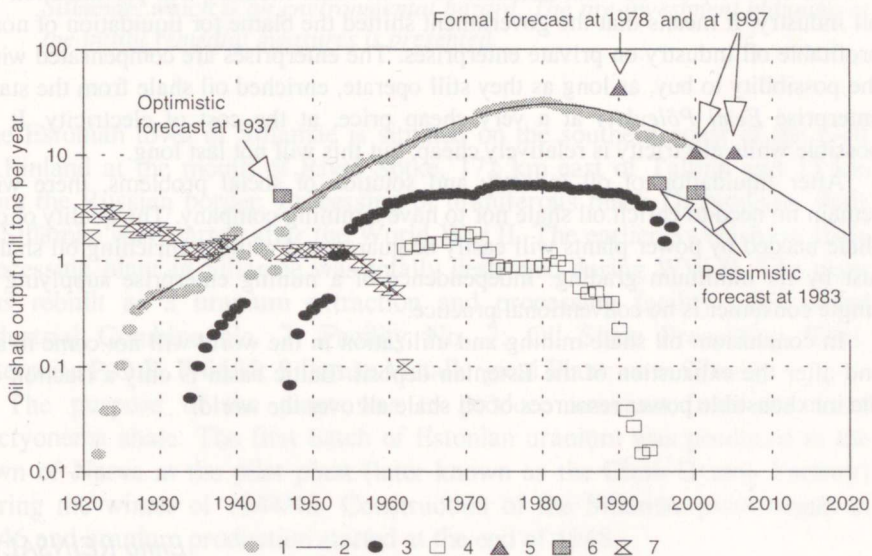


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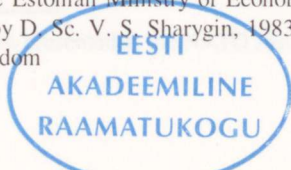
EDITOR'S PAGE

AN ACCEPTABLE SCENARIO FOR OIL SHALE INDUSTRY

Mining and utilization of Estonian oil shale is dying out in a quite natural way as the lifetime of the deposit is running out. The figure below characterizes the life cycle of some deposits with the initial increase in the exploitation rate followed by its decrease. Similar increase and decrease may be followed in exploitation of all other mineral resources deposits as well. Besides, the figure tries to demonstrate how the forecasts, both optimistic and pessimistic, cannot always be trusted. The fact that the Estonian deposit is still rich in oil shale does not mean that mining will continue at the present level: the resources explored by geologists do not reflect the amount of the mineable reserve. The resources were determined according to the needs of the planned economy, considering the construction of a third power plant utilizing Estonian oil shale.



Increase and decrease in oil shale mining and utilising. Legend: 1 – Estonian deposit; 2 – author’s forecast about Estonian deposit, evaluated in 1984 and published in *Oil Shale* 1988, Vol. 5, No. 2; 3 – Leningrad or Oudova deposit in Russia; 4 – Kashpir deposit near Volga in Saratov Province, Russia; 5 – some formal forecasts about oil shale mining in Estonia: Soviet Master Plan 1978, Estonian State programme 1997; 6 – some experts forecasts: optimistic plan of the Estonian Ministry of Economic, evaluated by Karl Luts in 1937 and pessimistic forecast by D. Sc. V. S. Sharygin, 1983; 7 – Scottish oil shale mining and utilising in the United Kingdom



Mining and utilization of Estonian oil shale, especially for producing oil, has been strongly supported by the state from the very beginning of the oil shale industry: first by the government of the Estonian Republic, then by the occupying power. The government of the re-established Estonian Republic has steadily managed and supported oil shale industry.

As long as the state has been the owner of the enterprises of the whole oil shale industry, the government has administered them by maintaining the shale price and by oil shale quality control.

This policy manifested in selling expensive concentrated oil shale to oil industry at a low price and cheap oil shale to power plants at a high price. As the whole industry belonged to the state being in fact a business concern, oil shale was sold by concern price. The task of the mining company *Eesti Põlevkivi* was to organize oil shale mining according to the needs of concentration plants that supplied oil industry, and to guarantee, at the same time, the acceptable quality of power plant fuel.

The second problem of the government concerned restraining social tensions. The mines and open casts have been operated part-time to engage all miners. There exist no technical or management problems with reduction of mining (closing the mines) and transfer of the remaining enterprises to work at full capacity. There will be no problems with simplification of enrichment technology after the reduction of the oil industry, either. One has held back from doing all this only to avoid increasing social strain.

The first step in the disestablishment of oil shale industry was privatization of oil industry. It means that the government shifted the blame for liquidation of non-profitable oil industry on private enterprises. The enterprises are compensated with the possibility to buy, as long as they still operate, enriched oil shale from the state enterprise *Eesti Põlevkivi* at a very cheap price, at the cost of electricity. It is possible while electricity is relatively cheap, but this will not last long.

After liquidation of oil industry and solution of social problems, there will remain no need to enrich oil shale nor to have a mining company. The quality of oil shale needed by power plants will easily be guaranteed without enriching oil shale, just by its minimum grading. Independence of a mining enterprise supplying a single consumer is no conventional practice.

In conclusion: oil shale mining and utilization in the world will not come to an end after the exhaustion of the Estonian deposit. Baltic basin is only a fraction of the inexhaustible power resources of oil shale all over the world.

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