

NUCLEAR POWER

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§The Secretary of State for Energy (Mr. David Howell)

With permission, Mr. Speaker, I wish to make a statement on our nuclear programme.

Safe nuclear power and a strong nuclear industry are essential to this country's energy policy. On present prospects, supplies of North Sea oil and gas will be declining in the 1990s. Even with full exploitation of coal and conservation, and with great efforts on renewable energy sources, it will be difficult, if not impossible, to meet this country's long-term energy needs without a sizeable contribution from nuclear power.

The British nuclear power programme has been in decline over the last decade and the structure of the nuclear industry has been under review for nearly two years. If we are to reverse this trend and ensure that the industry is on a sound footing we must act now.

The Government have, therefore, held urgent consultations with those most directly concerned. We believe that there must be continuing nuclear power station orders if our long-term energy supplies are to be secured and current industrial uncertainties are to be resolved.

The last Government authorised the Central Electricity Generating Board and the South of Scotland Electricity Board to begin work at once with a view to ordering one advanced gas-cooled reactor station each as soon as possible. This is in hand.

The last Government also endorsed the intention of the CEGB to establish the pressurised water reactor as a valid option by ordering a PWR station provided—and I quote: design work is satisfactorily completed and all necessary Government and other consents and safety clearances have been

obtained."—[Official Report, 25 January 1978; 942, c. 1392.] This Government agree that the nuclear and electricity supply industries should now proceed along these lines, and we have made clear to them our wish that, subject to the necessary consents and safety clearances, the PWR should be the next nuclear power station order, with the aim of starting construction in 1982. With the approval of the Government, the [288](#)CEGB has endorsed the National Nuclear Corporation's selection of Westinghouse as licensor for the PWR, and will shortly issue a letter of intent to the NNC to authorise the design and, subject to the necessary approvals, manufacture of a PWR. In consultation with the CEGB, the NNC will prepare the safety case for the board to consider and submit to the Nuclear Installations Inspectorate. Statutory consent actually to build the station will also be needed and an inquiry will be held in due course.

We attach overriding importance to the safety of nuclear power and will want to ensure that the lessons of events at the Three Mile Island station in the United States have been learnt. I am today publishing preliminary assessments of the Kemeny report on this incident provided to me by the NII and other authorities in the United Kingdom.

Looking ahead, the electricity supply industry has advised that even on cautious assumptions it would need to order at least one new nuclear power station a year in the decade from 1982, or a programme of the order of 15,000 megawatts over 10 years. The precise level of future ordering will depend upon the development of electricity demand and the performance of the industry, but we consider this is a reasonable prospect against which the nuclear and power plant industries can plan. Decisions about the choice of reactor for later orders will be taken in due course.

The Government attach importance to the steady build-up of the NNC into a strong and independent design and construction company, fully able to supply nuclear power stations efficiently, at home and abroad.

The boards of NNC and of its operating subsidiary, the Nuclear Power Company, will be brought together into a single-tier structure with full responsibility for the affairs of the company. The supervisory management agreement between the NNC and the General Electric Company will be terminated. The management of the NNC will be built up to suit the needs of our nuclear programme. Lord Aldington, chairman of the NNC, has told me that he wishes to retire shortly. I would like to pay tribute to the valuable and unstinted service which he has devoted to the nuclear industry over the last six years. I will be arranging for a [289](#) successor to take over the chairmanship in due course.

The immediate task of the NNC is to carry forward its work on the AGR programme, including early commissioning of the remainder of the first AGRs and to complete work on a PWR design ready for safety scrutiny. In addition, it is the Government's wish that the company should take on total project management responsibility for the first PWR, drawing on whatever resources it may need to support it in this role. The company may also wish to consider moving into some areas of manufacturing in due course.

The future success of our nuclear programme is of great importance to the prosperity of this country. I ask all concerned to give their active support to the decisions that I have announced.