

March 2013

## **CoalImp Welcomes CCS Development**

CoalImp, the Association of UK Coal Importers, has welcomed the Government's decision to move forward with two Carbon Capture and Storage projects in the UK.

The 426MW coal-fired White Rose Project in North Yorkshire and the gas-fired Peterhead Project in Aberdeenshire have been named as the two preferred bidders in the £1bn competition to drive forward the development of large scale carbon capture and storage technology.

These two projects will now be taken forward through Front End Engineering Design studies (FEED) over a period of 18 months before a Final Investment Decision will be taken in early 2015.

Nigel Yaxley, managing director of CoalImp, believes the decision to progress the White Rose Project, which is to be located on land adjacent to the existing Drax Power Station, represents a positive step forward for CCS development in the UK.

He said: "Coal is currently providing over 40 per cent of our electricity needs and will remain key in the transition to a low carbon future.

"It is therefore vital that we develop the technologies to ensure coal is used in a clean and fully sustainable manner as part of a secure and diverse energy portfolio. We look forward to further CCS projects being developed under the UK's Electricity Market Reform, alongside nuclear and renewables technologies, so that the country can continue to benefit from the world's most abundant and low-cost fuel into the future.

"A recent DECC report has predicted that CCS has the potential to compete effectively with other low-carbon forms of energy by the 2020s. This report underlines the importance in demonstrating coal with CCS, and the potential to secure a role for coal in the future low-carbon energy mix."

The CoalImp managing director added that a full scale demonstration also represents an opportunity for the UK to lead the way in global CCS development.

He said: "CCS is crucial in a world context, where coal remains the fastest growing fossil fuel.

"Emerging nations including China and India are pushing forward with unabated coal-fired power plants and, according to the International Energy Agency, coal could catch up with oil as the world's number one fuel as early as 2017.

“The UK has an opportunity to take a lead in demonstrating industrial scale CCS, helping to tackle the challenge of global carbon emissions, and creating the potential for new jobs and investment in the UK.”

## **Ends.**

### **For Additional Information**

Telephone Nigel Yaxley on 0207 1936108 or 07774 184841  
or e-mail [nigelyaxley@coalimp.org.uk](mailto:nigelyaxley@coalimp.org.uk)

### **Notes for Editors**

CoalImp, The Association of UK Coal Importers, is the trade association for companies involved in importing coal to the UK, including major end users, rail companies, ports and other companies with a physical presence in the supply chain.

At 41%, more electricity was produced from coal during 2012 than from any other fuel source (gas 26%, nuclear 20%, others (including renewables) 13%). The UK consumed 64.1 million tonnes of coal in the year, including 54.9 million tonnes in power stations. Coal imports to the UK over this period were 44.8 million tonnes, representing over two thirds of the total supply. (Source - DECC provisional statistics)

<https://www.gov.uk/government/organisations/department-of-energy-climate-change/about/statistics>

The Carbon Capture and Storage Cost Reduction Task Force interim report confirming that CCS has the potential to compete with other low carbon forms of energy by the 2020s is available via the DECC website.

[http://www.decc.gov.uk/en/content/cms/news/pn12\\_143/pn12\\_143.aspx](http://www.decc.gov.uk/en/content/cms/news/pn12_143/pn12_143.aspx)

The IEA's Medium Term Coal Market Report 2012 sees coal catching up oil by 2017. "Thanks to abundant supplies and insatiable demand for power from emerging markets, coal met nearly half of the rise in global energy demand during the first decade of the 21st Century," said IEA Executive Director Maria van der Hoeven. "This report sees that trend continuing. In fact, the world will burn around 1.2 billion more tonnes of coal per year by 2017 compared to today – equivalent to the current coal consumption of Russia and the United States combined. Coal's share of the global energy mix continues to grow each year, and if no changes are made to current policies, coal will catch oil within a decade."

[http://www.iea.org/newsroomandevents/pressreleases/2012/december/name\\_34441.en.html](http://www.iea.org/newsroomandevents/pressreleases/2012/december/name_34441.en.html)

Located on land adjacent to the existing Drax Power Station, near Selby in North Yorkshire, the 426MW (gross) power plant will burn coal and meet the equivalent power needs of over 630,000 homes. Fully equipped with CCS technology CO<sub>2</sub> produced by the plant will be captured and transported by pipeline for permanent storage deep beneath the North Sea seabed.

The White Rose CCS project is to be delivered by Capture Power, a consortium set up by Drax, Alstom and BOC to develop the White Rose CCS Project, in close co-operation with National Grid, who will provide the transportation and storage infrastructure for the project.