



NDA Business Plan Consultation
Freeport SEA 12430
Thornton Heath
CR7 7XT

17th January 2009
Ref: DSG(2009)C004

Please respond to:

June Love
DSG Secretary
D2003/Zone 9
Dounreay
Thurso, Caithness
KW14 7TZ
Tel: 01847 806082
Email: info@dounreaystakeholdergroup.org

Dear Sir/Madam

NDA DRAFT BUSINESS PLAN 2009/2012

The Dounreay Stakeholder Group welcomes the opportunity to respond to the NDA's draft business plan.

On a general note: The DSG is content for the reduction of public consultation from twelve weeks to six weeks for future issues of the business plan and ask that the NDA make sure that an advanced timescale is distributed to all those who have an interest to allow groups to incorporate the timeline for responding to the business plan into their diaries for reference.

Business plan: The business plan appears to have little ambition displayed within the publication and objectives are generic in nature with no timescales assigned to them.

Funding issues: The DSG welcomed the advanced briefing on predicted funding for the next three years for the Dounreay site. However, we are aware that this could change and we would re-iterate our concerns from last year that predictability of funding is key to the successful decommissioning of a site.

Pages 8 and 14 refer to delivering value for money and make mention of reduction in UK civil nuclear liabilities in line with aint

(t)57618(e)6.9523(s)5.25.95957(n)-0.]769(t)0.874347(h)-0

Busicess

dF we8873046(t)0.877229(i)0.8.7446(a)-3.66588(k)-0.95[

information on the non site spend is required. It is also interesting to see the NDA operating costs rising while gross spend falls slightly from 08/09 to 09/10. A concern must be that NDA are vulnerable to falling electricity generating income or the potential income risk.

There is a lack of real reference to the current financial climate and its potential impact upon the UK decommissioning programme. DSG believe it would be useful to include a narrative about NDA's plans taking account of potential recessionary conditions. While there is recognition in the plan that predictions are difficult there may be local socio economic effects which may be influenced by NDA operating policy during this difficult period.

Socio-economic remit: The DSG welcomes the socio economic remit of the NDA, as set out in the energy act and applauds the NDA in the support given by the local NDA team to the Caithness and North Sutherland Regeneration Partnership. While we are pleased to see that the Dounreay site is one of the four priority areas the DSG feel that the Caithness and North Sutherland area should be the number one priority at this time.

Further it is noted that the proposed spend for the nuclear archives for the next two years is £6.3M which is separate from the £10M funding available for socio economic projects. The DSG have asked the NDA to work alongside the partners (who were instrumental in assisting with the business case) to ensure that good progress is made this year.

Reduction of hazards: While the DSG understands that the NDA's remit is to ensure the reduction of hazards on the site and also understands that Dounreay has benefited in funding because of said hazards there is a worry that once these hazards are gone the funding will cease and the site will be placed into care and maintenance. We would urge the NDA to ensure that appropriate funding is allocated to the Dounreay site to allow it to complete the decommissioning programme.

Efficiency savings: The DSG has on numerous occasions asked the NDA (via the DSG meetings) about the affect on efficiency savings. The NDA itself has reported that the Dounreay site is the only site which has progressively reduced the timescale and hence the liabilities and DSG believe it will become harder for the site to achieve further reductions in efficiency savings etc. This should be noted and the site should be rewarded for the reductions and savings they have already made.

Supply chain: It must also be recognised that the local supply chain is an important element in the county's well-being for the future and therefore a balance must be struck. The DSG believes that predictability of funding for future years would allow the supply chain issues to be satisfactorily addressed for the longer term.

Stakeholder plan: It is essential that, at the earliest opportunity, the NDA develops, publishes and adheres to a plan of engagement with key stakeholders on the socio-economic impact of the business plan and strategy.

Dounreay specific: DSG notes that no mention is made of the clean-up work that is ongoing with particles. We recognise that while this is not seen as a 'high hazard' project it is essential for the area's image to ensure that this work continues to enable closure of this issue at some point in the future. For an area which is going to be heavily reliant on

attracting new business ventures this will be of great importance to ensure that funding is available to continue to address this issue.

Sent electronically without signature

Alastair MacDonald
DSG Chairman