

see no.



Treasury Chambers, Parliament Street, SW1P 3AG

Rt Hon Peter Walker MBE MP
Secretary of State for Energy
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29 December 1983

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less Secretary of State,
BGC 1983 CORPORATE PLAN

I am conscious that there has been no collective discussion of this Plan. The preparations for such a discussion were interrupted by the Election.

If you agree, I see little point in now discussing it. The financial figures it contains have been overtaken by the conclusions of the investment and financing review (IFR). There remain, of course, important outstanding issues in this area - pricing policy, gas exports and purchases of gas from overseas - but I do not think the 1983 Plan provides an appropriate basis for discussing them.

That said, it is important to make early progress on these outstanding issues. The Prime Minister has asked that an agreed paper be put to her on the implications of economic pricing. I suggest our officials prepare such a paper with a view to a discussion early in the New Year.

We also need to make progress on the issue of gas exports. In my view we cannot take decisions on the purchase of foreign gas until the issue of exports is resolved. In any case there is a good deal to be said for resolving pricing and exports ahead of the start of the next IFR.

I am copying this to the Prime Minister, to other members of E(NI) and to Sir Robert Armstrong.

*yours sincerely
PW*

*Approved by the
Chief Secretary, signed
PETER REES*

Nat Ind. Policy A8

29 DEC 1988

