

# THE COAL RESOURCE

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# THE COAL RESOURCE - 2005



## Deep Mines

Existing deep mines 290 mt

## Opencast

Current sites 40

Sites awaiting consent 38

Conditional licences 67

Other known sites 474

619 mt

TOTAL:

909 mt

Opencast resource reduced from the much higher reserves stated in 1983 and 1990, but because of the much lower production 'need' it still represents adequate potential resource to 2020 and beyond. This figure does not include coal in potential new sites.

# FINANCIAL INVESTMENT



## Underground Issues

### 1. Investment need in UK Coal existing mines

- o Harworth (Top Hard) - £84m
- o Thoresby (Deep Soft) - £37m
- o Kellingley (Beeston) - £32m
- o Daw Mill (400's) - £173m

Sources - Shareholders, Retained Profit, Debt

### 2. Investment issues for new mines

- o Viability e.g. Witham Prospect - £600m
- o Manpower
- o Planning
- o Development Lead Times
- o Investment certainty e.g. Carbon Price / Trading

# POTENTIAL NEW UNDERGROUND OUTPUT

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Large or Well Understood Prospects	Recoverable Reserves (mt)
Hawkhurst Moor	145
Margam	70
Park	100
Witham	130
Vale of Belvoir	500
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	945
Smaller or Less Well Understood Prospects	
Amble	n/a
Canonbie	n/a
Carlands	n/a
High Carr	n/a
Kesteven	240
North Ouse	n/a
St Bees	20
Talacre	n/a
Vale of Till	90
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	350
Expansion of Existing Mines	
Aberpergwm	34
Unity	16
Thorne	38
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	88

POTENTIAL NEW  
OPENCAST OUTPUT

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See wallplan

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## Opencast Issues

1. Change impact of “presumption against”.
  - o Demonstrate national need for 20 mtpa of indigenous coal.
  - o Planning system used to satisfy need i.e. areas of search in development plans and “plan led” consents.
  - o Production monitored and controlled to meet annual target.
2. Generally smaller, lower impact sites to respect environmental & community issues but in context of national need.
3. Fair commercial relationships with generators, properly reflecting the need for indigenous coal.

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The Challenge - Production of 20 mtpa of indigenous coal to 2017.

1. The challenge can be met - but!
  2. £ 326m investment to produce additional 60mt of deep mine output (up to 2017) - 50mt after 2017.
  3. 60mt of replacement opencast coal needs planning consent (to 2017).
  4. Generally, sites will need to be smaller and low impact.
  5. 60+ planning consents will be needed.
  6. Recognition by generators of the production target.
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