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Treasury Chambers, Parliament Street, SW1P 3AG 01-233 3000

PRIME MINISTER

POWER STATION ENDURANCE

I have seen a copy of David Howell's recent minute to you about ancillary materials and coal deliveries.

- 2. It is surprising, and regrettable, that building up stocks of all necessary ancillary materials might take up to 18 months. But I accept that it would be a mistake to begin the build-up now if, as the CEGB advise, this would be highly visible to the unions. It would make sense meanwhile to plan for the possible use of service drivers and the requisitioning of specialist vehicles for the replenishment of power station stocks of ancillary materials.
- 3. I also support David's suggestion that the accelerated coal deliveries scheme should be continued into November and December. It is helpful that the costs involved can be contained within the residue of the £10m increase in deficit grant already agreed for the NCB.
- 4. I am copying this minute to the Home Secretary, to the Secretaries of State for Energy, Scotland, Employment and Transport, to Mr. Ibbs and to Sir Robert Armstrong.

G.H.) 7 September 1981