

29 August 2007

Mr Peter Shullot
483 Green Lane
London
N13 4BS

Dear Mr Shullot

Thank you for your letter of 10 August addressed to our Chief Executive, Dorothy Thompson.

First of all, I should like to stress that we understand only too well the threat of climate change and that we are committed to reducing our emissions of carbon dioxide (CO₂). We have confirmed our commitment through the announcement to invest up to £167 million in carbon reducing measures. Of that amount, £100 million will be spent on upgrading our turbines, which on completion will see our CO₂ emissions reduced by one million tonnes each year. Up to £67 million will be spent on developing still further our biomass co-firing activities and we have set ourselves the challenging target of producing 10% of our output from renewables by the end of 2009 - equivalent to the output of around 500 wind turbines – bringing with it a saving of a further two million tonnes of CO₂ each year.

The actions that we are taking to reduce our emissions have been widely reported, yet some continue to target us purely because of our size. Yes, we are the largest single source of CO₂ emissions in the UK – last year we emitted 22.7 million of CO₂ - but then we are nearly twice as large as the next largest coal-fired power station and meet 7% of the electricity needs of the UK; the two go hand in hand. What people appear to fail to understand is that we are the cleanest and most efficient of all the UK coal-fired power stations, so for each unit of electricity that we generate we emit less CO₂ than any other coal-fired power station in our sector.

If we were to disappear today, there are no generating plants waiting in the wings to take up where we would leave off. With demand for electricity typically increasing by a small percentage each year, and in addition to the other benefits provided by coal-fired power stations, we are needed to provide secure supplies of electricity to this country. As a responsible player in the market we aim to reduce our emissions of CO₂, whilst delivering secure and reliable supplies of electricity. The move towards a low carbon economy is a transition, not a step change, and we have an important role to play in that transition.

Yours sincerely



Melanie Wedgbury
Head of External Affairs