



10 DOWNING STREET

PRIME MINISTER

I have discussed this further with the Department of Energy. They will include in their statement some quantification of U.K. coal reserves. They hope that you will not press for the inclusion of a passage on where these reserves are located: as you know, coal of some sort exists in almost every sedimentary basin in the U.K., but once one gets into the question of the balance of distribution, and of accessibility, this is ground for the N.C.B. more than the Department. It is also beyond the terms of the request for Department of Energy evidence, and is essentially for the coal board evidence. For this reason, Mr. Howell hopes that you will not press for the Department to exceed its brief in its statement to the inquiry.

27 July 1979

*MAD* *Amended mt*