

Public Inquiry into the application by Banks Mining for an opencast coal mine at Highthorn, Northumberland
(Planning Inspectorate Reference: 3158266)

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Dear Planning Inspector

I was the UK's diplomatic envoy on climate change from 2006-12¹. In that capacity I was involved in the formulation and implementation of our country's policies on climate and energy, both domestic and international. Moreover, Druridge Bay has long been a special place for me, as a childhood and current resident of nearby Newcastle upon Tyne.

I am glad that the Secretary of State has instructed you to convene a public planning inquiry into the proposal by Banks Mining to develop an opencast coal mine directly behind Druridge Bay. I hope you will recommend that he withholds planning permission.

The case against new opencast mining at Druridge Bay is overwhelming: indeed it is astonishing that the Highthorn proposal should have remained so long in play. If it were to go ahead it would undermine our national interest in relation to climate change and energy. It would damage the well-being and prospects of the communities into whose life it would intrude. And it would send an

¹ I served as Special Representative for Climate Change for three successive Foreign Secretaries in the Blair, Brown and Cameron Governments: Margaret Beckett (2006-7); David Miliband (2007-10) and William Hague (2010-12).

unwarranted message to the world that here in the northeast, we lack the vision and imagination to grasp the real opportunities in front of us, preferring instead to cling to an obsolete model of regional development that offers only an illusion of progress.

The purpose of this interested party submission is to set out some of the thinking that has led me to these conclusions; and to request that I may be allowed to make this case in person at the forthcoming public inquiry.

I am writing to you as a concerned private individual, albeit drawing on my experience as a public official. I realize that some of the material set out below may not fall comfortably into the strict analytical framework that you will need to apply in coming to your recommendation. But in that case I hope they will nevertheless contribute to the well-informed public debate that will be an essential context for your inquiry.

Climate and Energy Considerations

For present purposes I shall focus primarily on considerations of climate and energy. To the extent that I have relevant professional expertise, it is in this area. And these considerations alone are fatal for the Highborn proposal. Specifically, to refer to the criteria listed by the Secretary of State², the granting of planning consent for this project would be clearly incompatible with the Government's policies on climate change, and with its commitments on the phasing out of coal fired power stations. Less directly it would also undermine its approaches to renewable and low carbon energy.

² Letter of 8 September from Stephen Jewell on behalf of the Secretary of State for Communities and Local Government to Ms Frances Wilkinson of Northumberland County Council.

The foundation for the UK's climate and energy policies is the Climate Change Act of 2008. It is always necessary for the government of the day to ensure that consumers and businesses can count on reliable and affordable access to energy services. But this now needs to be done in the context of a rapid structural transition to an energy system no longer based on coal, oil and gas. The Act sets the parameters for this transition, including through legally-binding five yearly carbon budgets that have so far been agreed out to 2032.

The Climate Change Committee³ has made clear that in order to meet the objectives of the Act, we will need an electricity system that is well on the way to carbon neutrality by 2030. After that there will be little room, within our carbon budgets, for unabated generation even from gas⁴.

For coal, the current government has reaffirmed the aim first announced by the Cameron administration last year of a complete phaseout no later, and potentially significantly sooner, than 2025. It has this week set out its detailed thinking on how to accomplish this⁵.

³ The Climate Change Committee is an independent statutory body established under the Climate Change Act. Its purpose is to advise the UK Government and Devolved Administrations on emissions targets and report to Parliament on progress made in reducing greenhouse gas emissions and preparing for climate change.

⁴ *Power Sector Scenarios for the Fifth Carbon Budget*, Committee on Climate Change, October 2015. In "abated" generation, carbon emissions are sequestered with carbon capture and storage (CCS) technologies. That could in theory prolong the role of coal and gas. But the Cameron government cancelled the UK's CCS programme. There is now no prospect of significant commercial deployment of CCS in the UK before coal disappears from the fuel mix for electricity. Gas is less carbon intensive than coal and will remain on the system for longer.

⁵ *Coal Generation in Great Britain*, Department of Business, Energy and Industrial Strategy, November 2016.

Only 8 coal-fired power stations now remain in the UK, and none in Scotland. Most are operating beyond their original design lifetime. Together they account for no more than 15% of the UK's total generating capacity. In the six months to this September, more of our electricity was generated from solar photovoltaic panels than from coal⁶. Coal-fired power generation has fallen some 80% since 2012, and this year to date is down some two thirds on 2015 (when it already accounted for no more than 25% of total power supplied)⁷. In the second quarter of this year, generation from coal hit a record low of 5.8% of total electricity supplied⁸.

A phaseout before 2025 is therefore well in line with recent trends. Officials reportedly expect that even on the basis of current policies it is likely to be completed in practice as early as 2022⁹. And pressures now in play are likely to act in the direction of even faster progress than currently envisaged.

Structural changes in electricity markets are shifting the balance of economic advantage towards faster decarbonisation of electricity. The cost of key renewable energy technologies continues to fall more rapidly than hitherto anticipated. Recent advances in the digitization of power systems are making it cheaper and easier to accommodate intermittent generation sources on power grids, and to manage demand with precision. Indeed, as the outgoing Chief Executive of the National Grid has

⁶ <https://www.theguardian.com/environment/2016/oct/04/solar-outstrips-coal-in-past-six-months-of-uk-electricity-generation>

⁷ <https://www.carbonbrief.org/uk-plans-to-close-last-coal-plant-by-2025>

⁸ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/556257/Electricity.pdf

⁹ <https://www.theguardian.com/environment/2016/nov/09/britains-last-coal-power-plants-to-close-by-2025>

noted¹⁰, the very concept of baseload generation, on which any residual case for coal-fired power generation depends, is now obsolete.

Moreover, the Paris Agreement on Climate Change, which entered into force this month and which the UK will shortly ratify, commits Parties to a higher level of ambition than currently enshrined in the Climate Change Act¹¹. The Climate Change Committee has acknowledged this gap¹², and pressure to address this is bound to grow.

There is also a rising clamour, reinforced recently by the Courts¹³, for more effective government action to improve the poor air quality that, it is estimated, causes 40-50,000 premature deaths annually in the UK. Coal-fired power generation contributes significantly to this pollution, at an estimated cost of up to £3.1 billion a year in damage to human health¹⁴.

In any case, it has long been a top priority for UK climate and energy policy to remove coal from the electricity system as soon as possible. Approval for the opening up of new coal resources in the UK would undermine this. It would call into question the seriousness and coherence of the government's wider approach to climate change and

¹⁰ Interview with Steve Holliday, Energy Post, 11 September 2015: <http://energypost.eu/interview-steve-holliday-ceo-national-grid-idea-large-power-stations-baseload-power-outdated/>

¹¹ The Climate Change Act and its associated carbon budgets are predicated on the stabilization of global temperature at a level no higher than 2°C above the preindustrial average. Governments committed themselves under the Paris Agreement to making efforts to limit eventual warming to 1.5°C.

¹² *UK Climate Action Following the Paris Agreement*, Committee on Climate Change, October 2016

¹³ See for example the High Court ruling this month, in a case brought by Client Earth, that the government must act to address illegally high levels of air pollution: <http://www.clientearth.org/major-victory-health-uk-high-court-government-inaction-air-pollution/>

¹⁴ *What Does Coal Cost Health in the United Kingdom?* Huscher, J and Jensen, G, Health and Environment Alliance Briefing Note, December 2013.

thereby increase the political risk associated with investment in the low carbon electricity infrastructure we now need. This applies particularly to Highthorn, given its iconic location and the controversy that a green light would inevitably provoke.

According to Banks Mining, Highthorn would, if approved, operate until 2023/4, producing coal for combustion in UK power stations¹⁵. But the trends described above make the market assessment on which this is presumably based look optimistic. There must be a risk that the project would become a white elephant. In that event, while the affected communities would still have to suffer the harmful impacts of the project, even the limited local benefits promised by Banks would not fully materialize.

According to Banks Mining, Highthorn would be good for the climate. In the absence of the 3m tonnes of coal Banks wishes to extract from the mine, correspondingly more coal would need to be imported to meet UK demand, increasing the associated transport emissions.

But any such effect would be negligible compared with the emissions associated with the combustion of the coal, wherever it came from. The primary climate interest is to end coal combustion as soon as possible.

According to Banks Mining, Highthorn would have no climate cost, since again, in its absence, potential customers would simply buy coal elsewhere. There would be no net reduction in coal-related emissions.

That is disingenuous. There is indeed an international market for coal. But globally, the less coal is produced, the less coal is likely to be burned. The combustion of an

¹⁵For this and subsequent references to Banks Mining positions, see: <http://www.banksgroup.co.uk/highthorn>

additional 3m tonnes of coal would undermine the UK's climate interests just as much whether it takes place in the UK or elsewhere.

Moreover, a red light for Highthorn would underline the UK's commitment to an early coal phaseout. This would send a market signal whose effect would be to reinforce the credibility of UK climate policy, and lower the cost of capital for investment in low carbon power infrastructure. A green light would have a corresponding opportunity cost.

According to Banks Mining, Highthorn offers an energy security benefit, since it would reduce our need to import coal.

But such a benefit, even if it were real at all, would be trivial in the context of the rapid coal phaseout. Moreover, coal is internationally plentiful and available from a wide variety of sources. There is no conceivable threat to our access to the coal we will need in the period before the phaseout is complete. Any purported energy security case for Highthorn is a red herring.

The coal industry, in the UK and worldwide, has consistently failed to anticipate the disruptive consequences for its business model of action by governments to deal with climate change. As the Governor of the Bank of England has noted, this has contributed to a collapse in market capitalization in recent years of the top four US coal producers, three of which have filed for bankruptcy, and there has been a “similar, albeit less acute, drama for the more diversified German utilities¹⁶”.

¹⁶ *Resolving the Climate Paradox*, Arthur Burns Memorial Lecture, Mark Carney, Berlin, 22 September 2016

According to Banks Mining, coal is despite all this a “crucial bridge” to the low carbon economy. This absurd claim suggests that the Banks leadership is not immune to the wishful thinking about climate policy that has led coal companies elsewhere into such difficulty. If I were an investor in Banks Mining, it would make me concerned that the company might be misjudging the market prospects on which the returns on my investment depended.

On top of all this, the case being made by Banks Mining reveals a serious misunderstanding of the way in which the UK’s domestic and international climate interests are connected.

The UK national interest lies in an effective global response to climate change. The goal of UK climate diplomacy has, accordingly, been to accelerate the move away from fossil energy, and especially from unabated coal, across all the major economies. It was my job as a climate envoy to deploy the UK’s diplomatic resources to that end. Since climate change first came onto the agenda, the UK has been a major force for higher ambition worldwide. It was a privilege to play a part in that effort.

But the foundation for all effective diplomacy is action at home. If you do not walk your talk, those you seek to influence stop listening.

The UK has an overriding national interest in creating the conditions necessary to keep most of the world’s coal in the ground. Otherwise the global response to climate change will fail. During my time as climate envoy, this was a high priority for UK climate diplomacy. In the light of the Paris commitments, these efforts now need to be intensified.

If we were to press ahead with the development of new coal resources at home, especially at a sensitive site like Highthorn, we would be cutting our climate diplomacy off at the knees, and undermining our fundamental national interest in a successful global response to climate change.

Other Considerations

Other submissions will I am sure address in detail the local impacts associated with Highthorn, not least for the economy and the environment. But it might be worth noting briefly the following general considerations.

Whatever measures are taken to mitigate its specific local impacts, it is inconceivable that such a large and disruptive project could be inserted seamlessly into the delicate fabric made up of the ecosystems and communities in the area. The true character of a place derives not from its individual parts but from the impression they create together in totality. The Highthorn project would irrevocably change the character of Druridge Bay, long past its period of operation.

According to Banks Mining, Highthorn would create 50 new (albeit temporary) jobs, with associated supply chain and other indirect local benefits.

But this claim, even if true, is meaningless unless weighed against any potential negative consequences for the local economy. Because of its impact on the character of Druridge Bay, it is likely that the Highthorn project would foreclose the obvious but currently underexploited opportunity to build a low-impact visitor-based economy in the area. A thorough analysis of that opportunity would be a useful contribution to the debate about Highthorn.

Local impacts would, however mitigated, include some degree of noise, light, and dust pollution, plus risks to air and water quality. But there is one particular feature of the project that by itself would do considerable damage to the quality of life for local residents, to the attraction of the area for visitors, and potentially to the integrity of nearby habitats. This is the projected high frequency of heavy vehicle movements.

According to Banks Mining, during the project's operational phase, up to 150 laden HGVs would leave the mine each day. Including return trips by empty lorries, that would necessitate 300 movements in and out of the mine: an average of one every 3 minutes if the mine operates 15 hours a day.

It is the tranquility of the Druridge Bay area that underpins its attractions as a place to live or visit. This would shatter that tranquility.

Conclusion

I now find myself living in Newcastle for the second time in my life, so that I can care for my mother, who is seriously ill. This experience has its rewards - indeed joys - but it is also challenging and stressful.

In recent months I have returned frequently to Druridge Bay, to walk in reverie along the dunes and the beach. For someone in my circumstances there is great solace to be found in this.

Once, towards sunset in Druridge Bay Country Park, the sky suddenly darkened and the roar of the surf behind the dunes was for a while drowned out by the eerie sibilance of wings in motion above my head. Looking up, I saw

hundreds of pink-footed geese, returning to the Bay for winter, filling the sky like bombers in formation in an old war film.

In my 60 years I have been lucky enough on several occasions, in different parts of the world, to be confronted by the transcendent power of nature. But never have I been left as breathless as I was that September evening.

Such experiences are available to anyone who spends time at Druridge Bay. The capacity of the locality to engender them is an asset that is, literally, beyond price, and of immeasurably greater value than the coal that would be mined at Highthorn.

Druridge Bay is special because of its proximity to the glory of nature. But that proximity depends on a delicate balance. It cannot be taken for granted that it will be undisturbed if Highthorn proceeds. It cannot be guaranteed that the teeming populations of birds, including pink-footed geese, that now thrive behind the dunes will continue to do so.

This too needs to be weighed in the balance that you will hold in your hands when you preside over the inquiry. For all the force of the climate and energy considerations above, it seems to me conclusive on its own.

In any case, I believe that the criteria set out by the Secretary of State can only be met, and the broader purposes of the policies from which they derive can only be fulfilled, if planning consent is refused. I hope you will come to the same conclusion.

Yours faithfully

John Ashton