

CONFIDENTIAL



CCBS

Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon Peter Walker MBE MP
Secretary of State
Department of Energy
Thames House South
Millbank
LONDON SW1P 4QJ

24 April 1987

Dear *Peter*,

NBP

CEGB LOW NO_x PROGRAMME

John MacGregor has asked me to thank you for your letter of 9 April.

Of course I should welcome any action which could be taken to reduce output of nitrogen oxides without endangering public expenditure. It is not quite clear from your letter whether all of the cost of replacement burners can be accommodated within EFLs, but I am happy to rest on your assurance that the programme will not give rise to any EFL bid.

However, I do have one tactical worry. Other Member States took our intention last autumn to retrofit flue gas desulphurisation equipment to three power stations as an opportunity to try to push us further. If we think a concession on NO_x is inevitable, we might do better to make our offer at the last possible moment, lest an earlier gesture such as that you propose induces other Member States to press us for further action once again.

I am sending copies of this letter to the Prime Minister, Willie Whitelaw, Geoffrey Howe, Nicholas Ridley, Paul Channon and Sir Robert Armstrong.

Peter
Pm

PETER BROOKE

ENV. AFFAIRS

Acid Rain

PT 5

