

RA/JC

7 April 2008

The Scottish Government
Climate Change Bill Consultation
1-G North, Victoria Quay
Edinburgh
EH6 6QQ

Dear Sir / Madam

Climate Change Bill Consultation

I am writing to you on behalf of Stagecoach Scotland. We operate around 1200 buses through three regional businesses:

Bluebird: Aberdeen City, Aberdeenshire, Moray and Highland Council areas.

East Scotland: Angus, Dundee City, Perth and Kinross and Fife Council areas.

West Scotland: Ayrshire, Dumfries and Galloway and Glasgow areas.

Within these businesses, we carry around 90 million passengers per year, and all our businesses have been achieving year on year passenger growth.

In addition, we are partners in the Scottish Citylink Coaches Joint Venture, which provides a network of long distance coach services throughout Scotland, along with important cross border links.

We are aware of the response to this consultation by CPT Scotland, our trade association, and we endorse all the comments made by CPT.

Buses play an important role in facilitating Scotland's renewed focus on the climate change agenda. Buses offer the best combination of energy efficiency and space consumption in urban streets. One double-deck bus can take 75 cars off the road, giving a potential annual carbon saving of 67,200kg.

We have been investing significantly in new, environmentally friendly buses, and during financial year 2007/8 have received a total of 133 Euro 4 vehicles, replacing over 11% of our fleet.

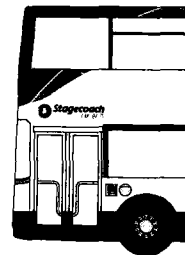
For some time, we have operated our fleet on ultra low sulphur diesel, but for over 12 months, we have further enhanced this by operating on B5 diesel, where 5% of the fuel mix is biodiesel to reduce emissions. We also mix this with the Envirox fuel additive, which is proven to both improve fuel economy and reduce emissions.

In October 2007, we began trialing 8 bio-buses in Kilmarnock which run on 100% bio-diesel manufactured from used cooking oil and other food industry by-products, resulting in a reduction of 82% in CO2 emissions, diverting 50 tonnes of waste cooking oil from landfill sites and removing 450 tonnes of carbon from the atmosphere.

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Received 9/4/08

In April 2008, we will be launching Scotland's first carbon neutral bus network, through an innovative tree planting scheme, whereby we are purchasing around 150,000 trees which will be planted in Scotland, to offset the emissions of CO₂, nitrous oxide and methane from all mileage operated on the Fife to Edinburgh network, which carried in excess of 2 million passengers per year, on a fleet of Euro 4 vehicles fitted with air conditioning, leather seats and wi fi.

We have been increasing our recycling activities throughout our businesses, with innovative schemes to reduce utility consumption. A particular example is the new depot opened in Autumn 2007 by the Minister for Transport, Environment and Climate Change, which is designed to maximize its energy efficiency with, for example, geothermal heating. Across our operational sites, items routinely recycled include scrap metal, aluminium, batteries, waste oil, oil filters, antifreeze, light tubes, paper, cardboard and printer cartridges.

An increasing proportion of our timetables are produced using recycled paper. We aim to convert all print production to be Forest Stewardship Council certified or at least part recycled by 2010. This fits within our Group strategy to tackle climate change and, by using FSC accredited printers, we are ensuring that the timber used to make the paper comes from forests managed to the highest economic, environmental and social standards.

We are trialing Safe and Fuel Efficient Driving (SAFED) in our Fife company, and developing Green Travel Plans for staff transport to and from work.

Given the considerable steps we are taking, as outlined above, we welcome this consultation on proposals for a Climate Change Bill and hope that the final bill will recognise the role that the bus industry can play and will make positive steps towards tackling congestion and encouraging modal shift.

The consultation makes the point that hard policy measures, such as those reserved to the UK Government on taxation and regulation of product standards, may have more potential than softer devolved measures to reduce emissions. We believe the Scottish Government needs to utilise the devolved powers at its disposal effectively in policy areas such as planning, development and transport to compensate for the inability to amend reserved matters.

There are many measures that could be introduced within devolved policy areas that would make a considerable impact on Scotland's emissions. This consultation needs to focus on what the Scottish Government can do and not dwell on what it cannot.

With regards to transport, the Government should place a renewed impetus on encouraging modal shift through promotion of public transport above private car use. Consideration of public transport at the outset of planning decisions, the limitation of car parking spaces in town and city centres, and at shopping outlets, and investment in park and ride schemes and enforced bus priority measures are all steps that can be taken to encourage public transport use and limit emissions generated by private car journeys and the associated congestion these journeys bring.

The consultation identifies the need for new technologies to reduce emissions. Bus and coach manufacturers are constantly working towards providing even greener vehicles. Bus manufactures use modern materials and modern construction processes more akin to the aviation industry. Work is also continuing on further developments to produce even more environmentally friendly vehicles such as Environmentally Enhanced Vehicles (EEVs), biofuels and hybrid technology. However, the Scottish Government should avoid spending considerable sums on pilot or demonstration projects, rather they should learn from such projects in other areas and capitalize on them when the cost base becomes acceptable.

As well as setting emissions targets into law, the Government should consider methods to provide funding to bus operators willing to invest in emerging technologies. As with all new technologies there is a financial risk in the form of the initial costs and the ongoing costs of maintenance. Only through the proper funding of the bus industry can the Scottish

Government hopes to encourage continuing research and development. However, the Government must temper their demands on the bus industry with the realisation that there is a global demand for the latest clean technologies – vehicle manufacturers are limited in the quantity of new vehicles they can provide to operators.

The consultation states that the Scottish Government is addressing the environmental impacts of transport through a package of funded measures that promote more sustainable travel. We believe feels that more can be done by Government. As well as promoting sustainable travel the Government should consider methods to discourage car use. For example, car parking charges should reflect the true impact of motoring on the environment. Rather than removing tolls the Government should be looking at increasing elements of road-charging.

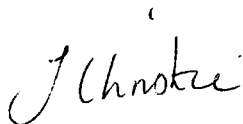
The consultation states, 'the small changes that each of us make are important. Walking, cycling and taking public transport rather than the car when we can.' This message needs to be enforced through governmental actions and funding decisions. To encourage people to leave their cars at home the alternative modes of travel must be made as attractive and reliable as possible.

Local authorities are responsible for funding initiatives such as Statutory Quality Partnerships, Punctuality Improvement Partnerships and Bus Route Development Grant schemes. These initiatives involve local authorities working with bus operators to improve the bus services within the council area; improving reliability and tackling congestion. Such initiatives need to be encouraged to bring about further modal-shift and the associated environmental benefits.

Finally, Stagecoach is supportive of the Scottish Government's intent to ensure Scotland reduces its impact on the climate. As will be apparent from my opening comments, we are already working to improve the environmental credentials of the industry and hope the Climate Change Bill acknowledges the great importance of the transport sector and dedicates appropriate funding and attention to make Scotland's public transport network an example of best practise for quality and reliability with minimal environmental impact.

Please do not hesitate to contact me if you require additional information on any of our initiatives, or clarification on any point above.

Yours faithfully



 Robert Andrew
Regional Director