

SECRET



SECRETARY OF STATE FOR ENERGY  
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cc. S. Vercher 2.

A. Dwyer (o/r)

Prime Minister 17

MAJ

28/VIII

Tim Lankester  
Private Secretary  
No 10 Downing Street  
London SW1

28 August 1981

Dear Tim,

POWER STATION ENDURANCE

At the Prime Minister's meeting on 4 August a number of factual questions were raised. My Secretary of State thought it would be useful if I let you have a note on those points.

- (a) CEGB power stations capable of receiving coal by sea are: West Thurrock, Kingsnorth, Tilbury, Battersea, Blackwall, Brighton, Cliff Quay, Deptford, East Yelland. Their total capacity is about 5GW, or less than 10% of the CEGB's total capacity.
- (b) At present there is about 9.9GW of oil fired capacity on the CEGB system. Up to 4.9GW could be closed down or mothballed up to 1983. (We know of closures of 1.8GW in 1981 and expect up to 2.0GW to be closed in 1982.) The remaining units at Grain, Ince and Littlebrook D are expected to come on stream in 1982 and 1983. Thereafter oil capacity is expected to be in the range 9-12GW.
- (c) When the three AGR's are on stream and Magnox stations now undergoing overhaul are returned to service, nuclear capacity will account for some 20% of our electricity supply (depending on the level of demand assuming no further derating of nuclear stations).





- (d) (i) The cost and lack of availability of gas have discouraged studies of conversion. Conversion is expensive, costing perhaps £200 million for a 2GW station, and more if extensive pipelines are required to pipe in the gas. Manufacturers of the required conversion equipment are located in many parts of the country; new jobs created by conversion would therefore be spread and not confined to the North East. Once installed, dual-firing would not create more jobs.
- (ii) The stations in the North East that would theoretically be capable of conversion are: Blyth B 2x330, Drax 3x660, Eggborough 4x450, Ferrybridge C 4x500, Thorpe Marsh 2x500. Each would present different problems. Only Drax and Eggborough are known to be near a high pressure gas transmission main. As these stations are nearly all efficient and high in the merit order, taking any one of them out for conversion (which could take 2-3 years) would impose a considerable cost on the CEGB.
- (ii) The practicability of conversion is dependent on the capacity of the gas mains to carry a new and major load. This is a significant constraint even if gas supplies were to be available.
- (e) Our Minister of State has written separately to the Prime Minister on the comparative level of power station coal stocks in 1978 and 1981 which was also raised on 4 August.

*Yours sincerely,*

*Janet*

JANET CHADWICK  
Private Secretary