AUTHORITY OF GOVERNMENT

Minutes of the meeting held in Lord Carrington's Room at the House of Lords on Wednesday 21st January 1976

Present: Lord Carrington (in the Chair)
Mr. Gilmour, Lord Jellicoe, Mr. Hardy,
Mr. Sumption and Mr. Forman (Secretary)

Apologies: Mr. Peyton, Hon George Younger,
Hon William Waldegrave

Lord Carrington welcomed to the meeting Mr. Owen Francis, Chairman of the London Electricity Board.

1. Mr. Francis on the Electricity Supply Industry

Mr. Francis began by saying that he did not believe that his industry would go on strike, because the people working in it realised quite well that they were in a position to wield the ultimate domestic deterrent. However, this was not to say that they would not be prepared to use industrial action to put the squeeze on, e.g. with overtime bans, etc. At the time of the 1972 and 1974 miners' strikes, the CEGB remit from the Government was to carry on as usual by using whatever technical means were available, e.g. switching around the input for the grid, etc. In 1974 he had expected the Government to follow through with its contingency plans for rationing electricity, if necessary moving from a 3 day to a 2 day and even a 1 day working week.

He thought that the workers in his industry were more susceptible to the influence of public opinion than, for example, the miners, and that the Power Engineers under the leadership of Mr. Lyons were likely to behave in a responsible and restrained manner. Neither the Navy nor other personnel could, in his opinion, take charge of the engineering side of running the power stations or even the industrial side in an emergency, since it had all become too complicated.- even under the direction of skilled staff who were normally present for only one 8 hour shift out of the three in one 24 hour day. For example, it took about 3 years to train charge hands in power stations and there was no way that such training could be done more quickly.

The ideal mix for the national power supply would be a third nuclear, a third oil fired and a third coal fired, so that the CEGB could then switch the load around within the grid - even taking extra power from the French grid. If you had the right mix, there was no real need for the installation of dual firing which was very expensive. The present situation was that 70 per cent of our national generating capacity was coal-fired, which vastly reduced CEGB flexibility in the event of an emergency. Within the present ratio, nuclear was generating its maximum, oil fired stations were well down on recent peak levels, and we were running into an international glut of coal with delivered stocks from South Africa and Canada on offer well below current NCB prices.

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In 1974 the miners had stopped everything going into the power stations, including lubricating oil and hydrogen for cooling generators. Since then steps had been taken to build up stocks of such supplies at power stations, so that physical picketing would be that much less effective next time. Furthermore, the spread of unionisation in his industry (up to the level of people earning £8,000 to £9,000 a year) had not eroded the professional attitudes of the people who worked in it. In an emergency, management at any rate understood clearly what had to be done, namely to extend the nation's electricity generating endurance. He estimated that the bare essentials of life could probably be kept going on about 20 per cent of the total generating capacity, but below that the real problem was the impossibility of breaking up the grid, i.e. it was impossible to maintain supply to St. Thomas' Hospital without supplying the Palace of Westminster as well. It was impossible to switch out non-priority consumers and there was no way of policing Government instructions to switch off. Below 20 per cent capacity or so, you lost control of the system and considerable damage would be done to the grid.

If one decided to convert more coal fired power stations to dual firing, it would be easiest and cheapest to convert them for gas firing in an emergency, since most of the major coal fired stations were already situated near the major gas stations and pipe-lines, e.g. along the Trent. However, if one had that option in an emergency, it would mean closing down domestic gas consumption, since 4 or 5 major power stations on the Trent would consume the entire national gas supply. The power stations at Hamshall and West Thurrock were already dual fired in this way and the latter was still running on gas. The NUM was bound to fight dual firing all the way and only some of the other unions were capable of exerting any effective pressure upon them.

On the Continent, the electricity supply industry had not been faced with similar problems. The French power industry, for example, was not very dependent on coal and industrial action, when it came, tended to take the form of one day stoppages.

Looking back on 1972 and 1974, he felt that the Government had not been good enough at communicating to people the consequences of the miners' industrial action. He also thought that his industry, which had been brought up to serve the country and whose employees actually enjoyed the challenge of an emergency, could have been taken more fully into the Government's confidence. A final reflection was that the British Establishment seemed to be geared almost entirely to putting off emergencies, when in fact the reverse approach might be more effective.

Lord Carrington concluded the discussion by warmly thanking Mr. Francis for his attendance.

2. Next Meeting

This was subsequently set for a time, place and date to be agreed - probably on 4th or 5th February.

It was agreed that Mr. Brian Clegg, ex-Chairman of Northern Gas, should be invited to talk about the situation in his industry.