



GEOTHERMAL RESOURCES AND DEVELOPMENT IN GUATEMALA

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ABSTRACT

The accessible resource base potential of geothermal resources in Guatemala is estimated to be 1000 MWe. Early reconnaissance of the geothermal resources identified 14 geothermal areas. The Zunil and Amatitlán areas were given first priority for continued exploration and development. Prefeasibility studies have also been carried out by INDE in the areas of Tecuamburro and Moyuta. A reevaluation of the Moyuta area in 1990 indicated that the reservoir consists of two subsystems with lateral flows to the north and south with estimated temperatures of 210 and 170°C, respectively. Advanced prefeasibility studies by the consulting firm WestJEC in 2005 have estimated the Tecuamburro reservoir potential at 50 MWe for 30 years. Development of the Zunil I geothermal field began in 1981 and to date 15 production wells and 5 reinjection wells have been drilled. In 1999 a 28 MWe (installed capacity) binary power plant was commissioned by Orzunil. Production of brine from the reservoir has declined due to field permeability and a poor hydrological connection between the reinjection zone and production zone. In 2007, a 24 MWe (installed capacity) binary power plant was commissioned by Ortitlan in the Amatitlán field. The same year, INDE decommissioned a 5 MW backpressure unit. INDE plans to relocate the backpressure unit to the Zunil I field. Direct use of geothermal energy has been successfully carried out by Bloteca and Agroindustrias La Laguna. Dry steam and hot water produced from a shallow low-temperature reservoir located 8 km northwest of the Amatitlán field is used in the industrial curing process of construction blocks and dehydration of fruit.

1. INTRODUCTION

Geothermal resources in Guatemala are abundant and provide a sustainable source of energy. Geothermal resources are located along the volcanic highlands of the Central American Volcanic Arc Chain, in the south central part of the country (Figure 1). The same heat energy that drives volcanic activity is also stored in geothermal reservoirs and range from low-temperature to high-temperature resources. In Guatemala the geothermal resource potential is estimated at 3,320-4,000 MWe from which the

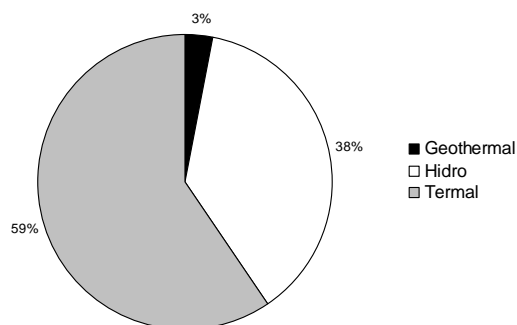


FIGURE 1: Different types of electric energy produced in Guatemala by percentage

accessible resource base is 1000 MWe (Battocletti, 1999).

Gross generation of electric energy in the country in 2007 was 7, 936.73 GWh of which 59% was thermal, 38% was hydro and only 3% was geothermal (AMM, 2007). Currently the total installed capacity in Guatemala is 52 MWe. In 2007, the installed capacity of geothermal energy increased by 24 MWe in Amatitlán. The same year, INDE decommissioned the 5 MWe backpressure unit from the Amatitlán field. In the future INDE plans to relocate the plant to the Zunil I area (Boer and Grajeda, 2006). Future development of the Amatitlán field is expected reach 50 MW by the year 2011.

2. EXPLORATION BACKGROUND

The Guatemalan central government began to identify and explore the geothermal resources in 1972

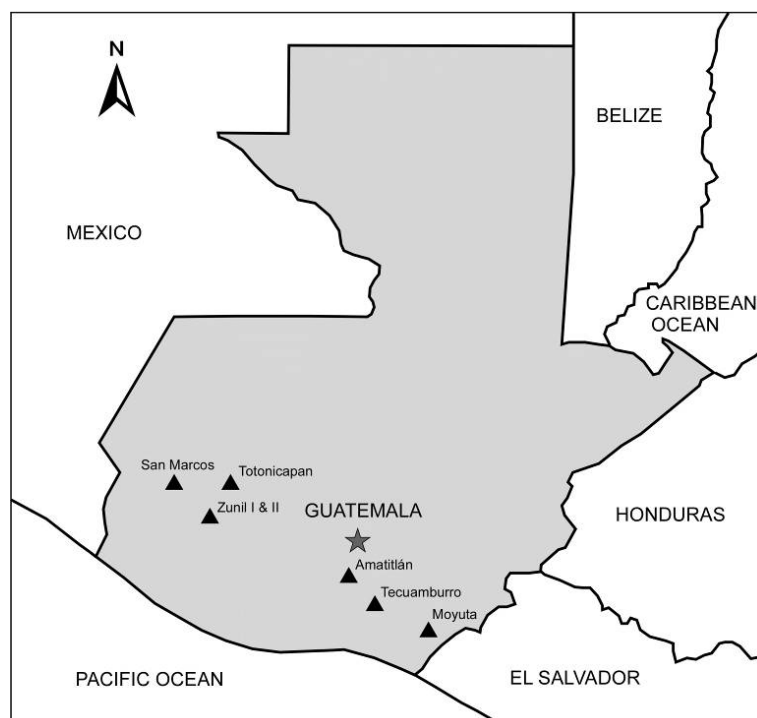


FIGURE 2: Location map of high-temperature geothermal areas in Guatemala

through the government owned electric developer (INDE) with initial finance from several world development organizations (Roldan, 2005). In 1981, a regional reconnaissance study was carried out in order to identify and prioritize all of the geothermal resources in Guatemala. The result of the survey identified 13 geothermal areas, of which 7 areas were selected as the most promising for electrical generation with temperatures ranging from 230-300°C. Listed in order of decreasing priority they are Amatitlán, Tecuamburro, Zunil I, Zunil II, San Marcos, Moyuta, and Tonicapán (Figure 2). Second priority areas with low-temperature resources are Los Achiotes, Palencia, Retana, Ayarza, Atitlán, Motagua, and Ipala.

3. PREFEASIBILITY STUDIES IN GUATEMALA

3.1 Moyuta

Moyuta was the first geothermal area to be studied. It is located in the Region of Jutiapa in the southeastern part of Guatemala. Surface exploration studies were carried out in 1975 over an area of 330 km². INDE, along with Italian consultant company Electroconsult (ELC), carried out complete geological, geochemical, and geophysical studies to determine Moyuta's economic and technical geothermal potential. The results of the prefeasibility study concluded that a shallow reservoir was located on the northern flank of the Moyuta volcanic complex with an estimated reservoir temperature of 180°C. In 1976, INDE drilled 2 deep exploration wells to a depth of 1000 m but the results were not favourable and the project was later abandoned.

The Moyuta area was re-evaluated in 1990 by INDE with the cooperation from Los Alamos National Laboratory (LANL) and the U.S. Geological Survey (USGS). Analysis of chemical and isotopic data

from sampled gas and water were used to estimate the areas geothermal potential and recommend new sites for exploration drilling. The distribution of thermal features indicates that deep reservoir fluid rise convectively near the axis of the volcanism and is structurally controlled by north trending faults. An updated conceptual model illustrates that the reservoir is recharged locally and fluids are heated to reservoir temperatures near the axis of Quaternary andesitic vents forming the east-west trending dome and flow complex (Goff et al., 1991). Two convective sub systems and lateral outflows make up the overall reservoir with temperatures of 210°C for the northern system and 170°C for the southern system (Figure 3). The study suggested that future drilling should be done closer to the intersections of the north trending faults and the Quaternary volcanic axis.

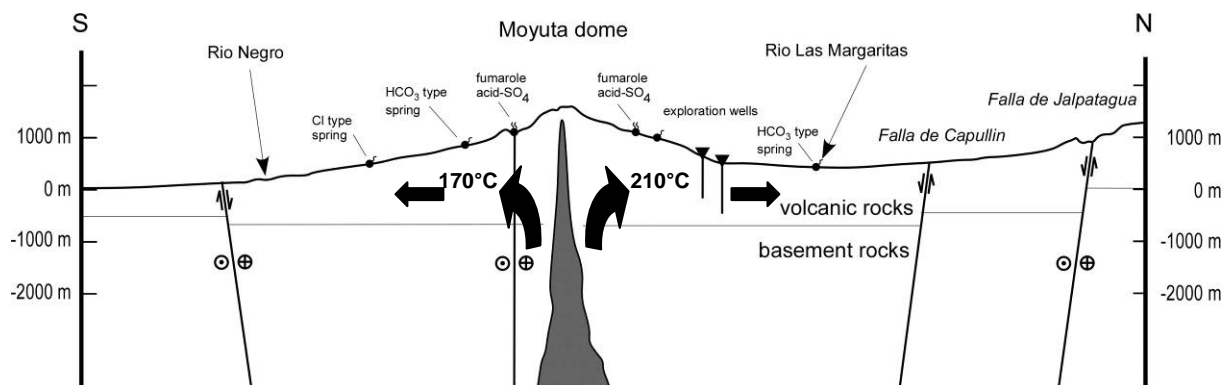


FIGURE 3: Schematic Cross Section of Moyuta geothermal system showing configuration of reservoir relative to the axis of Quaternary magma conduits (modified from Goff et al., 1991)

3.2 Tecuamburro

The Tecuamburro geothermal area is located 50 km southeast of Guatemala City. In 1981, the Tecuamburro area was selected as one of the most promising areas for electrical generation. Manifestations include fumaroles, boiling springs, mud pots, and a large acid sulphate lagoon formed by a phreatic explosion 2,900 years ago called Lagoon Ixpaco. The geothermal area is located on the northern flank of the Tecuamburro volcano, a large andesitic composite cone with a complex geological history. From 1988 to 1991, INDE with technical assistance from LANL carried out a surface exploration study to estimate the area's geothermal potential. The studies included field mapping, vulcanological studies, an extensive geochemical sampling and analysis of geothermal fluids from springs and fumaroles. In 1991, an exploratory core hole was drilled to a total depth of 800 m. Drilling did not confirm the existence of a geothermal reservoir, but a bottom hole temperature of 235°C was reached (Goff et al., 1992). Core samples revealed an alternating sequence of basaltic andesitic lava flows and pyroclastic deposits with hydrothermal alteration consistent with bottom hole temperatures. The borehole had been drilled into a section of impermeable cap rock. No permeable zones were identified.

Based on the results of the prefeasibility study, a conceptual model, illustrated in Figure 4, was constructed. It shows two separate geothermal reservoirs, one located on the northern flank of Tecuamburro volcano with temperatures close to 300°C and a second reservoir that is geochemically distinct with temperatures of 165 °C located approximately 10 km north of the Tecuamburro volcano (Janik et al. 1992).

In 2005, the private firm West Japan Engineering Consultants (WJEC) conducted a re-evaluation the geothermal potential of the Tecuamburro area as part of a regional initiative by the Japanese government to support the development of renewable resources in the Plan Puebla Panama (PPP) region. The project was aimed at promoting investment in geothermal projects by elevating the project status to advanced prefeasibility. The study consisted of a recompilation and analysis of the

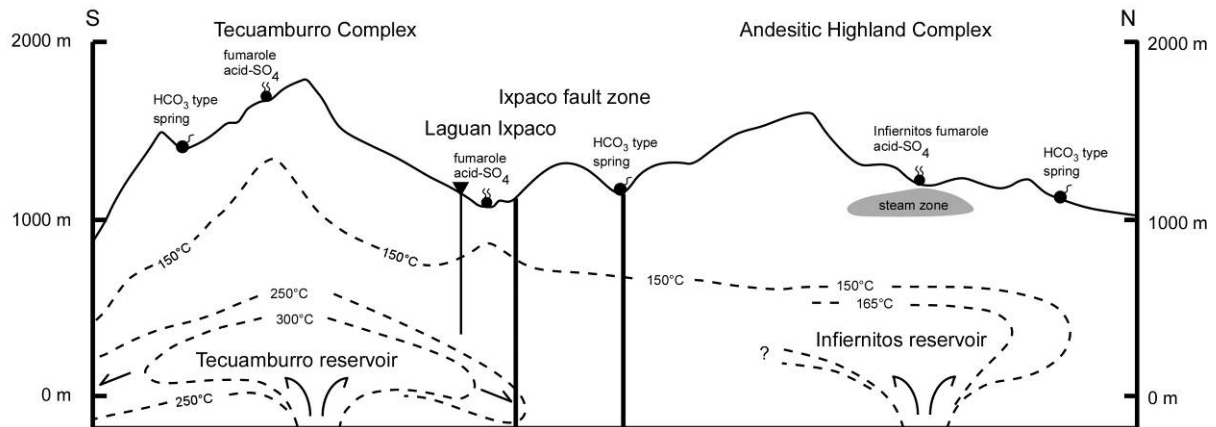


FIGURE 4: Conceptual model of the Tecuamburro geothermal area (mod. from Janik et al., 1992)

available technical data, an evaluation of the local power sector, environmental aspects, and implementation of project development. To confirm the previous conceptual model, an MT survey was carried out over an area of 9 km² and centred on Lake Ixpaco. This provided useful information for a volumetric estimate of the resource and drilling well targets for future drilling. The recalculated potential was estimated at 50 MWe for 30 years with a cumulative probability of 75% (WestJec, 2006).

4. GEOTHERMAL RESOURCE DEVELOPMENT

4.1 Zunil I geothermal field

In 1977, after the Moyuta project was abandoned, INDE decided to carry out surface exploration studies in the Zunil area, located in the eastern department of Quetzaltenango. The studies covered an area of 310 km² and based on the initial results, the Zunil area was divided into two areas, Zunil I and II (Figure 5).

Deep exploration in the Zunil I geothermal field began in 1981 initially with 6 deep exploration wells. Production was achieved from a two-phase liquid-dominated reservoir with a temperature of 280°C. In 1991, 3 new wells were drilled targeting the deeper part field. Production was achieved by the first 2 wells becoming the

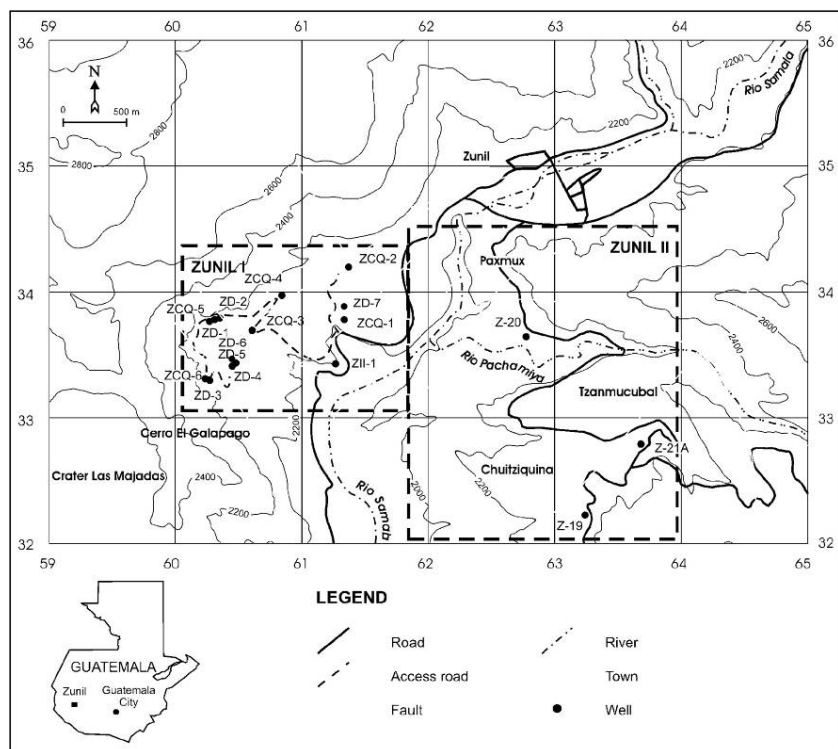


FIGURE 5: Zunil I and II geothermal fields and well locations

highest producers in the field. Drilling into the deeper part of the reservoir had confirmed the existence of a single phase reservoir with higher permeability below a depth of 1000 m with temperatures close to 300°C (Asturias, 2003). The field was estimated to produce sustainable steam and brine to supply a 24 MWe binary power plant for 25 years. In 1999, though a power purchase agreement (PPA) between INDE and Ormat Inc., a 28 MWe (installed capacity) geothermal power plant was commissioned (Orzunil). Under the terms of the contract, INDE manages the production of steam and brine to the power plant and purchases the energy generated by Orzunil. Currently Orzunil generates 16 MWe.

Shortly after Orzunil began operations, the production of geothermal water in relation to steam began to drop, in part due to the overall low permeability of the shallow reservoir and also due to the fact that the reinjection of steam condensate and brine from the plant was not providing pressure support to the reservoir. Reservoir simulations indicated that a poor hydrogeological connection exists between the reinjection zone and the production zone and as much as 86% of the reinjected total is discharging with the lateral outflow to the east of the production zone (Asturias, 2005). Declining reservoir pressures has prevented plant operation at full capacity. In 2005, 2 make up wells were drilled to depths of 1500 m in the eastern and western portions of the geothermal field, both wells suffered from low permeability and only one well was able to maintain flowing conditions. Both wells will need to be properly tested before they can be connected to the power plant or if INDE plans to use them to supply steam to the portable 5 MWe backpressure unit.

4.2 Amatitlán geothermal field

Amatitlán geothermal area (Figure 6) is located 40 km south of Guatemala City. In 1972, INDE began the reconnaissance of the area and by 1989 Electroconsult was contracted to carry out surface exploration studies over an area of approximately 170 km². Deep exploration of the resource soon followed and in 1993 WJEC was contracted to supervise drilling and testing operations of 4 deep exploration wells. The results confirmed the existence of a deep chloride rich geothermal system with a temperature of 285°C.

Flow testing of the first 2 production wells yielded a combined capacity of 12 MWe (Lima and Roldan, 2003) and in 1999, 2 more production wells were drilled targeting zones on the western side of the geothermal field with higher temperatures and permeability. Resource assessment concluded that the Amatitlán reservoir has an estimated production capacity of 50 MWe for 30 years.

A 5 MW backpressure unit was purchased from Mexico's Comision Federal de Electricidad (CFE) and was commissioned by INDE on November 1998. Steam was supplied by 2 production wells and all mass extracted

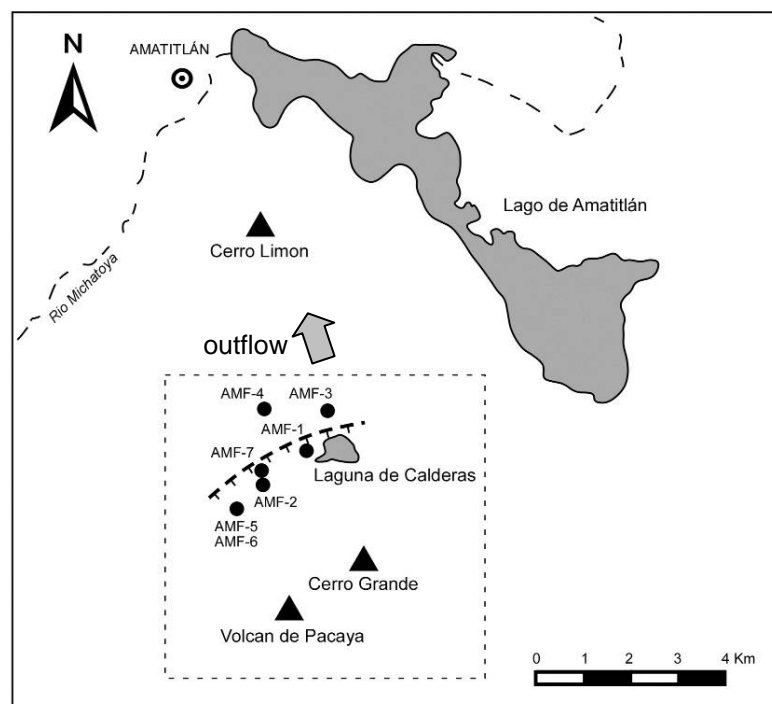


FIGURE 6: Amatitlán geothermal field with well locations and outflow from the geothermal system (mod. after Lima et al., 1996)

was reinjected back into the reservoir 100%. The plant was decommissioned in 2007 after operation of the field was handed over to a private developer. In the near future, INDE plans to relocate the backpressure unit to the Zunil II geothermal area.

In 2001 Ormat Inc. was awarded the concession of the Amatitlán geothermal field and has agreed to install 50 MWe by the year 2011. In 2006 the company began phase one of construction with a binary power plant with an installed capacity of 24 MWe. The plant was officially commissioned in August 2007 and currently produces a total of 340 T/hr of steam and brine from 4 production wells and reinjects at 100 percent of all residual water and condensate.

5. DIRECT USE OF GEOTHERMAL ENERGY

The direct use of geothermal energy in Guatemala in the past has been for medicinal purposes, agriculture and domestic use. The areas of Totonicapan, Quetzaltenango, and Amatitlán are now popular tourist attractions for their thermal bath houses and spas. The construction company Bloteca was first to successfully apply a direct use of geothermal energy using steam in the curing process of concrete products (Merida, 1999). In 1993, a low-temperature resource was discovered by accident 20 km west of the Amatitlán geothermal field after drilling for water to supply the plant. And in 1994, a well was drilled to a depth of 213 m with a bottom hole temperature of 185°C. More wells were drilled, and the company began to explore other uses for the geothermal energy.

In 1999, a fruit dehydration plant, Agroindustrias La Laguna, was build to use hot water from one of the geothermal wells for a drying process. A downhole heat exchanger was installed in the well, along with an enhancer tube in order to increase the performance of the heat exchanger. A schematic

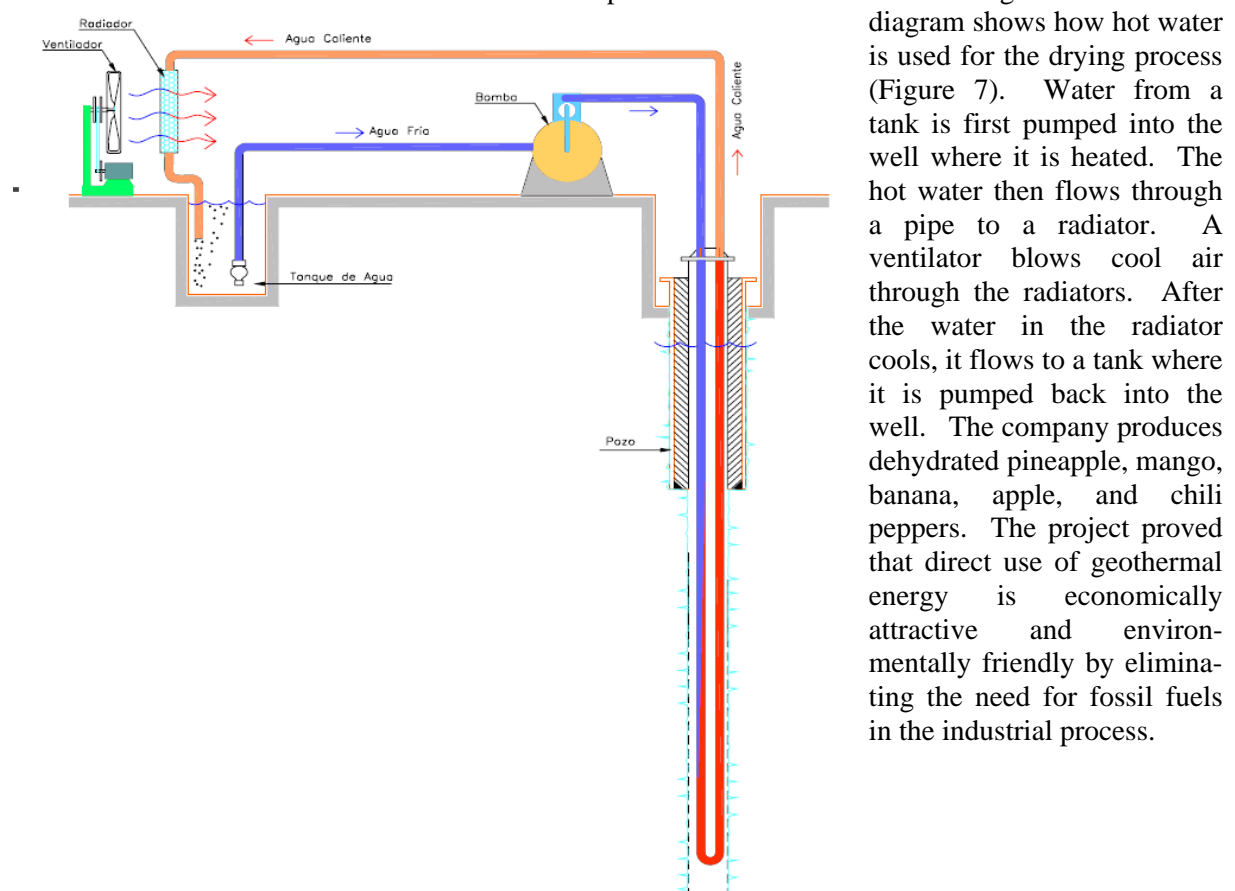


FIGURE 7: Schematic diagram of Agroindustrias La Laguna dehydration plant in Amatitlán

6. CONCLUSIONS

- Geothermal resources are abundant in Guatemala. There are 14 identified areas with geothermal resources, 7 of which are high-temperature areas. Developing geothermal energy has been a slow process in the past, but new legislation promoting development of renewable resources is providing an incentive for private developers to invest in geothermal.
- Tecuamburro and Moyuta are promising geothermal areas which have been studied at the prefeasibility level. Development of these new resources will depend on the rising cost of deep exploration.
- The Zunil I field has seen a decline in production due to declining reservoir pressure. In the future more make up wells will need to be drilled in order to raise the production of the field. The reinjection zone must also be relocated so that the reinjected fluid can provide pressure support to the reservoir. Make up wells drilled in 2005 have not been properly tested, but initial tests were not favourable. Nevertheless, INDE in the future plans to evaluate these wells before a decision is made to use their production to supply a 5 MW backpressure unit or to connect them to the existing Orzunil plant.
- Concession of the Amatitlán field has been awarded to Ortitlán, and in 2007 they commissioned a 24 MWe binary plant. Ortitlán plans to drill new wells in 2009 in order to comply with the terms of the contract to elevate the installed capacity in Amatitlán to 50 MWe by the year 2011.
- Bloteca and Agroindustrias La Laguna have applied direct use of geothermal energy in their industrial process such as curing construction blocks and dehydration of fruit. Both projects are environmentally friendly, and economically attractive and can serve as examples that direct uses of geothermal energy can also be successfully applied in Guatemala and Central America.

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