

ACID RAIN - E(A), 24 JULY

You ought to be aware that, following his recent visit to Scandinavia, Lord Marshall has written to Peter Walker indicating a fundamental shift in the CEGB's attitude towards the retrofitting of emission control equipment in existing power stations. Peter Walker will refer to this, probably in cautious terms. Nicholas Ridley and William Waldegrave will want to press for a softening of the Government's resolution to seek a minimalist solution.

Hitherto, the CEGB's policy line on acid rain has been as follows:

- we acknowledge our responsibility to have "due care for the environment";
- in fulfilling this responsibility, we will be guided by scientific evidence of cause and effect rather than political pressures in response to the environmental lobby;
- so far, we have not been sufficiently satisfied with the diagnosis of the environmental damage attributed to acid rain to justify spending £100s of millions on questionable solutions.

Lord Marshall is now satisfied that the research programme being jointly conducted by the Royal Society, the Norwegian Academy of Science and the Royal Swedish Academy of

Sciences is providing sufficiently convincing scientific evidence to justify substantial retrofit investment by the CEGB. His Board have endorsed this view and the conclusion that "we cannot sustain the position (that scientific evidence was incomplete and inconclusive) once the Royal Society has reported to us in a year's time, and we see great merit to anticipate that position by taking our first steps now".

Tentatively, Lord Marshall suggests that the CEGB would, in due course, need to undertake an investment programme "certainly more than £600 million" and not so far included in CEGB's plans. The sort of measures he envisages would include the retrofitting of flue gas desulphurisation to the new extension at Drax and to selected units at perhaps 2-3 other stations. The CEGB could then preferentially burn high sulphur coal in such stations to minimise the overall emission of sulphur dioxide. He claims that retrofitting on this scale would, of itself, increase electricity prices at the end of the century by less than 2%. (The cost of fitting all new stations with emission controls would ultimately add substantially to this figure.)

The question which arises from the CEGB's change of attitude is whether the British Government should still be aiming to keep any shift from our existing position to a bare minimum.

The costs are inevitably large, yet the quantification of benefits is likely to remain elusive. Major strategic issues

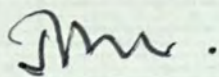
need to be weighed carefully; for example, the long-term contribution of nuclear power, the rate of retirement of old fossil fuel stations and their replacement with new plant fitted from the outset with emission controls, the scope for using low sulphur imported coal, the contribution of renewable sources like the Severn Barrage, and, not least, the handicap of higher electricity prices to British consumers, including the business sector.

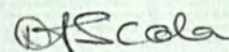
Previously, the CEGB have claimed, on good evidence, that sulphur dioxide emissions are not responsible for damaging forests and that the most effective way to prevent the real damage - the killing of fish stocks in soured Scandinavian lakes - is to add lime to the lakes; could this still be the case?

It may be worth noting that a new model, developed by the international scientific community to quantify the deposition of sulphur in Scandanavia, indicates that the UK contribution may be nearer to 9% rather than 16%.

### Conclusion

The fundamental change of policy proposed by the CEGB is far reaching and potentially expensive. We need to be sure that the scientific basis for Lord Marshall's new policy is compelling. We should be wary of hasty solutions whilst respecting the concerns of environmentalists.

  
JOHN WYBREW

  
PP HARTLEY BOOTH