

Response – Nuclear Power Consultation 2007
FREEPOST SEA 12340
Thornton Heath
CR7 7XT

8th October 2007

Dear Sirs,

Consultation on the Role of Nuclear Power in a Low Carbon UK Economy

I am pleased to respond on the above consultation on behalf of CoalImp – the Association of UK Coal Importers.

CoalImp represents major coal users (including most of the coal-fired generators), rail companies, ports and other infrastructure operators in the coal supply chain. The twenty two [members](#) account for the handling, transportation and use of the majority of imported coal supplies into the country, in turn accounting for over a quarter of electricity produced last year.

Whilst a number of our members are potential participants in any future nuclear power station developments, it is not the role of CoalImp to represent them in this area, and we have no particular comments on the detailed questions in the consultation. We do, however, believe that all zero or near-zero sources of electricity generation should be given equal weight in Government thinking.

In this context, clean coal with carbon capture and storage should be seen as a major, large scale potential source of carbon savings, at least on a par with nuclear. Indeed CCS has greater worldwide applicability than nuclear power, both from resource and security perspectives. Proven world coal reserves amount to around 850 billion tonnes, equivalent to over 140 years supply at current rates of usage. Against this background, and with the massive growth in coal use in economies such as China and India, climate change policies need to include clean coal as part of the solution.

CoalImp is therefore concerned that overall UK energy policy, and all associated detailed policy instruments, are structured to help bring forward investment in clean coal with CCS, alongside other solutions – such as nuclear power and renewables. In the absence of such suitable instruments, in the period of time before a significant tranche of new nuclear capacity can be brought on line, the default option is likely to be a further 'dash for gas'. This would have major implications for the security/price of energy supply without producing deep cuts in carbon emissions.

It is true that if there were no new coal-fired build, then some limited reduction in carbon emissions would be achieved as a result of higher gas compared to coal burn. This would still lock in relatively high carbon new capacity irrespective of the security of supply issues. Against this background, it is imperative that rapid progress is made on implementing carbon capture and storage, for gas as well as coal-fired capacity.

This does not preclude the case for new nuclear, but it does mean that both new nuclear and carbon capture and storage are required. Without doubt, CCS will be required in a global context if there is to be any chance of limiting carbon emissions globally, without which the UK's own efforts will be irrelevant.

The funding shortly to be made available on a competitive basis for commercial scale demonstration projects must be sufficient to cover as wide a range of CCS technologies as possible. This should also be accompanied by a campaign to increase awareness of this technology together with its great potential to contribute to climate change mitigation.

Further instruments will be required, however, to ensure that the UK does not have to wait until these CCS demonstration plants are built, and in operation, before more clean coal projects come forward. Uncertainty over the details of the third phase of the EUETS, together with the likely timescale for agreement, means that other measures are required.

We call on Government to devote equivalent resource and effort to devising such policy instruments (either through, or alongside, future phases of the EUETS) to that which has been devoted to consideration of the future of nuclear power.

Yours faithfully

Nigel Yaxley
Managing Director