

Our Ref: CSM/JD

Your Ref:

Scottish Coal Company Ltd (in liquidation)
KPMG LLP
191 West George Street
Glasgow
G2 2LJ

9 April 2014

For the attention of Gerard Anthony Friar

Dear Mr Friar

**POLLUTION PREVENTION AND CONTROL (SCOTLAND) REGULATIONS 2012 ("the regulations")
NOTIFICATION OF APPLICATION DETERMINATION**

**Sites: Ponesk, Powharnal, Blairhouse & Mainhill Surface Mines
Permit reference numbers: PPC/B/1004235, PPC/W/0030158, PPC/B/1082237 & PPC/B/10356500**

I refer to your applications made jointly with Scot Coal Energy Ltd to transfer the above PPC Permits from the Scottish Coal Company Ltd (In Liquidation) to Scot Coal Energy Ltd.

I also note the request in the letter which accompanied the applications, from McClure Naismith Solicitors who act for Scot Coal Energy Ltd, that SEPA should consider the applications en bloc, i.e. either grant or refuse them all.

SEPA has considered the applications and the information supplied and has decided to refuse all of the applications. The reason for refusal is that SEPA is not satisfied that Scot Coal Energy Ltd will secure compliance with permit conditions in the medium to long term. In particular, the business plan briefing note that accompanied the application gave no assurance that a viable income stream had been identified to cover the likely operating costs and develop a return on the capital investment within a reasonable time frame. SEPA is of the opinion that without such income the licence holder will not ensure compliance with the permit conditions.

You have a right of appeal against this decision to refuse your application. Any appeal must be made in writing to the Scottish Ministers within six months beginning with the date of this notification; the appeals procedure is explained in schedule 8 of the regulations and a guidance note is attached to this letter for your assistance.

Yours sincerely



Calum MacDonald
Director of Operations



Chairman
David Sigsworth

Chief Executive
James Curran

Stirling Office
Erskine Court, Castle Business Park, Stirling FK9 4TR
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GUIDANCE NOTES

Under regulation 22 of the Pollution Prevention and Control (Scotland) Regulations 2000, a person whose application to effect the transfer of a Permit been refused by SEPA may appeal to the Scottish Ministers. Any person who wishes to appeal under regulation 22 must do so by notice in writing to:

Scottish Ministers
Scottish Government Directorate for Planning & Environmental Appeals
4 The Courtyard
Callendar Business Park
Callendar Road
Falkirk
FK1 1XR
Tel 01324 696400, email: DPEA@scotland.gsi.gov.uk

Appeals must be notified within 6 months from the date of the decision to reject the application. Scottish Ministers may in a particular case allow a longer period for the giving of notice of an appeal.

Any notice of appeal must be accompanied by the following information:-

- a) a statement of the grounds of appeal;
- b) a copy of any relevant application;
- c) a copy of any relevant permit;
- d) a copy of any relevant correspondence between the appellant and SEPA;
- e) a copy of the decision or notice which is the subject matter of the appeal; and
- f) a statement indicating whether the appellant wishes the appeal to be in the form of a hearing or to be determined on the basis of written representations.

A copy of any appeal notice must also be served on SEPA together with copies of the documents mentioned at paragraphs a) and f) above. Should the appellant wish to withdraw an appeal, they should do so by notifying Scottish Ministers in writing sending a copy of that notification to SEPA.

On determining an appeal, Scottish Ministers will notify the appellant in writing of their decision.