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10 DOWNING STREET

From the Private Secretary

9 May 1983

Thank you for your letter of 29 April about the Government response to the Report of the Commission on Energy and the Environment. The Prime Minister has noted the terms of the response and has agreed that this should be announced as you propose.

TIMOTHY FLESHER

Mrs. H. Ghosh, Department of the Environment.

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10 DOWNING STREET

From the Private Secretary

5 May 1983

Your Secretary of State minuted the Prime Minister on 29 April proposing a change in planning procedures for NCB opencast mining. The Prime Minister has now agreed to this proposal and I should be grateful, therefore, if you could arrange for it to be announced as part of the Government's overall response to the CENE report on coal and the environment.

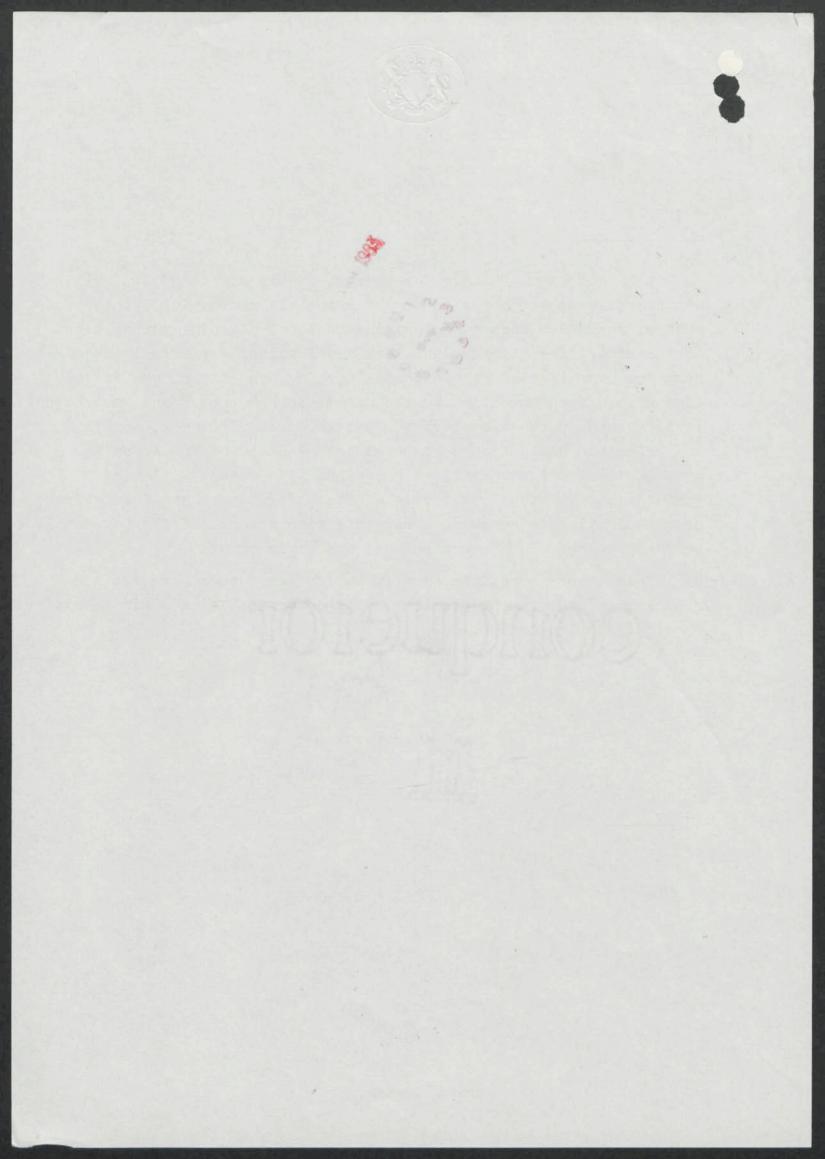
I am sending a copy of this to Muir Russell (Scottish Office), Adam Peat (Welsh Office), David Edmonds (Department of the Environment) and Richard Hatfield (Cabinet Office).

TIM FLESHER

Julian West Esq Department of Energy.

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Ref. A083/1248 PRIME MINISTER with mes? The Secretary of State for Energy, in his minute of 29 April, has sought your agreement to transferring his responsibilities for authorising NCB opencast coal mining to local planning authorities. Local authorities already deal with applications for private opencast coal working and other mineral working, and the change is in line with a recommendation by the Commission on Energy and Environment. It is agreed by the Secretaries of State for Environment, Scotland and Wales who would become responsible for deciding any appeals against the local authorities' decision. The change will need legislation, but the Secretaries of State for Energy and for Environment would like to announce their intention as part of the Government's response to the CENE Report on Coal and Environment. This seems a sensible move in policy terms and there are no machinery of government problems. I recommend that the Prime Minister should agree the change. ROBERT ARMSTRONG 4 May 1983



No of 155 Rusta: 2 MARSHAM STREET LONDON SWIP 3EB 01-212 3434 My ref: te proposed government Your ref: terprise is attached COMMISSION ON ENERGY AND THE ENVIRONMENT 'COAL AND THE ENVIRONMENT': GOVERNMENT RESPONSE 1. The Commission on Energy and the Environment (chaired by Lord Flowers) presented their report on 'Coal and the Environment' to the Secretaries of State for the Environment, Energy, Scotland and Wales in September 1981. Since then there have been extensive discussions with all parties, and a draft Government response is almost agreed. 2. The intention is to announce publication of the response by means of a Written PQ and Answer tabled in both Houses (in the Commons by Geoffrey Rippon, MP and in the Lords by Lord Flowers) on 11 May. The full text of the response will be issued as a White Paper on the same day. A draft is at A. Following the announcement to the House, Mr Shaw and Mr Moore will hold a Press Conference here in Marsham Street. A Scottish and Welsh Minister might also ettend

yours enrevely Helen Glas

PS/Secretary of State

c PS/Lord President

PS/Chief Whip

PS/Paymaster General

MRS H F GHOSH

Minister might also attend.

Tim Flesher Esq

SW1

PS/Prime Minister

10 Downing Street

6849 3 CHID COAL STUDY SUIMARY OF PROPOSED RESPONSE ON MAIN ISSUES BACKGROUND 1. The Commission's report was published in September 1981. It contained over 70 recommendations, most of which have been accepted. The most difficult issue to resolve has been that of the transfer of planning responsibility for NCB opencast workings. This has now been agreed by all four Secretaries of State (Energy, Environment, Scotland and Wales). 2. The response accepts the Commission's main conclusion that the best way to reconcile energy and environmental interests is through the progressive modernisation of the coal industry. ENERGY POLICY AND COAL 3. The response stresses the place of coal in helping to meet UK energy needs, provided it is produced efficiently and competitively. The Government will play their part by maintaining investment at a high level, and by seeking to reduce obstacles to the operation of the free market. Industr is being encouraged to develop and take up the new technologies eg for coal and ash handling that will enable more coal to be used without unacceptable environmental costs. PLANNING AND THE ENERGY SUPPLY INDUSTRIES 4. The prime responsibility for assessing the future demand for energy, and for justifying individual investment decisions that flow from such assessments, rests with the energy supply industries themselves. There needs to be a continuing dialogue between them and local planning authorities, and a commitment to consider individual project requirements early in the planning system. The practical difficulties of this are to be explored with all the parties thorough a study based on Yorkshire and the East Midlands. A code of practice is also in preparation to improve the handling of major cases at public inquiries. ENVIRONMENT POLICY AND COAL 5. The broad aim is to apply the same environmental standards to the coal industry as to other mineral operators, and to ensure that the costs of meeting these standards are met by the industry itself. This underpins the Covernment's tougher approach towards permitted development rights under the GDO, to opencast working, to spoil tip reclamation and after-care, for example. The Board are also expected to upgrade environmental standards in older mining areas, as well as to achieve high standards in the new coalfields

118 11 5 COALFIELD DIRELICTION 6. A specific element in the derelict land programme has been set aside for the clearance of coalfield dereliction. This amounts to 26.7m (£3.5m on new starts) in 1983/84. Regional offices are also helping the NCB and local authorities to draw up realistic rolling programmes of clearance. The recommendation for a special Yorkshire Development Agency is rejected. The Government have also initiated action to assess the scale of the water pollution problem from abandoned mines, and will aim to find a sensible financial accommodation between the parties on remedial measures. SPOIL DISPOSAL 7. Spoil is recognised as presenting a major environmental challenge. Working Parties at Belvoir are well advanced. A new exercise in Yorkshire is getting under way, with the aim of agreeing a strategy for spoil disposal in the coalfield. All disposal options are to be explored. this end, the Government have also initiated a review of the dual tendering procedures for highway contracts, and have agreed to finance an experimental disposal pipeline on the Durham beaches. SUBSIDENCE 8. Improved publicity about possible subsidence, more comprehensive information about people's rights, and an addition to the Code of Practice to provide compensation for residual loss of value have been agreed. An independent committee chaired by Lewis Waddilove is already reviewing the practical problems of the operation of the subsidence compensation system, and will report at the end of the year. OPENCAST MINING 9. The Commission's recommendation that opencast mining should be brought within the normal minerals planning system is accepted. Local authorities will then be able to integrate opencasting with other forms of development. There is to be a move away from the idea of a Government-endorsed target and the level of opencast production will be for the NCB to determine in the ligh of the market, and to justify individual projects through the planning system. The Government will nonetheless issue guidelines covering both coal and environmental considerations that will be taken into account in deciding appeals and in approving development plans. THE USE OF COAL

10. The Government endorse the Commission's view that positive encouragement can be given to increased industrial coal use. But any large scale return to coal must not be at the expense of the gains in air quality achieved in the last twenty years. Legislative powers to deal with air pollution are therefore to be reviewed, and coal marketing efforts will stress the importance of high maint enance and operating standards.

International concern for the effects of sulphur dioxide and nitrogen oxide emissions is recognised, and the Government emphasise their commitment to work towards positive solutions. NCB/COVERNIEST RELATIONS 11. Pressure is to be kept on the NCB to improve their environmental organisation and image. Liaison between the Board and Covernment departments and local authorities on environmental issues is to bo strongthened. April 1983