

UK ENERGY

● The UK Energy Secretary, Mr Anthony Wedgwood Benn, rarely out of the news these days, has been asked to delay his autumn decision on the 1,300 MW demonstration fast breeder reactor, CFR-1, pending the forthcoming report from the House of Commons Select Committee on Science and Technology on alternative energy sources. The request came last week from Mr Arthur Palmer, the Committee's Chairman, and in response Mr Benn has indicated that he does not at the moment want to wait beyond the end of October.

This tight autumn schedule is not new, but Mr Benn's implication that he may not wait is. What is more, the UK Atomic Energy Authority (UKAEA) this time round is believed to be seeking clearance only for a firm timetable and site selection, and is prepared to wait as long as two years for a final decision on whether to build the fast breeder. As for the Select Committee, which is considering the likely future role of the reactor in Britain for the purposes of its report, it is understood to be more disposed towards the reactor than against it at present.

The UKAEA's drive to keep progress on the fast breeder ticking over smoothly is meanwhile slipping into a higher gear following Treasury approval of a £10.5 millions contract for three steam generators. The generators, expected to be ready for the 250 MW prototype fast breeder at Dounreay in Scotland by 1979, are exactly similar in design and size to those planned, in greater number, for CFR-1. The design in use at the moment is unlikely to prove entirely satisfactory for commercial operation, and represents little more than an interim stage of development.

Also making progress, it seems, is the Central Electricity Generating Board's (CEGB) attempt to negotiate a share in the 1,200MW Superphénix project on the Rhône. Discussions have been proceeding for some months, but details have remained secret. Now it is reported that the French-German-Italian consortium involved has offered the CEGB a 10% interest for an initial stake of £60 millions.

● Why has Mr Benn appointed Mr Francis Tombs, head of the South of Scotland Electricity Board, as successor to Sir Peter Menzies, Chairman of the UK Electricity Council, when he retires in March 1977? Insofar as it is a matter of alternatives, the simple answer is that Tombs is only 52, whereas his counterpart at the

CEGB and his obvious competitor, Sir Arthur Hawkins, is himself close to retirement at 64.

But, like most problems facing the Energy Minister, this is not being seen as a simple matter of alternatives. In his present position, for instance, Tombs heads the only electricity board in the country which both generates and markets electricity. So, one argument runs, the government could be preparing to implement the Plowden Report's call for closer integration of both aspects of the business throughout Britain.

More controversially, there is the suggestion that Tombs' support for the Steam Generating Heavy Water Reactor (SGHWR), now under review by the Department of Energy (DEN), won him his new position—that he would be able to keep the SGHWR programme firmly on course. Equally, though, with Tombs placed where he may have to compromise with individual generating boards, the project might more easily slip quietly away.

Not so, says the Department of Energy, chary of every hypothesis. Then why has Tombs been appointed so far in advance? Once bitten, twice shy, says the DEN, adding that it burned its fingers over the delay in the recent reappointment of Sir Derek Ezra as head of the UK National Coal Board.

● The SGHWR receives a mention in the report released last week of the Public Accounts Committee (PAC), the committee of MPs which oversees government spending. In the interests of "effective financial and technical control", it says, the financial responsibilities of the various parties involved "should be clearly defined as soon as possible". Every inducement to efficiency and economy should be incorporated in the contractual arrangements, and the absence of a fully costed design should not delay agreement in principle on these matters. The committee was told that the total cost of the SGHWR programme would be about £100 million.

The committee also made some comments on British Nuclear Fuels Ltd (BNFL). BNFL had in the previous week published its annual report showing an increase in both profits and export earnings; Alex Eadie, junior minister at the Department of Energy, had at the same time revealed in a Commons answer that the government had agreed a massive £715 million investment programme for the next ten years.

BNFL (profits last year: £11.9

million) has paid no dividends for the past four years; this, says the PAC, is equivalent to the Exchequer providing interest-free advances of capital, and the no-dividend policy should be re-examined if the company is to operate on a normal commercial basis. There should also be close control of BNFL's investment programme; expenditure should be approved only if there are good prospects of an adequate return.

The main feature of BNFL's investment programme is the expenditure of £300 million enlarging the capacity of its uranium enrichment facility at Capenhurst in Cheshire. The plant, based on the gas centrifuge process, involves BNFL working in association with West Germany and Holland as partners in Urenco, which last year won sizeable enrichment orders. Another £130 million focuses chiefly on the conversion of uranium oxide to uranium hexafluoride for enrichment, for which BNFL also won orders last year; £245 million is going on extensions and improvements to the facilities at Windscale used for reprocessing nuclear fuel; and £40 million is being devoted to developing the process for the vitrification of waste.

According to Mr Eadie, the saving to the balance of payments through Magnox fuel reprocessing for domestic customers is "at least £200 million", and the revenue from reprocessing carried out at Windscale for overseas customers has so far been "about £12 million".

● A British Government reply made recently to the 42 recommendations on energy conservation from the Select Committee on Science and Technology last year latches on to some of the committee's ideas but parries the criticisms about weakness in central direction on conservation by saying that there are "limits on how active a part government can play without getting into a situation where it is taking consumers' decisions for them". That said, the government has gone some of the way to meeting the committee's call for a full-time task force of Ministers and others, and has also announced more help for small companies, an extension of the energy-saving loan scheme for companies, the provision of better information on energy-saving, and an extra £1 million for the "Save It" campaign (described by the Select Committee as a "feeble" exercise). If these moves are more than marginally effective they will need to be factored in to the ongoing debate on Britain's future requirements of nuclear power.