

Corruption of Governance – Update April 2012

Now they're getting a Minister to give untrue and misleading information to the public

Following the publication of the Corruption of Governance report (CoG) on 31st January a number of people wrote to their MPs, Select Committees and Ministers. One man, Mr Chris Ure from Southwold in Suffolk wrote on behalf of himself and others to Ed Davey, the Secretary of State for Energy and Climate Change, Lord Marland, the Under-secretary of State at DECC, and his own MP, Therese Coffey.

The letter to Ed Davey was replied to by an official – Mr Darwin McIntosh from the DECC Correspondence Unit. An identical letter was given to Lord Marland to sign and send to Mr Ure.

Both letters contain mis-information and completely untrue statements. That an official should write thus to a member of the public is disgraceful: that the same words should be given to a Minister to sign and send to the public presenting untrue and mis-information is , an affront to the Minister, and constitutes a further Corruption of Governance.

Strong words we agree: so in order to demonstrate that they are justified we

- Reproduce in full the letter signed by Lord Marland, so it can be seen that we have neither taken anything out of context nor misquoted the Minister; and
- Explain paragraph by paragraph how the letter given to Lord Marland to sign is misleading and untruthful.

But let us emphasize here, as we did in the original CoG report: we are in no way questioning the integrity or truthfulness of Lord Marland. Ministers are given letters to sign by officials: they cannot check and double check every paragraph; that is simply not possible; they have to rely on those letters to be true and accurate. It is for this reason that we refer below to 'the letter that was given to Lord Marland to sign.'

Four Untrue Statements

There are four untrue statements in the letter that Lord Marland was given to sign. Statements in the letter that are not just plain untrue; not mistakes.

Consider the situation: the writer of Lord Marland letter states unequivocally in the first paragraph of that letter that 'the Government firmly rejects its assertions and conclusions' – i.e. the assertions and conclusions of the CoG report. So the writer has read the CoG report. S/he knows what is in it – what it asserts and concludes. When s/he later makes comments on the report s/he is not doing so from ignorance or lack of knowledge. So if the writer of the

letter makes factually incorrect statements about the report, they are not mistakes they are statements that s/ he knows to be untrue.

Paragraph 7

Let's start with paragraph 7. It contains two untrue statements

Here is what paragraph 7 of the letter that Lord Marland was given to sign says:

'The report (i.e. the CoG report – RB) is misleading in several respects. It focuses only on 2025 where as the NPS need case was set out to ensure the Government can meet its carbon reduction target of 80% by 2050. The underlying evidence shows that nuclear will be needed to achieve these legally binding targets alongside significant demand side reduction through, for example, energy efficiency and investment in renewables and Carbon Capture and Storage.'

Both the 2nd and the 3rd sentences in that paragraph are untrue:

- (i) The CoG report does not 'focus only on 2025'. On pages 1-3 of CoG there is a detailed analysis of the 2050 situation under the previous government and on pages 6-10 of CoG there is a detailed analysis of the 2050 electricity needs and CO2 targets of the current government, which demonstrates that 'robust' government evidence shows that we do not need new nuclear to keep the lights on and achieve legally binding CO2 reduction targets.
- (ii) The second sentence is untrue because 'The underlying evidence' (i.e. the government's own evidence in its Pathways document and calculator tool) does not 'show that nuclear will be needed to achieve these legally binding targets'. In fact it shows exactly the opposite, as explained in the CoG report on pages 6-10.

Paragraph 4

This paragraph of the letter that Lord Marland was given to sign is untrue.

This paragraph said

'The analysis (i.e. the government's analysis of the need for new nuclear referred to in paragraph 3 of the Marland letter – RB) is based on DECC's updated energy projections (UEP), which are updated every year and available on our website at: http://www.decc.gov.uk/en/contents/cms/about/ec_social_res/analytic_projs/en_emis_projs/en_emis_projs.aspx '

This is a untrue because the analysis is not 'based on DECC's updated energy projections (UEP)' at all. As the person who did the modelling for the UEPs, Mr David Wilson (the

Economist in the DECC Modelling Team) told us, and we reported in CoG at page 11, the UEPs were not an assessment or analysis of need, but of market forces – i.e. how higher fossil prices would lead to greater investment.

The author of the Lord Marland letter has read CoG; he would have known this. Yet he gave the Minister a letter to sign that was untrue.

Paragraph 8

This also contains an untrue statement.

The relevant part of that paragraph of the Lord Marland letter states that:

‘The report is wrong in asserting that the Government has a target for nuclear power’.

This is a untrue because CoG does not assert that the government has ‘a target for nuclear power’.

Incorrect or Misleading Statements

In addition to this the letter that Lord Marland was given to sign contains the following statements that were, at the very least, misleading.

Paragraph 3

This paragraph said:

‘The Energy NPSs, including the underlying analysis of the need for new energy infrastructure, including nuclear power, were subject to two public consultations, two scrutinies by the Energy and climate Change Select Committee and two votes in the House of Commons, as well as consideration by the House of Lords. The process was transparent and robust.’

This is misleading for the following reasons:

- (i) The NPSs did not include ‘the underlying analysis of the need for new energy infrastructure, including nuclear power’: it completely mis-represented that analysis (which demonstrated that there is no need for new nuclear) as we showed in the CoG report on pages 10 and 11. But this was only apparent to someone who checked all the footnotes and the modelling referred to therein – a vastly time-consuming exercise that neither Ministers nor MPs can, realistically, do.

- (ii) That apart, the NPS's 'did not present the full information to MPs' as the Director of ACE was told by DECC after writing to Charles Hendry and as reported in CoG at page 8

Paragraph 5

The relevant bit of this paragraph said:

'The Government has set out the evidence for its assertion that electricity demand may double by 2050 based on the 2050 Pathways Analysis'.

This is misleading because 7 of the 16 2050 Pathways do not envisage a doubling of electricity demand, as pointed out in CoG page 9. But this was ignored in the letter, which selectively quotes the Pathways evidence that Lord Marland was given to sign to send to Mr Ure. What the Pathways analysis actually shows, based on what the Government says is 'robust' evidence, is that electricity demand does **not** need to double.

Paragraph 9

This paragraph states that

'The NPS need case which underlies the respective technology NPSs clearly states that we have a significant need for all low carbon generation technologies – including nuclear. We need a diverse mix of technologies and fuels in order to maintain security of supply. Having a diverse mix means we are not dependent on any one type of generation or one source of fuel or power.'

This is misleading because

- (i) Whilst it is true that 'the NPS need case' does state that we have a need for all low carbon technologies, the point made in CoG was that that case in the NPSs was based on a false summary of the evidence held by government in the Pathways analysis. That point is unanswered by Lord Marland's letter.
- (ii) The Government's own Pathways evidence, as printed in CoG on pages xxxx – xxxx shows quite categorically that we do not 'need' new nuclear power 'in order to maintain security of supply' – or achieve our legally binding CO2 reduction target.

Paragraph 10

The relevant part of this paragraph states that

'The Government's evidence demonstrates that nuclear is price competitive in comparison with many other low carbon technologies'.

Actually this may be true – but, as a reply to a letter from the public about CoG it is misleading in two ways

- (i) It replies to a point that CoG did not make. CoG never said that nuclear is not price competitive compared with many other low carbon technologies: the point made in CoG at page 20 were that there were some cheaper technologies that were not mentioned in the Parliamentary Answer given by Charles Hendry.
- (ii) Secondly the Lord Marland answer constitutes a railing back from the point made in the NPS and challenged in CoG. The EN-1 NPS, quoted on page 24 of COG, states that ‘new nuclear is likely to become the **least expensive** form of low carbon electricity generation’ – and that information was presented to Parliament and voted on by MPs and Ministers. But note the difference in the Lord Marland letter, in which it is asserted **not** that nuclear is the least expensive but that it is ‘price competitive...with **many** other forms of low carbon technologies’. Note the word ‘**many**’ – not ‘**all**’. So it seems to have emerged that the Government view now is that nuclear is not the cheapest, as MPs were previously told.

Appendix: LORD MARLAND’S LETTER IN FULL

Below we reproduce the parts of the letter that relate to the CoG report in full. The only change that we have made is to number the paragraphs (1-10) for ease of reference to the text above. We have not replied to (or printed) anything after paragraph 10 as those points refer to other matters not relate to CoG that Mr Ure raised with the Minister.

Dear Mr Ure,

1. Thank you for your later dated 22 February regarding nuclear power.
2. I am aware of the report published by Unlock democracy and the Association for the Conservation of Energy on the Energy National Policy Statements NPSs). The Government firmly rejects its assertions and conclusions.
3. The Energy NPSs, including the underlying analysis of the need for new energy infrastructure, including nuclear power, were subject to two public consultations, two scrutinies by the Energy and climate Change Select Committee and two votes in the House of Commons, as well as consideration by the House of Lords. The process was transparent and robust.
4. The analysis is based on DECC’s updated energy projections (UEP), which are updated every year and available on our website at:

http://www.decc.gov.uk/en/contents/cms/about/ec_social_res/analytic_projs/en_emis_projs/en_emis_projs.aspx

5. The Government has set out the evidence for its assertion that electricity demand may double by 2050 based on the 2050 Pathways Analysis, which looked at the UK demographic profile; the need for greater electrification of the transport sector; and for the need for electrification of home heating. The 2050 Pathways Analysis was first published in July 2010 and has been regularly updated following public responses. This material is available at:
<http://www.decc.gov.uk/en/content/cms/tackling/2050/2050.aspx>
6. Government planning needs to be resilient, which is why we believe it is prudent to plan for scenarios where electricity demand is higher.
7. The report is misleading in several respects. It focuses only on 2025 where as the NPS need case was set out to ensure the Government can meet its carbon reduction target of 80% by 2050. The underlying evidence shows that nuclear will be needed to achieve these legally binding targets alongside significant demand side reduction through, for example, energy efficiency and investment in renewables and Carbon Capture and Storage.
8. The report is wrong in asserting that the Government has a target for nuclear power. The Nuclear NPS designated 8 potentially suitable sites for new nuclear build subject to securing the necessary planning and regulatory consents. It is Government's policy that it is up to industry to bring forward investment plans for new nuclear.
9. The NPS need case which underlies the respective technology NPSs clearly states that we have a significant need for all low carbon generation technologies – including nuclear. We need a diverse mix of technologies and fuels in order to maintain security of supply. Having a diverse mix means we are not dependent on any one type of generation or one source of fuel or power.
10. The Government's evidence demonstrates that nuclear is price competitive in comparison with many other low carbon technologies and that proceeding with nuclear does not detract from strong energy efficiency measure and investment in renewables. Indeed, the evidence demonstrates that a diverse approach coupled with demand reduction measures is the most cost effective way of ensuring the UK meets its carbon reduction targets and ensures maximum energy security for the future.