# Welsh Government

# Consultation: Coal Policy in Wales

# Overview Energy policy in Wales is focused on supporting low

carbon generation. The devolution of powers on petroleum extraction and authorisation of licences for coal mining established the need for Welsh policy on fossil fuels. This consultation proposes a draft coal policy to inform decisions taken in Wales on coal, in support of our climate and broader wellbeing aims.

This consultation seeks your views on both our draft policy towards coal in Wales and on the evidence that

has informed the draft policy.

**How to respond** Replies to this consultation should be submitted by

23:59 23rd September 2020 at the latest in one of the

following ways:

Using the Online Form:

Or by e-mail:

YmatebionYnni-EnergyResponses@llyw.cymru YmatebionYnni-EnergyResponses@gov.wales

## **Contact details** For further information please contact by email only

YmatebionYnni-EnergyResponses@llyw.cymru YmatebionYnni-EnergyResponses@gov.wales

Fossil Fuel Policy – Coal Consultation Division of Decarbonisation and Energy

Department for Energy, Planning and Rural Affairs

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## **Response Form**

Your name: Keith Davies

Organisation (if applicable): Natural Resources Wales

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☐ Responses to consultations are likely to be made public, on the internet or in a report. If you would prefer your response to remain anonymous, please tick here:

#### **Question 1**

What additional factual reports should be taken into account as part of the evidence base for Wales' policy on coal? Please cite references and links to any evidence proposed for inclusion.

We welcome the reference to the Paris Agreement, the Low Carbon Delivery Plan, the declaration of a Climate Emergency, Planning Policy Wales 10 and Welsh Greenhouse Gas reduction targets, and do not have further specific evidence reports on coal production and usage to recommend for consideration.

Notwithstanding the above, our response to question 3 below highlights a report which, whilst not specific to coal, is relevant for the policy approach on coal proposed in this consultation document.

Additionally, as is recognised in the consultation document and supporting report, there continues to be a high demand for coal from certain industries. For example, coal still comprises 70% of fuel used in cement production at Aberthaw. Currently carbon pricing is the main driver for fuel substitution in cement production<sup>1</sup>. To complement any new policy for coal extraction, further attention is required to reduce the carbon footprint from energy use within (current) coal dependent industries as we respond to the Climate Change emergency. This could be explored as part of a wider Green Recovery from the impacts of the Covid-19 pandemic.

#### **Question 2**

What other levers or actions could be taken to accelerate the low carbon transition whilst improving prosperity? Please cite references and links to any evidence proposed for inclusion.

Welsh Government have identified several levers for reducing the extraction of coal in Wales. Policy coherence for the objective on how we deliver decarbonisation and the priority which should be attached to it in decision-making will be crucial for implementing and accelerating low carbon transition whilst improving prosperity.

Given that the Clean Air Plan has identified the need for potential restrictions on domestic wood burning, NRW considers that there is also a case for considering the domestic use of coal and need for replacement of coal heating as part of this measure.

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Furthermore, as indicated in our response to Question 1 above, wider consideration on reducing commercial demand for coal would be useful as part of the Covid-19 Green Recovery as indicated in our response to Question 1.

#### **Question 3**

Do you agree with the Welsh Ministers' approach to indigenous vs imported coal? What evidence exists that coal displaced by domestically produced coal is not consumed elsewhere, therefore increasing global emissions?

NRW considers that the policy to reduce domestic coal production should be complemented by measures that support domestic demand reduction within both the industrial and domestic sectors through support for identifying and introducing alternative fuels or feedstocks.

A report for the Department of Energy and Climate Change entitled 'Potential Greenhouse Gas Emissions Associated with Shale Gas Extraction and Use', concluded that 'if a country brings any additional fossil fuel reserve into production, then in the absence of strong climate policies, we believe it is likely that this production would increase cumulative emissions in the long run. This increase would work against global efforts on climate change. This potential issue is not specific to shale gas and would apply to the exploitation of any new fossil fuel reserve'<sup>2</sup>.

In referring to the need for 'strong climate policies' to counteract the emissions from shale gas, the report recognises Carbon Capture and Storage (CCS), negative emission technologies or international agreements that leave existing fossil fuel reserves in the ground as providing the key approaches to avoid additional cumulative emissions. Currently none of these options are viable for addressing new fossil fuel production whether from shale gas or coal.

Furthermore, we query whether importing coal can be considered as globally responsible. The Wellbeing of Future Generations Act defines "A Globally Responsible Wales" as "A nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing may make a positive contribution to global well-being." NRW believes that to be globally responsible we should consider not only climate change but also wider environmental considerations.

Whilst supporting the presumption against extracting further coal in Wales, unless demand is reduced, coal will continue to be imported. Welsh Government will have no control on how such imported coal is extracted, and how environmental impacts are managed. Such sources of coal may even have a greater carbon footprint than domestically sourced coal.

Therefore, on current evidence, NRW support the Welsh Minister's approach.

To be truly globally responsible it would be better to reduce our current dependence on coal, and a managed transition is required for the key industries that currently rely on coal as fuel sources to complement the effective implementation of the policy approach set out in this consultation document. As is indicated in our response to Question 1 above, a Green Recovery response to the Covid-19 pandemic provides an opportunity to explore this further.

#### Question 4

Is the draft policy appropriate, considering our commitment to support communities and businesses through the transition away from coal? Please cite references and links to any evidence proposed to support your response.

NRW are supportive of the general approach presented in the consultation document. Coal emits significantly more greenhouse gasses per unit of energy than any other fossil fuel and is also a significant source of particulates and other pollutants that impact on human health, wellbeing and the environment. Therefore, there is a strong case for the proposed approach.

The closure of Aberthaw power station will bring coal use for energy generation in Wales to an end. The policy approach in this consultation document represents a logical step in the low carbon transition that should aim to first end production of fossil fuels in Wales and subsequently move towards ending their use wherever possible as we respond to the climate emergency.

The IPCC's Global Warming of 1.5C report<sup>3</sup> provides further evidence of the impacts of climate change and the urgency for rapid decarbonisation. This report reinforces the validity of Welsh Government's declaration of a Climate Emergency and the need for this policy. Nevertheless, it is important that any impacts of the policy on remaining coal mining communities are mitigated. The Climate Justice Advisory Group, as described in Prosperity for All: A Low Carbon Wales, could help advise on a Just Transition in support of the future economic, social, cultural and environmental wellbeing of communities affected. <sup>4</sup>.

#### **Question 5**

We would like to know your views on the effects that the Coal Policy would have on the Welsh language, specifically on opportunities for people to use Welsh and on treating the Welsh language no less favourably than English.

<sup>&</sup>lt;sup>3</sup> https://www.ipcc.ch/sr15/

<sup>4</sup> https://gov.wales/sites/default/files/publications/2019-06/low-carbon-delivery-plan\_1.pdf

What effects do you think there would be? How could positive effects be increased, or negative effects be mitigated?

As discussed in our response to question 4, The Climate Justice Advisory Group could help advise on a Just Transition in support of the future economic, social, cultural and environmental wellbeing of communities affected.

#### **Question 6**

Please also explain how you believe the proposed policy on coal could be formulated or changed so as to have positive effects or increased positive effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language, and no adverse effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.

We have no comment on the potential effect of the coal policy on the Welsh language.

#### **Question 7**

We have asked a number of specific questions. If you have any related issues which we have not specifically addressed, please use this space to report them:

## <u>Implementation of any new coal policy</u>

The consultation documents indicate that under the proposed new coal policy, coal extraction may still be supported under exceptional circumstances. What constitutes exceptional circumstances should be clarified in any policy framework, for example the planning system, that supports the implementation of this proposed new coal policy (if adopted) in order to provide certainty and transparency to stakeholders. Such a policy framework should also clarify how environmental features (e.g. landscape and biodiversity) should be protected from such proposals.