

Fifth Meeting of the UK Coal Forum
10:00 –12:00 on 14 June 2007
DTI Conference Centre, 1 Victoria Street, London SW1H 0ET

Attendees

Chair: Sir John Collins, President of the Energy Institute

Government

Lord Truscott, Minister for Energy, DTI
John Cockaday, Head of Secretariat to the Coal Forum, DTI
Peter Waller, Energy Technologies Unit, DTI
Lynn Griffith, Energy Wales
Philip Lawrence, Chief Executive, Coal Authority
Elisabeth Cuthbertson, Energy White Paper Team, DTI

Industry

Adam Lent, TUC
Alistair Black, ATH Resources
David Brewer, CoalPro
David Jerome, Clyde Port
David Porter, Association of Electricity Providers
Dorothy Thompson, Drax
Guy Buckenham, EDF Energy
Ian Lavery, NUM
Jon Lloyd, UK Coal
Mel Hunt, H J Banks
Mike Farley, Doosan Babcock Energy
Niall Crabb, Scottish Coal
Nick Otter, Alstom Power
Nigel Yaxley, Coallmp (Association of Coal Importers)
Owen Michaelson, Peel Holdings
Pat Carragher, BACM
Phil Jones, SSEESL
Philip Cave, CoalPro
Phillip Garner, UK Coal
Tony Cocker, E.ON UK

In attendance

Ian McKenzie, Director, Coal Liabilities Unit, DTI
Clare Harding, Coal Policy, Energy Technologies Unit, DTI
David Leitch, Coal Policy, Energy Technologies Unit, DTI
Jeremy Cousins, Coal Policy, Energy Technologies Unit, DTI
Robert Clay, Energy Markets Unit, DTI

Apologies

Ron Loveland, Richard Bellingham, James Poyner, Ian Marchant, Tom Allchurch, John Topper and Stephen Tillman.

Agenda

- Welcome and introduction from Sir John Collins, Chair, Coal Forum

- Notes of the last meeting, DTI Secretariat
- Energy White Paper, presentation by Elisabeth Cuthbertson
- The future of the Coal Forum, Chair
- Interim Overview, Chair
- AOB, Chair
- Wrap-up, confirmation points, close, Chair

Preliminary matters

1 Welcome and Introductions

Sir John Collins welcomed all the members.

Sir John Collins introduced Jon Lloyd who it had recently been announced would become Chief Executive of UK Coal in September. **Jon Lloyd** thanked Sir John Collins for his welcome and said that he was passionate about coal and that UK Coal was committed to coal production. He said he was looking forward to working with all those on the Forum.

2 Minutes of Previous Meeting

Sir John Collins said that no comments had been received on the minutes and they would be published on the Coal Forum pages on the DTI web site.

3 Energy White Paper

Elisabeth Cuthbertson, Senior Economist on the Energy White Paper team gave a presentation on the key points of the White Paper. A copy of the presentation was circulated to members after the meeting.

The subsequent discussion addressed a number of key areas that concerned members of the Forum. It was noted that the Forum had been established to come up with solutions to the problems affecting the coal industry and members felt they had fulfilled this role but they were disappointed that these had not been taken up. Members felt that there would not be a change in the public perception of coal without an appropriate Statement of Need, similar to that for Nuclear.

In addition members expressed concern over the models used by the White Paper team because they were in some important respects at odds with those drawn up by the Forum and that despite sharing these with the White Paper team no changes had been made. Members felt that the model was based on an incorrect premise. It was agreed that the White Paper team would meet with members of the Forum to discuss the models used.

Members also felt that in the future there should be better dialogue with regard to important issues such as the White Paper.

Lord Truscott said that the Coal Forum had been established to improve communication between Government and those involved in coal related industries, and had played an important role in influencing Government. He said he was aware of the discontent surrounding the lack of a robust statement regarding coal in the White Paper but he said the views of the Forum had been taken into consideration. Lord Truscott noted that Paragraph 4.31 of the White

Paper states the Government believes that there is a value in maintaining access to reserves of coal and he felt that this was a positive message that could be referred to in any planning application.

Peter Waller updated members on the CCS competition. He informed members that this was the largest single investment by government and that the appropriate governance was now in place but the funding options were still being considered. He added it had not been decided whether there would be single or multiple projects but the result would still be announced in November as planned. He said that there had been a number of bids received and ultimately it would be for the DTI and HMT to decide who was successful. He finished by saying that this proved that Britain was taking the lead in Europe on CCS.

4 The Future of the Coal Forum

Sir John Collins said the consensus of the comments received from members since the last meeting were that the Coal Forum should continue with its current membership, including the attendance of the Minister, but that the frequency of meetings should be changed to every 3/4 months. Those present agreed.

Sir John Collins asked members of the Forum to provide suggestions for a new chair to the DTI as soon as possible. He said the DTI would then consider the suggestions and make an appropriate appointment.

Sir John Collins thanked the members for the work they had done to date and made particular reference to the way members had worked well together.

5 The Coal Forum Interim Overview

Sir John Collins said a draft of the Overview had been circulated to members for comment. He said that the foreword would be added along with a summary of the conclusions reached. Following a short discussion it was agreed that Peter Waller would chair a small sub-group to draft and agree the summary text.

6 Wrap Up

Lord Truscott thanked Sir John Collins for his excellent work as chair of the Coal Forum as this was his last meeting.

7 Any Other Business

There was no other business.

8 Date of Next Meeting

To be confirmed.

15 June 2007