



Local Air Quality Team  
Department for Environment, Food & Rural Affairs  
Area 2c, Nobel House  
17 Smith Square  
London  
SW1P 3JR

27<sup>th</sup> February 2018

Dear Sirs,

**Call for evidence on domestic burning of house coal, smokeless coal, manufactured solid fuel and wet wood**

I am pleased to make a submission, in response to the above *Call for Evidence*, on behalf of CoalImp – the Association of UK Coal Importers and Producers.

CoalImp represents UK coal producers, major coal users, transport companies, ports and other infrastructure operators. The ten members (listed on the CoalImp website<sup>1</sup>) account for the vast majority of UK coal production (including housecoal production) and the handling, transportation and use of UK coal imports.

I have also responded to the online questionnaire, but in view of the paucity of hard data on this subject, I believe our evidence is best expressed by letter, in the form below. Individual members will doubtless respond to individual questions with relevant data, where they have it; some of which may be confidential in view of the relatively small number of major players in the sector. This response brings together the experience of those who work in the supply chain with more anecdotal and qualitative information.

I should make clear that the membership of CoalImp covers a spectrum of activities, with some members having principal and/or significant interests in sectors other than coal and/or housecoal. This submission is principally made on behalf of UK coal producer members.

I would be happy to meet with relevant officials to discuss these matters further.

Yours faithfully

**Nigel Yaxley**  
**Managing Director**

---

<sup>1</sup> <http://www.coalimp.org.uk/5.html>

## Introduction

1. The market for bituminous housecoal in the UK, whilst still significant for market players, producers and users, is only a small fraction of what it once was and continues to decline year on year. Statistics produced by BEIS<sup>2</sup>, whilst considered somewhat unreliable, show total domestic coal consumption in 2016 at 550 thousand tonnes (kt), compared to 2.38 million tonnes (Mt) in 1998 (when the current data set commences). These figures include anthracite (which is outside the scope of the call for evidence), so housecoal figures are somewhat lower. The fact that the housecoal figure is not quoted in Government statistics is an indication of the lack of reliable data in the sector, which is also affected by the need to estimate the split of imported supplies between housecoal and other markets.
2. Leading industry players (amongst our membership) estimate the current market for housecoal at less than 200 kt per annum. This compares with estimates of between 3 Mt to 6 Mt of wood burnt, according to the *Evidence background documentation*<sup>3</sup> (page 4). Wood burning, therefore, now exceeds the burning of housecoal by an order of magnitude. Modelling by one of our members suggests that the burning of housecoal will account for less than 1.0% of PM<sub>2.5</sub> particulate emissions within 2 to 3 years.
3. A number of the questions in the *Call for Evidence* seek to further quantify various aspects of the housecoal market. This is a laudable aim but, to my knowledge and that of CoalImp's members, (who include some of the major market players), this numeric data simply does not exist. However, there is a wealth of experience amongst coal producers, coal merchants and others, many of whom have spent a lifetime in the domestic coal trade, which should inform this call for evidence on a more qualitative basis.

## Geographical Disposition of Housecoal Consumption

4. The disposition of particulate matter emissions in the UK is illustrated by two maps in Figure 2 of the *Evidence background documentation* (page 3). By simple observation it is clear that these emissions are heavily concentrated in urban areas.
5. Housecoal is burnt primarily in rural areas of low population density, off the gas grid, and provides a relatively cheap home heating alternative to oil and bottled gas. Most housecoal consumers have been using the product for many years and are experienced in the best burning practices associated with the use of solid fuel.

---

<sup>2</sup> Supply and Consumption of Coal

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/669249/ET\\_2.1.xls](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/669249/ET_2.1.xls)

<sup>3</sup> [https://consult.defra.gov.uk/airquality/domestic-burning-of-wood-and-coal/supporting\\_documents/180129%20Evidence%20background%20documentation.pdf](https://consult.defra.gov.uk/airquality/domestic-burning-of-wood-and-coal/supporting_documents/180129%20Evidence%20background%20documentation.pdf)

6. In contrast, many of the new wood burning customers live in urban areas of high population density, where pollution from other sources is higher, and have little, or no, knowledge of best burning practices and/or existing smoke control legislation.

### **Cost Comparisons with Smokeless Fuel and Fuel Poverty**

7. An assertion is made in the *Call for Evidence* (page 8) that switching to smokeless fuels would be cost neutral to the consumer. This is misleading as it compares efficiency levels of an open fire with a modern stove, rather than comparing coal with smokeless fuel when burnt on an open fire. Any cost comparison needs to take into account the significant capital costs of switching to a new closed appliance and associated heating system.
8. According to a CoalImp member, a current list price for popular branded, low sulphur briquettes is approximately three times that of housecoal doubles, and evidence suggests that the improvement in efficiency when burning smokeless fuel (compared to coal) on an open fire is significantly less than this. This price disparity could widen still further if cheaper, higher sulphur, briquettes are removed from the market, resulting in a significant price increase for existing coal burning customers. Given that many of these users live in relatively low wage rural areas, this could lead to a significant rise in fuel poverty in some places.

### **Impacts on the Industry**

9. The impact on suppliers is the subject of several questions (Section 4). It is obvious that producers of smokeless fuel have a vested interest in banning the sale of housecoal, which is a key competitor.
10. As unabated coal generation is phased out in the period to 2025, UK coal producers are refocusing their businesses towards markets other than power stations, including the steel industry, cement production other industrial users and the housecoal market. This involves competing with imported supplies to ensure the market share of indigenous products is maximised.
11. As coal qualities are not readily transferable between markets (dependent on size, ash content and other characteristics) this is not a straightforward process, and has involved changes to mining methods and investment in new coal preparation facilities.
12. Any move to prevent the sale of housecoal would, in these new and more difficult market circumstances, certainly damage the business of the UK's remaining coal producers, with a corresponding impact on jobs.

## Regulation

13. CoalImp believes that existing smoke control regulations should be more rigorously applied, as the most effective means of reducing pollution in those areas where it has most impact.
14. The *Call for Evidence* (page 6) suggests that "awareness of, and compliance with, smoke control area legislation in these areas is low and that many perceive the problem of domestic burning to no longer be an issue with regards to pollution". This may well be the case for the new generation of consumers who have been led to believe, from a climate change perspective, that burning wood is sustainable.
15. By contrast, those involved in the market are confident that the burning of housecoal in smoke control areas is extremely rare. It would therefore surely be better to improve understanding of the issue in these areas through a public information campaign, coupled with the additional powers cited (question Q32).
16. Housecoal is mainly sold via long established 'approved coal merchants', experienced in the various solid fuel products available, their suitability for different appliances, and existing smoke control legislation/smokeless zones within their trading area. They are therefore well placed to offer advice to consumers and help to ensure compliance with existing smoke control legislation. The *Approved Coal Merchants Scheme*<sup>4</sup>, and the *Coal Trade Code* are structures designed to protect consumers, and ensure that solid fuel is burnt efficiently and within the law.
17. The *Evidence background documentation* raises concerns about the sulphur levels of domestic solid fuels (page 5). In practice, virtually all housecoal sold in the UK has a sulphur content of around 1% or less, significantly lower than most smokeless fuels, and well within the 2% limit referenced in the call for evidence.
18. A draconian ban on the sale of housecoal, CoalImp believes, would have a minimal effect in smoke control areas, whilst severely impacting consumers in rural areas, especially those already experiencing fuel poverty.

## Summary

19. Wood burning now exceeds the burning of housecoal by an order of magnitude. Modelling by one of our members suggests that the burning of housecoal will account for less than 1.0% of PM2.5 particulate emissions within 2 to 3 years.
20. Housecoal is burnt primarily in rural areas of low population density, off the gas grid, and provides a relatively cheap home heating alternative to oil and bottled gas. Cost comparisons between housecoal and smokeless

---

<sup>4</sup> <http://www.coalmerchantsfederation.co.uk/coal-merchants/why-use-approved-coal-merchants>

fuel needs to take into account the significant capital costs of switching to a new closed appliance and associated heating system.

21. Any move to prevent the sale of housecoal would certainly damage the business of the UK's remaining coal producers, with a corresponding impact on jobs.
22. CoalImp believes that existing smoke control regulations should be more rigorously applied, as the most effective means of reducing pollution in those areas where it has most impact. A draconian ban on the sale of housecoal would have a minimal effect in smoke control areas, whilst severely impacting consumers in rural areas, especially those already experiencing fuel poverty.