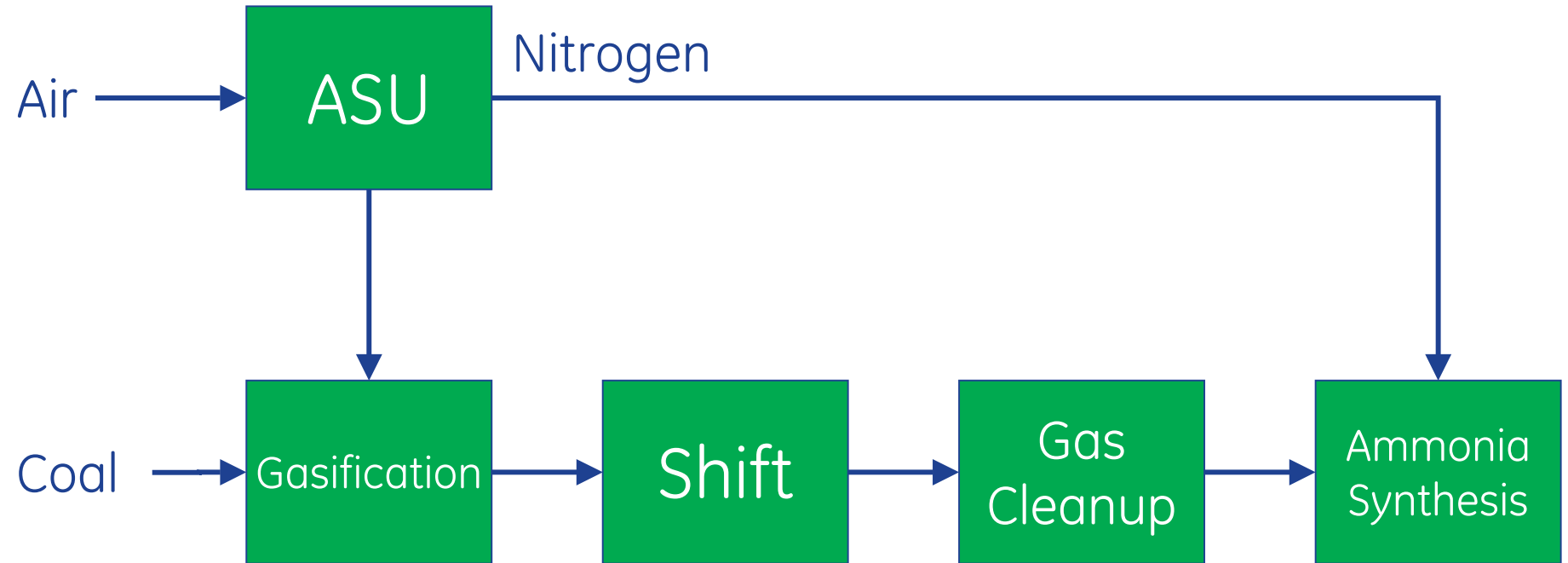
Source: Cambridge Energy Research Associates. 60205-10



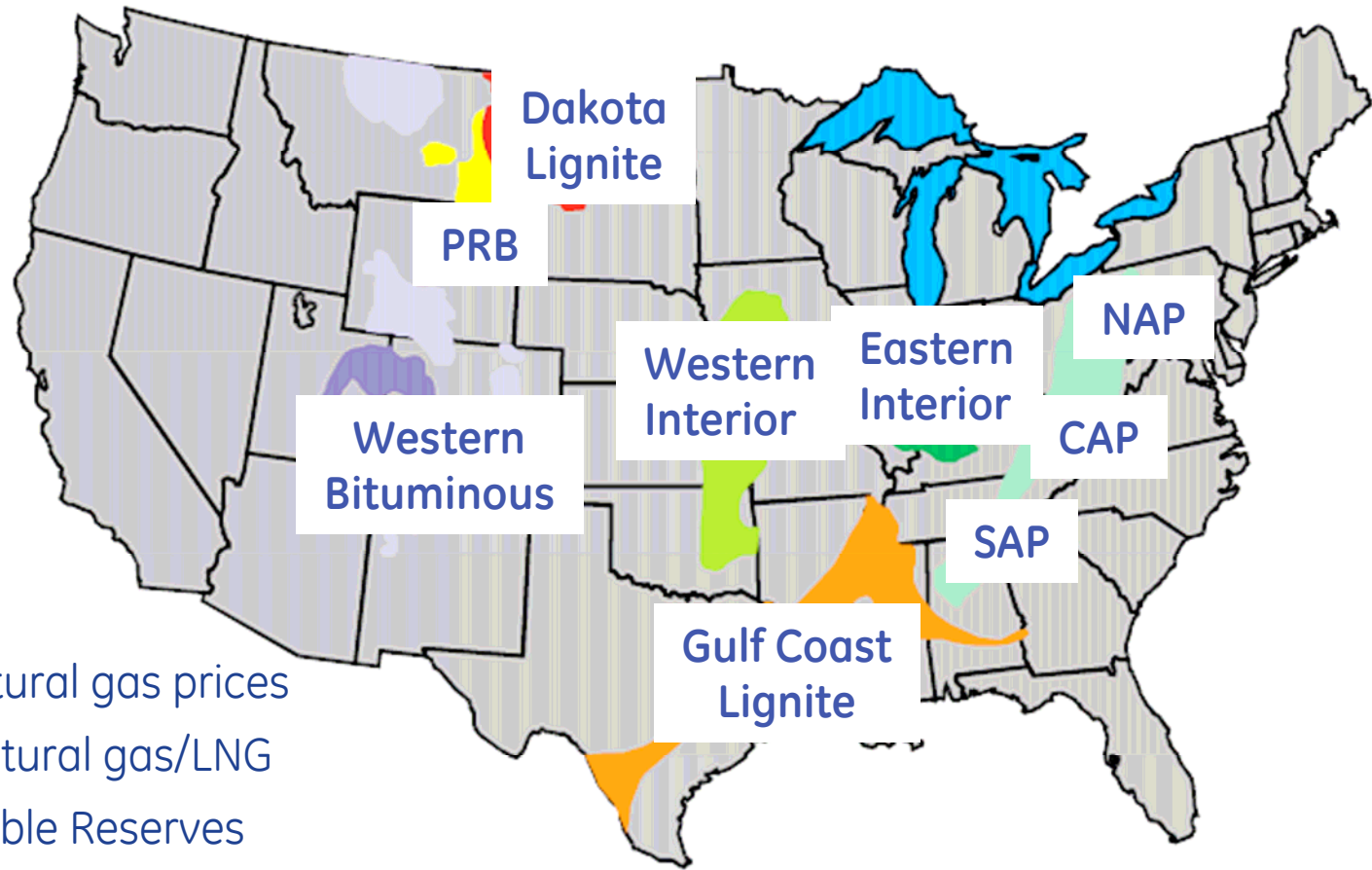
Source: Cambridge Energy Research Associates. 60205-1

The solution:
Ammonia
from coal

Coal based manufacturing

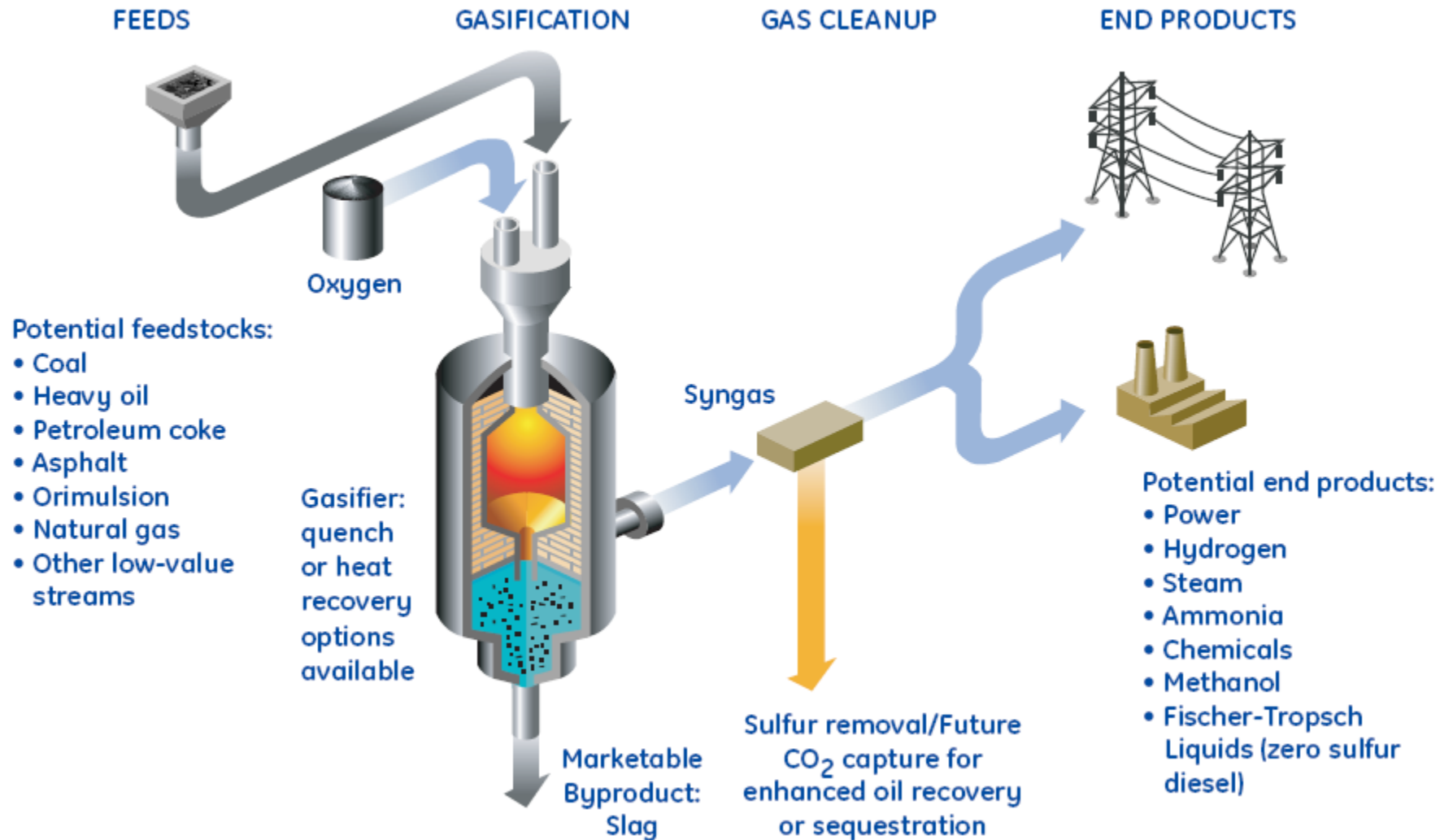


Why Coal?



- High/volatile natural gas prices
- Availability of natural gas/LNG
- Global Recoverable Reserves
 - Oil 40 yrs, NG 70 yrs, Coal 192 yrs
- Need for fuel diversity

GE's Gasification Technology



Feeds (GE's Commercial Experience)

Gas

- Natural Gas
- Refinery Off Gas

Solids

- Petroleum Coke
- Coal

Liquids

- Crude Oil
- Fuel Oil/Heavy Fuel Oil
- Naphtha
- Vacuum Residue
- Asphalt/Deasphalter Residue
- Visbreaker Tar
- Steam Cracked Tar

Gasification makes Syngas

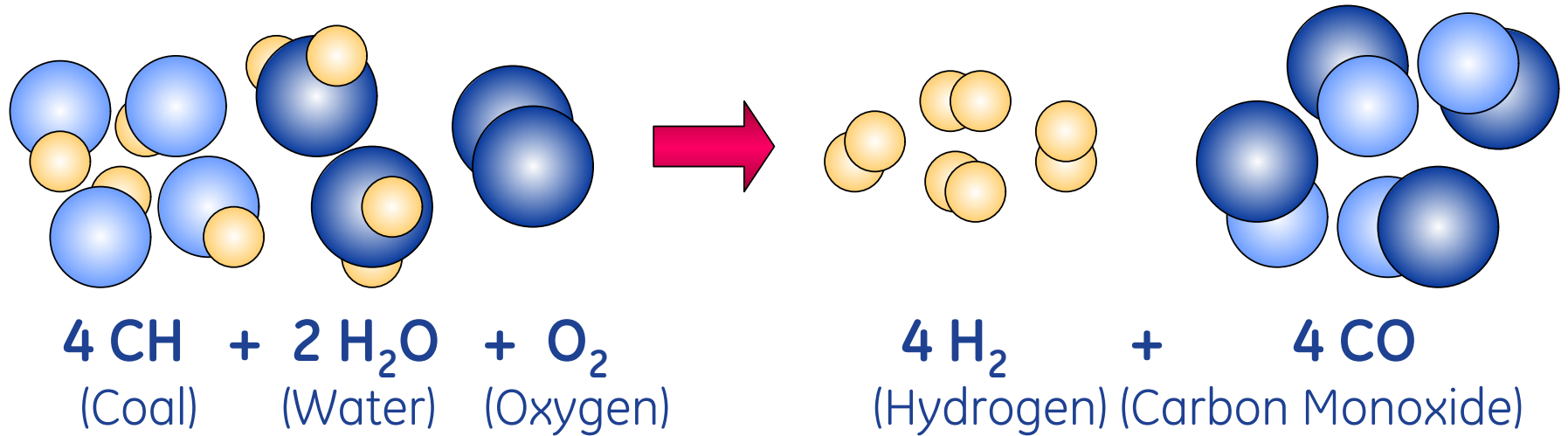
Feed

- Hydrocarbon
- Oxygen
- Water

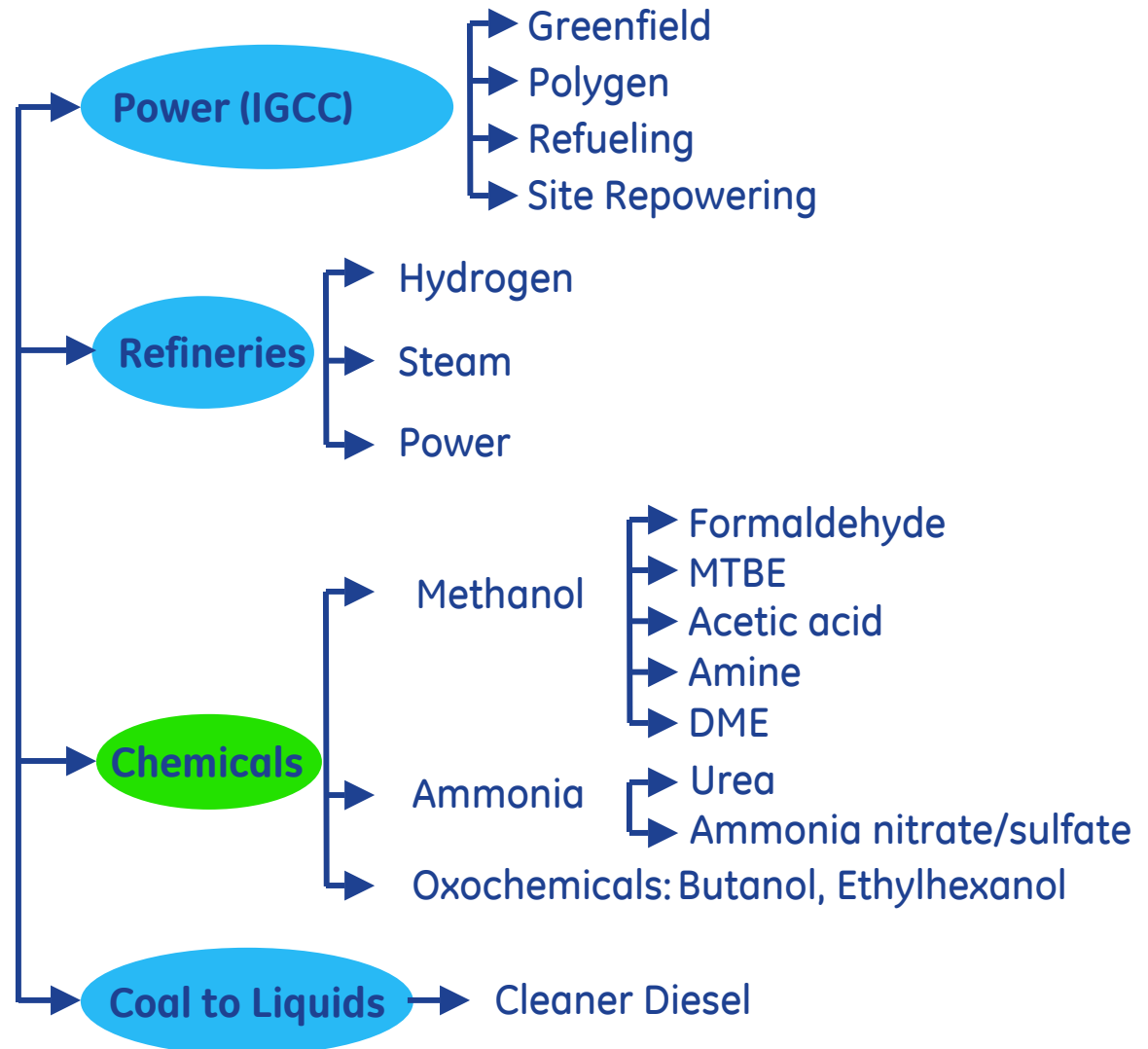
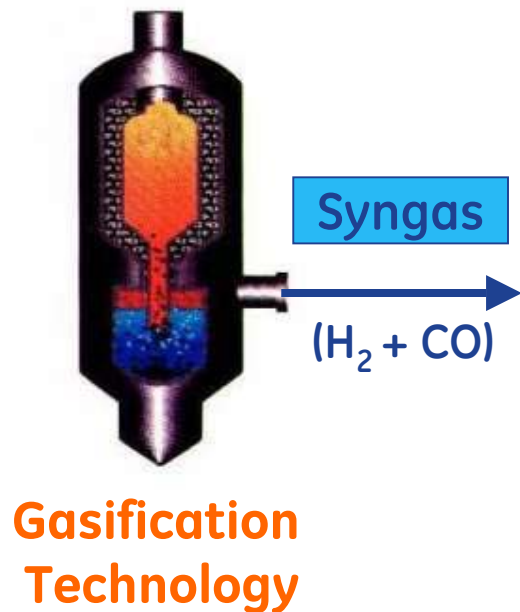
Syngas

- Hydrogen
- Carbon Monoxide
- Energy

Simplified Chemistry



Gasification – Multiple Cleaner Coal Solutions



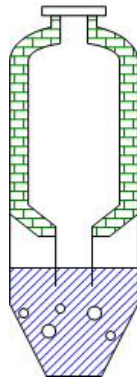
GE's Gasification Technology

- Developed in the 1940's by Texaco
- Commercialized in the 1950's
- Entrained flow
- Oxygen blown
- Top down
- High pressure
- Short residence time

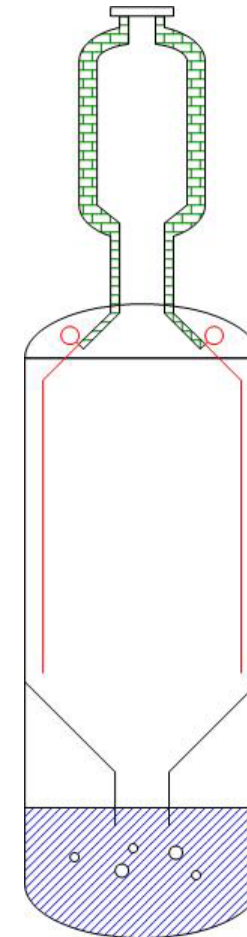


Two Configurations for Coal/Petroleum Coke

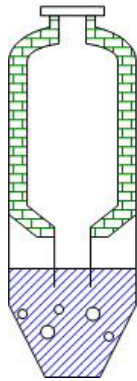
Quench



Radiant Syngas Cooler (RSC)



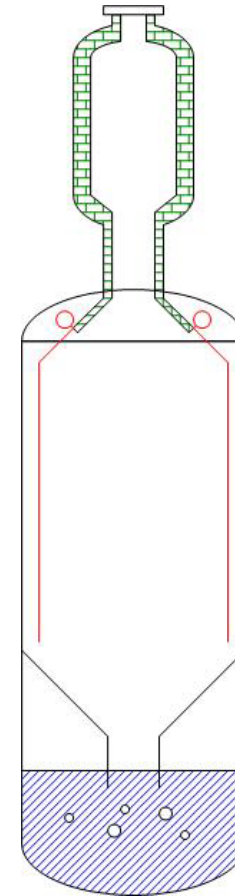
Quench Configuration



- Hot syngas immediately quenched by direct water contact
- Allows pressures up to 1,250 psi
- Lower capital cost
- Lower thermal efficiency
- Shorter construction cycles
- Syngas is warm and saturated with water which is perfect for subsequent shifting
- Proven gasifier sizes up to 900 ft³

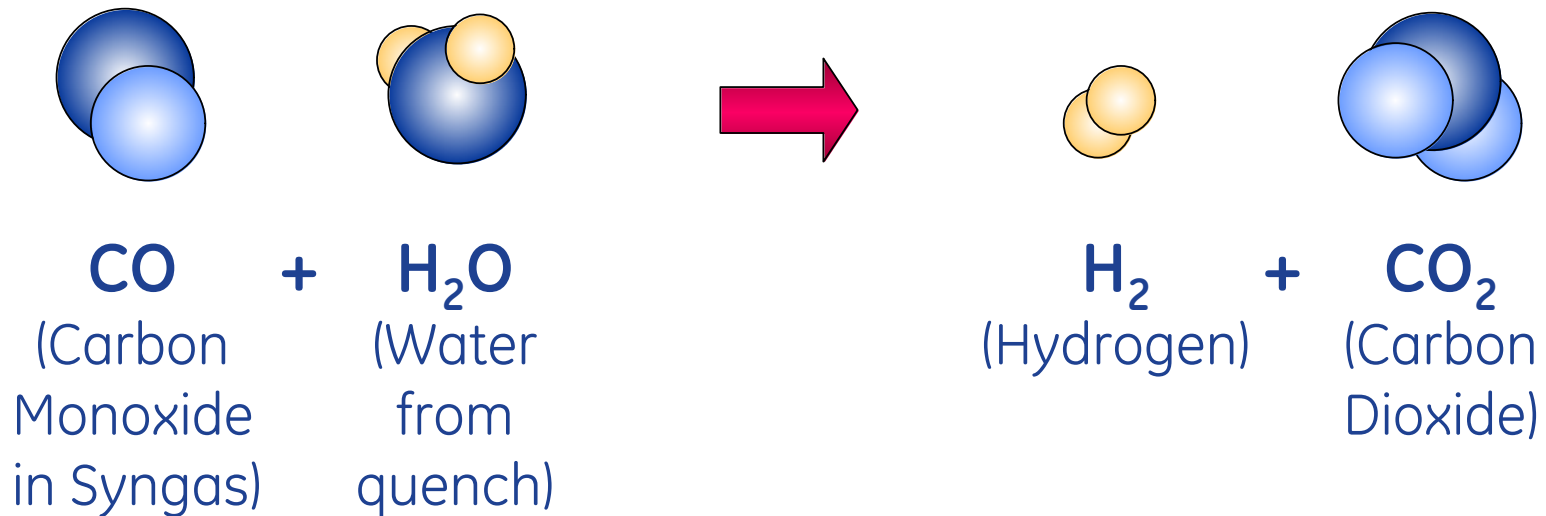
RSC Configuration

- Hot syngas first cooled by generating steam before quenching
- Limits pressures to ~650 psi
- Higher capital cost
- Higher thermal efficiency
- Lower \$/kW in power applications
- High pressure steam to 2,000 psi
- Longer construction cycles
- Proven in 1,800 ft³ size



Sour Water Gas Shift Reaction

GE's syngas has higher hydrogen/carbon monoxide ratio than other gasification technologies making it ideal for applications requiring water gas shift reactions.



Why Not Consider Gasification?

- Established technologies
- Fuel flexibility
- Addresses environmental issues



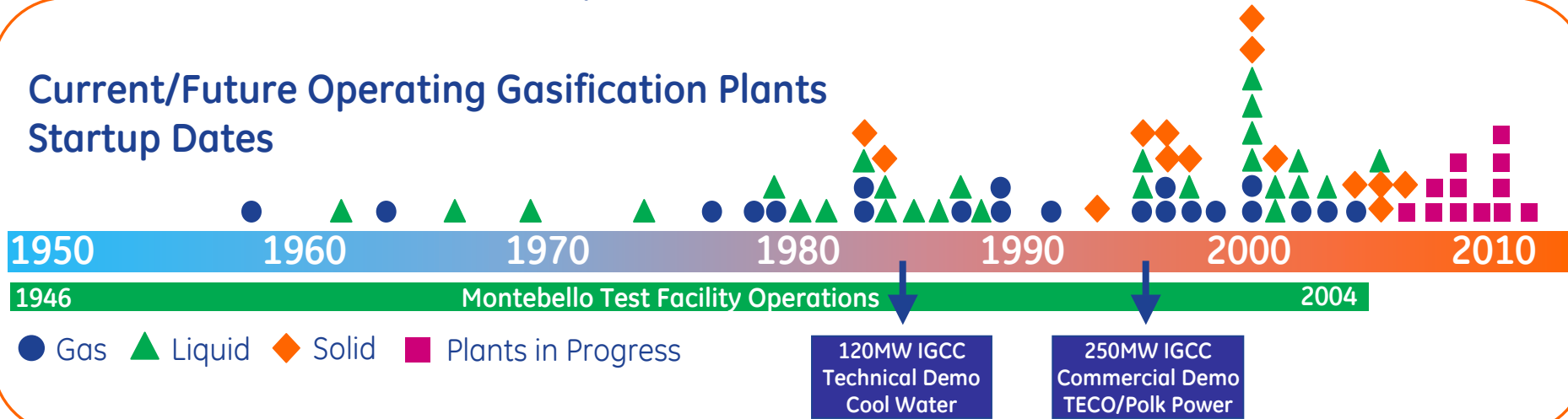
The solution
is not new

GE Energy Feed and Product Matrix

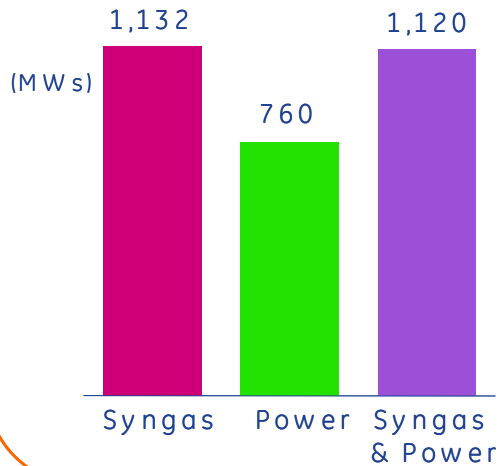
	Gas	Liquids	Solids
Fischer-Tropsch	1950	-	-
Hydrogen	1953	1956	1988
Chemicals	1957	1961	1982
Power	-	2000	1984
Quench	1953	1956	1982
Syngas Cooling	1950	1959	1984

Decades of Experience

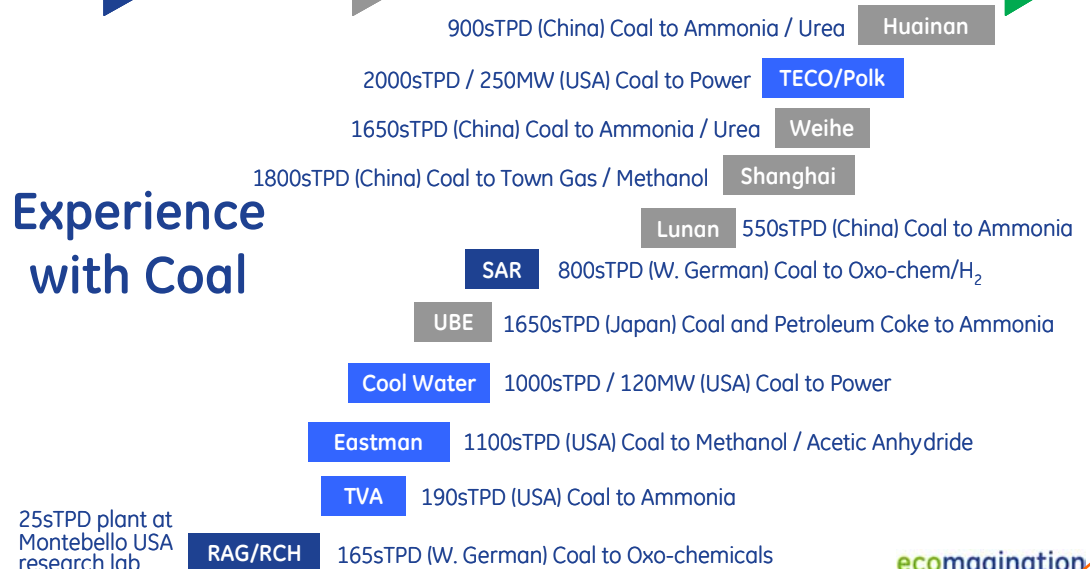
Current/Future Operating Gasification Plants Startup Dates



> 3 GW GE IGCC Experience



Experience with Coal

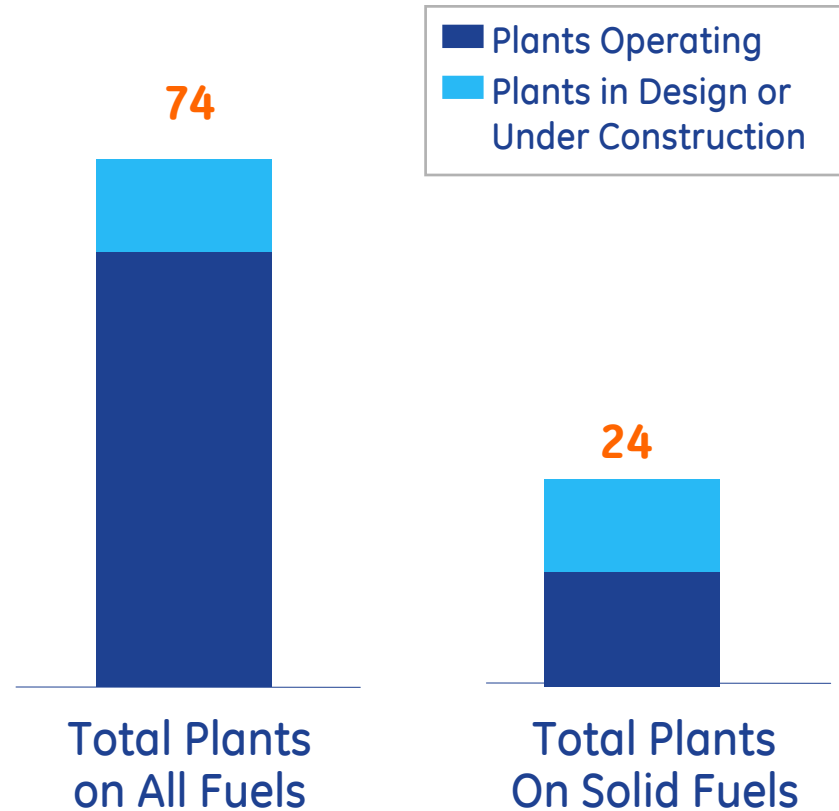


GE Gasification & IGCC Experience Leadership

- Gasification leader since 1948 with 62 facilities operating worldwide
- First coal gasification plant in 1978
- 21 gas turbines operating on synthesis gas, 900,000 operating hours
- IGCC leader: >3 GW with GE technologies
- >6 centuries team gasification experience



GE's Gasification Experience ~120 Vessels In Operation

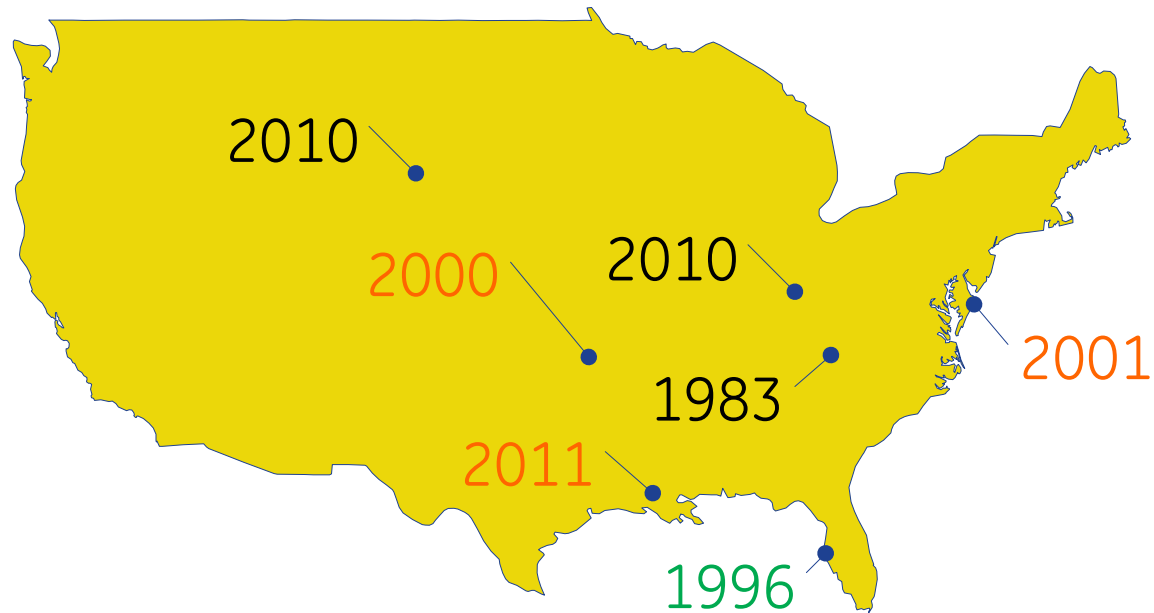


GE's Solids Gasification Technology

- Developed in the 1970's
- Commercialized in the 1980's
- Coal/Water slurry
- Pump fed
- Fluxant for petroleum coke
- Lockhopper for coarse slag removal
- Syngas train identical to heavy oil gasification



GE's Gasification Coal and Petroleum Coke Plants - USA

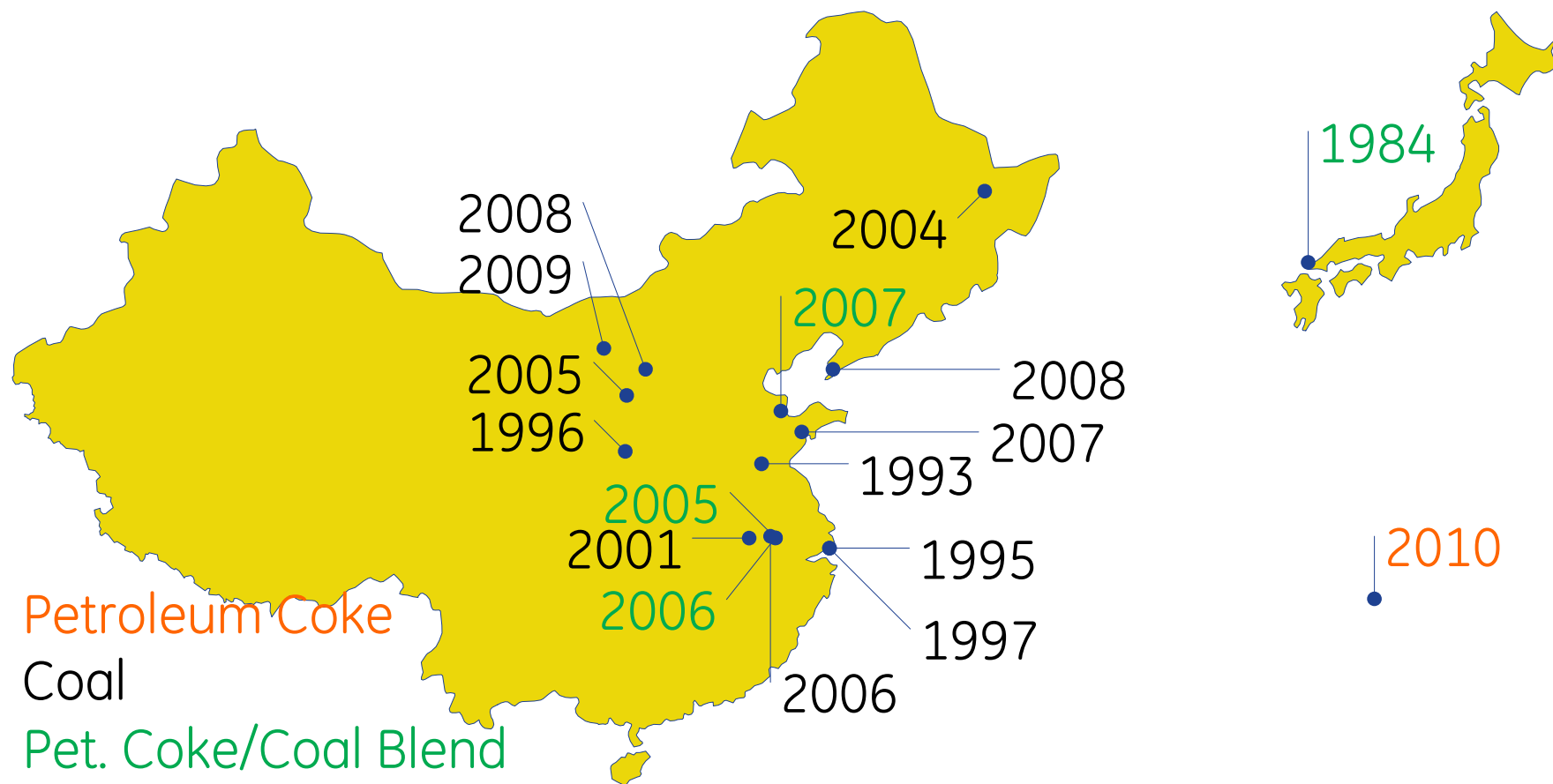


Petroleum Coke

Coal

Pet. Coke/Coal Blend

GE's Gasification Coal and Petroleum Coke Plants – Rest of World



GE Gasification Technology Ammonia Experience

Plants

History

54 built

Today

16 commercial operation

2 engineering/construction

Gasifier Vessels

History

138 built

Today

36 commercial operation

5 engineering/construction

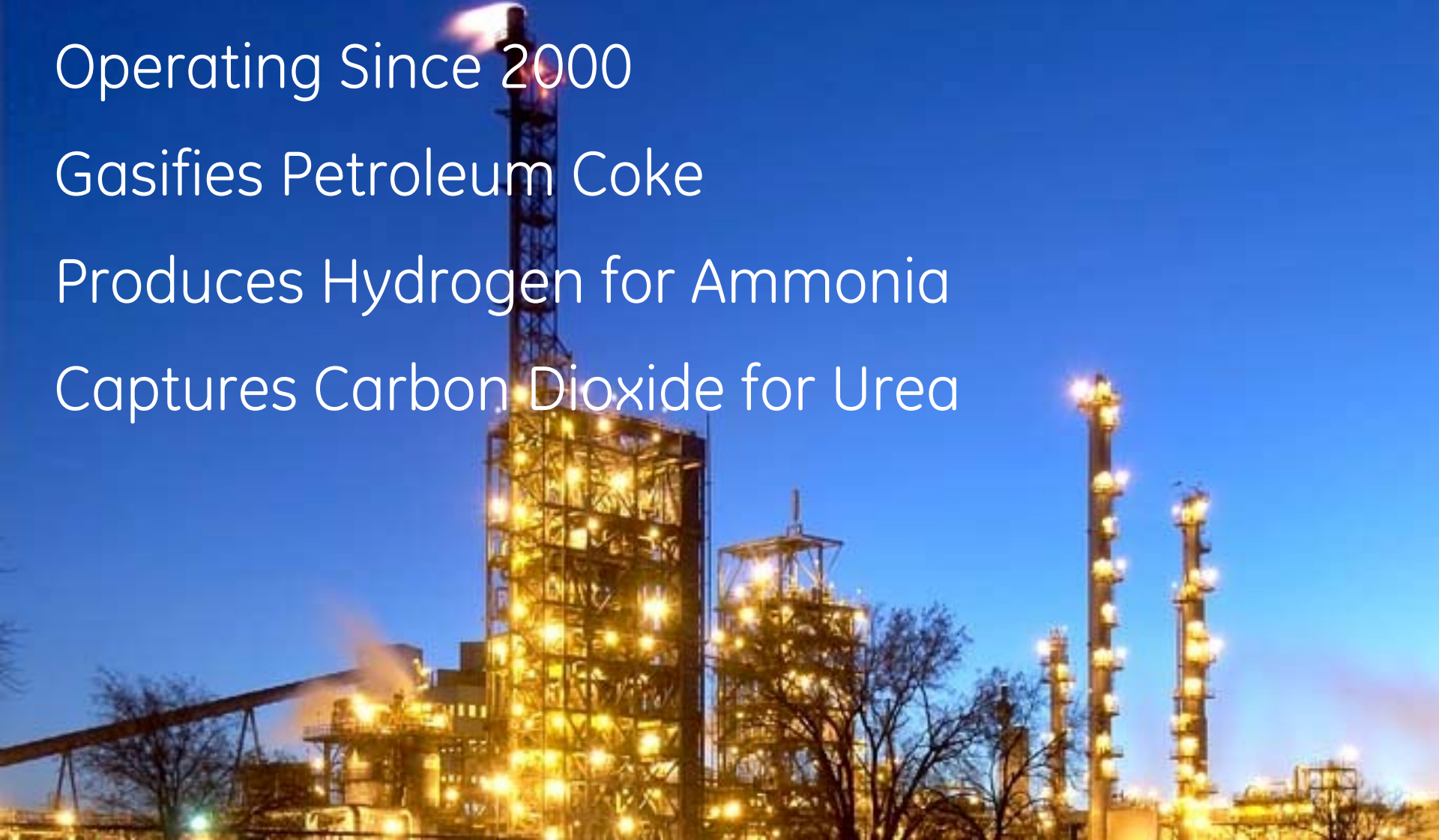
Coffeyville Resources Nitrogen Fertilizers LLC

Operating Since 2000

Gasifies Petroleum Coke

Produces Hydrogen for Ammonia

Captures Carbon Dioxide for Urea



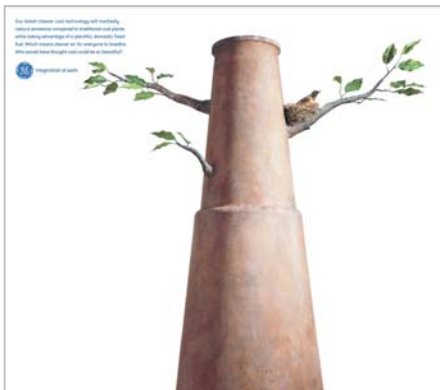
Our
commitment
to gasification

GE's Corporate Commitment to Gasification

- GE's 2005/6 Annual Reports
- ecomaginationSM
- Significant media presence
- Jeff Immelt global city tours
- National TV commercial



The New York Times



GE Energy

Forever coal.

You're looking for a stable lasting relationship leading to a secure future. That's why we create an innovative single source resource coal offering designed to meet your energy needs for the long haul. One supplier, one guarantee. Integrated Gasification Combined Cycle (IGCC) technology is the latest in a long line of quality products, services and software from GE Energy. Where do we go from here? With more than one hundred years of global experience behind us, we're more confident about the future than ever. Need ideas that spark? We're at your service to learn more.

imagination at work

a product of ecomagination

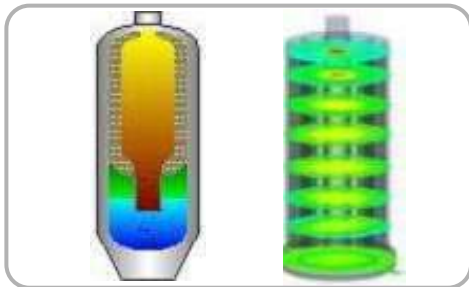
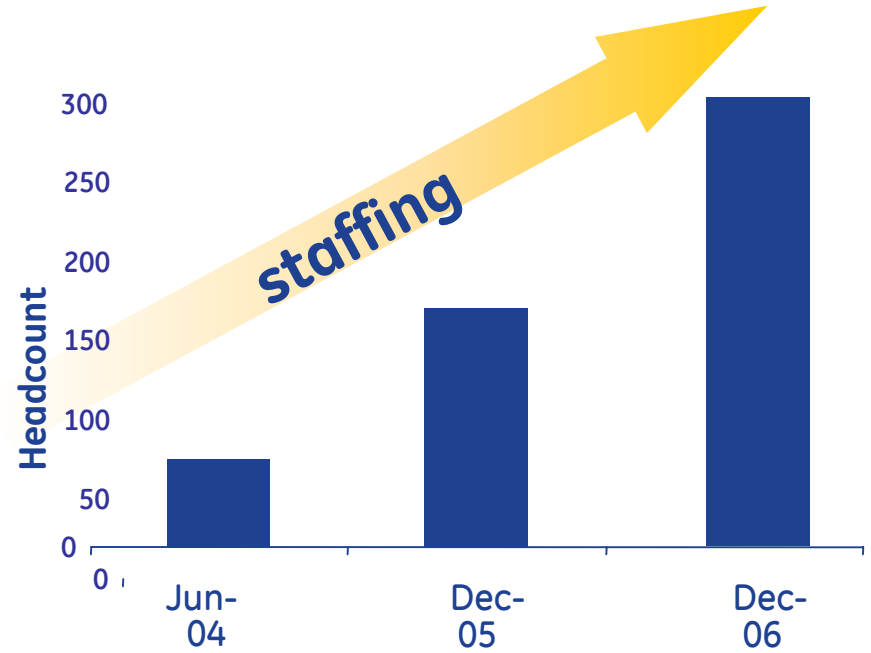
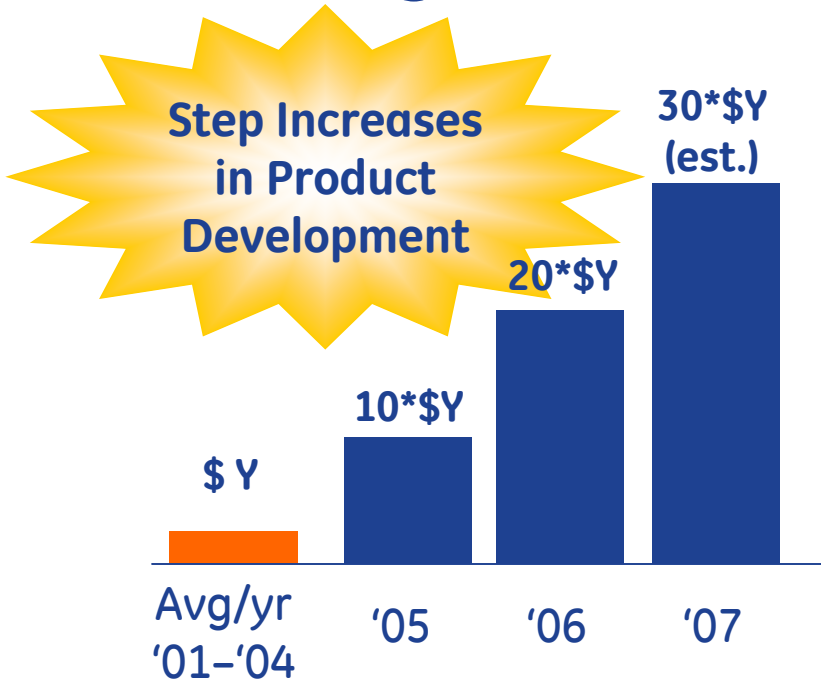
Cleaner Coal

Sometimes we use our ecomagination to reinvent the way we use an existing resource. GE's Integrated Gasification Combined Cycle (IGCC) system converts coal into a cleaner burning fuel. This fuel is then burned in a gas turbine combined cycle system to generate electricity.

Cleaner Coal[®] process emits less than half of the sulfur dioxide, nitrogen oxides, mercury and particulate traditional pulverized coal plants, making the use of coal for power significantly cleaner. Plus, the process iter than a traditional plant, strengthening the environmental benefits of Cleaner Coal.

imagination at work

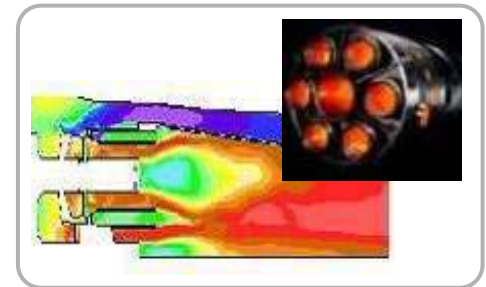
Investing for Success



Gasification Technology

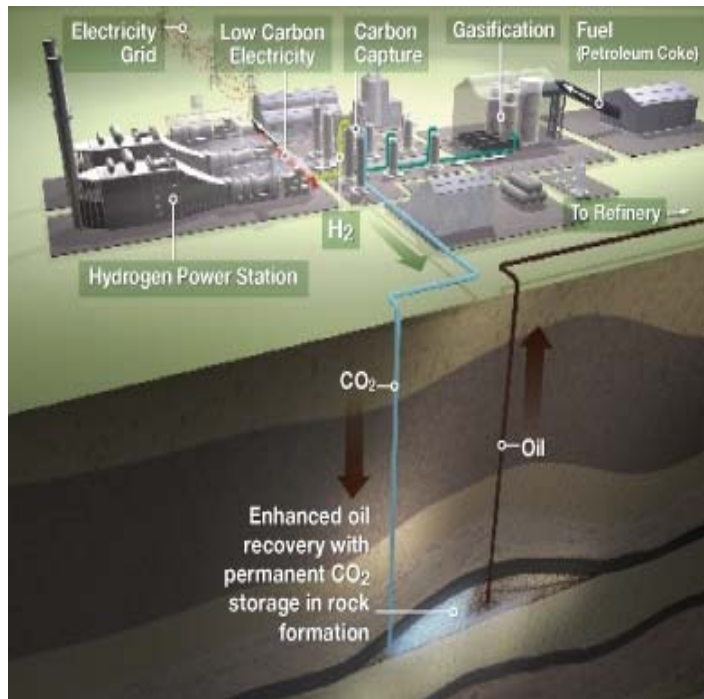


Power Generation Technology



Advanced Technologies

GE and BP Signed HOA To Accelerate Use of Low Carbon Power Generation



Carson Hydrogen Power Project

Hydrogen Power Projects

- Utilize advantaged fossil fuels (coal, petcoke)
- Produce high H₂ fuel gas to burn in gas turbines
- Capture CO₂ (~90%)
- Utilize CO₂ for Enhanced Oil Recovery (EOR)
- Future storage in Saline Aquifers

Value Through Collaboration

- Combine technology company with an operations company
- Leaders in gasification, power and CCS
- 10 – 15 projects over next decade
- Carson, CA is first gasification project

Leveraging The “Bigger GE”



Global Technology Team

Houston, TX – Process & Product Design & IGCC Experience

Niskayuna, NY – Materials, Design, System Analysis

Shanghai, China – Materials, Chemistry, Instrumentation

Schenectady, NY/ Salem, VA – Controls, Simulation

Bangalore, India – Computational, Experimental

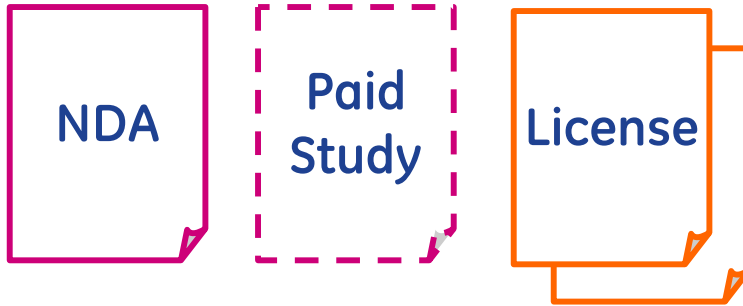
Greenville, SC – Design, Adv Materials & Manufacturing

Irvine, CA– Gasification Modeling & Experimental Experts



300 Engineers & Scientists

Business Model



Screening Study
(Optional)

Block Level
Detail

±30% Factored
Cost Estimate

Paid Feasibility
Study (Optional)

Major
Equipment Level
Detail

±20% Cost
Estimate (by
Owners
Engineer)

Process Design
Package

Preliminary
Engineering
Detail

±10% Detailed
Cost Estimate
(by EPC)

Technical
Services

Critical
Equipment
Supply

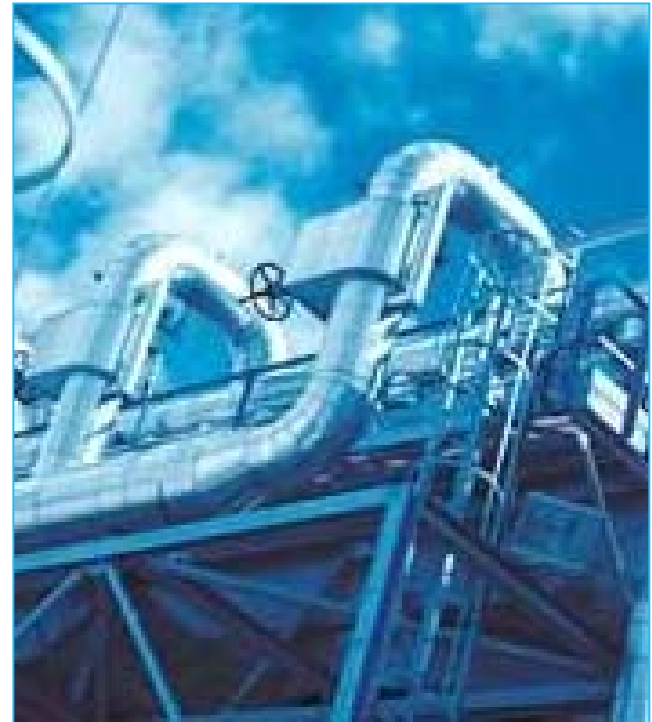
Startup Support

Technical
Services

Users
Conferences

Why Gasification Makes Sense

- Proven technology - commercial operation today
- Fuel flexibility – lower cost fuels than natural gas
- Energy security – domestic coal supplies
- Public acceptance – competitive cleaner coal alternative



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