



9<sup>th</sup> August 2010  
Ref: DSG(2010)C076

The Rt Hon Chris Huhne, MP  
Secretary of State for Energy and  
Climate Change  
Department of Energy & Climate Change  
3 Whitehall Place  
LONDON  
SW1A 2HH

The Rt Hon Dr Vince Cable MP  
Department for Business, Innovation and  
skills  
3 Whitehall Place  
London  
SW1A 2HH

Dear Sirs

## **DECOMMISSIONING DOUNREAY**

I am writing to you, on behalf of the Dounreay Stakeholder Group (DSG) to invite you both to visit the Dounreay site to allow you to see the tremendous progress that has been made in decommissioning.

The DSG is an independent body of over 20 community organisations which was set up, under the Nuclear Decommissioning Authority (NDA) to scrutinise and oversee the operations being carried out at the site.

We are aware that our MP John Thurso has had discussions with you regarding the Dounreay site and we would be extremely pleased if you would accept our invitation and see for yourself the work that is well underway.

Since 2000, Dounreay has been undergoing decommissioning and there is a robust plan in place to allow the site to reach its interim end state. The lifetime plan is currently being re-aligned with the flat funding of £150M which was announced in March of this year.

Dounreay has had some challenges to overcome in its mission to decommission the site and it is to the workforce's credit (that of direct staff and the supply chain) that many of

**Please respond to:**

**June Love**  
**DSG Secretariat**  
**Dounreay.com**  
**Traill House**  
**7 Orlig Street**  
**Thurso, Caithness, KW14 7BJ**

**Tel: 01847 806082**  
**Fax: 01847 804615**  
**Email: [june.love@dounreay.com](mailto:june.love@dounreay.com)**

these have been dealt with and work is ongoing to address the other major hazards that remain on the site today.

The workforce, is effectively working themselves out of a job, but this has not deterred them from getting on with the job and the pride they have taken in carrying out the decommissioning is second to none.

It is predicted that one in every five jobs is directly linked to the work at Dounreay with one in every three jobs in Caithness and North Sutherland indirectly affected. Work is ongoing, under the auspices of the Caithness & North Sutherland Regeneration Partnership, to look at ways of regenerating the area and diversifying away from the dependency of the Dounreay site for the future.

However, to allow the decommissioning of the site to continue at a pace and to allow the Caithness & North Sutherland Regeneration Partnership the opportunity to look at diversification it is imperative that the funding for the decommissioning of Dounreay remains constant.

The funding for the site was originally set at just over £160M with a peak of ~£180M for capital builds which were required to deal with the waste streams. Following a review by Government this funding was reduced to a 'planned assured' funding limit of up to £150M. It is of course imperative that this funding remains at a level which allows the site to continue decommissioning and will allow the stability required to complete the site to its interim end state.

However we remain convinced, as do most professionals involved, that a funding level of c£160m would not only permit more effective decommissioning and a better workflow for regeneration, but would also be more cost effective and deliver greater value for the taxpayer over the remaining decommissioning process. We therefore urge you to revisit the current PBO process and raise the maximum spend from £150m to £160m

We are aware that you have recently visited Sellafield and we hope you will accept our invitation to visit the site so you can see for yourself what can be done to fulfil the NDA's mission.

We look forward to hearing from you.

Yours sincerely

*Original signed*

**Derrick Milnes**  
**DSG Socio economic sub group chairman**

cc.	Charles Hendry MP	Minister of State
	Rt Hon Danny Alexander MP	Chief Secretary to the Treasury
	Michael Moore, MP	Secretary of State for Scotland
	John Thurso, MP	
	Tony Fountain, NDA	
	Randall Bargelt, NDA	
	Simon Middlemas, DSRL Managing Director	
	DSG members	