



FILE

LPO

copied to:

D/Energy

10 DOWNING STREET

THE PRIME MINISTER

15 November, 1982

Dear Sir John,

Thank you so much for writing to me about your successes at Capenhurst. I was delighted to hear of the progress which you are making and in particular that you are competing so successfully in international markets. I would very much like to visit Capenhurst, although I doubt whether I shall be able to fit a visit into my programme for next year. Nevertheless, I will keep the possibility very much in mind.

Yours sincerely

Margaret Thatcher

Sir John Hill.

SW

Ⓢ

see despatch 3
+ copy to DEN

JD.

PRIME MINISTER

Attached is a letter from
Sir John Hill inviting you to visit the
British Nuclear Fuels plant at Capenhurst.
Sir John has some successes to report and
the Department of Energy think that if
you can find the time a visit there would
be worthwhile. We are planning to visit
the North West in February next year but
we anticipate that we shall re-instate the
programme which was postponed from October
which would not allow a visit to Capenhurst.
In these circumstances, do you agree to a
"bear in mind for the future" reply; if so,
a draft is attached for your signature.

JD

11 November 1982

1. MR. HOWE
2. MISS STEPHENS

That seems the best course ^{Duff}

*agreed: Min. Dore
Please bln middle of
1983. CJ, 815*

As you know, Sir John Hill has suggested that the Prime Minister visits British Nuclear Fuels' plant at Capenhurst. The Department of Energy say that this would be a good visit and she should do so if at all possible. I very much doubt if this will fit into next year's programme, so should I reply to the effect that the Prime Minister favours a visit in principle and will keep it in mind for her future programme?

5 November 1982



SECRETARY OF STATE FOR ENERGY

THAMES HOUSE SOUTH
MILLBANK LONDON SW1P 4QJ

01-211 6402

Tim Flesher Esq
Private Secretary to
the Prime Minister
10 Downing Street
London SW1

4 November 1982

Dear Tim,

Thank you for your letter of 25 October seeking advice on Sir John Hill's suggestion that the Prime Minister visits British Nuclear Fuels' plant at Capenhurst.

As Sir John says Capenhurst is a successful operation. The Company uses the centrifuge technology for uranium enrichment developed in collaboration with the Dutch and Germans in the URENCO partnership. Recently this has been chosen by the Australian Government as the basis for a feasibility study on uranium enrichment in preference to American, French and Japanese technology.

Sir John Hill wanted to invite the Prime Minister to Capenhurst last year, but the visit did not take place because Ministers had not then decided whether to go ahead with the military centrifuge plant to produce fuel for nuclear submarines. The decision to go ahead was welcomed by the Company, because the civil and military programmes can now share the R and D and other overheads, and redundancies will be avoided. The timing is good, therefore, in this respect also.

The plant is sited near Ellesmere Port in Cheshire and employs over 2000 people in an area of high unemployment. It is popular locally and the risk of an anti-nuclear protest is small.

I therefore recommend that the Prime Minister undertakes this visit.

Jeremy Clayton

JEREMY CLAYTON
Private Secretary

J. M. HILL

8/11

He

25 October 1982

The Prime Minister has received the attached letter from the Chairman of British Nuclear Fuels Limited proposing that she visits the BNFL plant at Capenhurst. I should be grateful for your advice on whether the Prime Minister should visit Capenhurst or indeed any other BNFL plant during the course of one of her regional tours next year. Please could I have your advice by Monday 8 November?

Tim Flesher

Jeremy Clayton, Esq.,
Department of Energy.

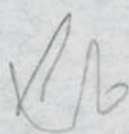
Rb

MR. HOWE

I attach a copy of a letter which the Prime Minister has received from the Chairman of British Nuclear Fuels Limited suggesting that she should visit one of their plants in the North West. I am seeking Department of Energy advice on the letter but you may like to be aware of what has been suggested. The Prime Minister is due to visit the North West in July next year and it might be that a visit to a BNFL plant could be included in the programme if you thought it worthwhile. I will let you know what Department of Energy advise.

Tim Flesher

25 October 1982



file HL

23 October 1982

I am writing on behalf of the Prime Minister to acknowledge your letter of 22 October. This is receiving attention and a reply will be sent to you as soon as possible.

Tim Flesher

Sir John

J.M. Hill, Esq.

No GR pps

From the Chairman

British Nuclear Fuels Limited



1 Hobhouse Court Suffolk Street London SW1Y 4HH
Telephone: (01) 839 4851/2

22nd October 1982

R23

Dear Prime Minister,

Some time ago you expressed interest in visiting Capenhurst to see the new centrifuge plants for the enrichment of uranium. The new technology that we have developed commercially with our German and Dutch partners has been most successful and we are now engaged in building our second commercial plant at Capenhurst to supply overseas customers as well as to support the domestic nuclear power programme. We have been able to offer to supply the Ministry of Defence with enriched uranium at prices no higher than the Americans are able to quote from their huge defence plants and you will know that the Ministry of Defence has recently accepted our offer.

We have recently had another success. The Australian Government intends that at least a proportion of their uranium ore should be upgraded to enriched uranium before export to the world markets. As a first step to this objective they set up some time ago an expert group of industrialists to study all available enrichment processes - the diffusion plants in America and France and the centrifuge plants in America, Europe and Japan. This group has recently recommended to the Australian Government, and the Government have accepted, that for the economic feasibility study that will now be undertaken, our technology should be adopted on grounds of "economic superiority, proven technical and commercial capability and flexibility for modular growth".

At a time when it is so apparent that economic growth is dependent upon the commercial exploitation of new technology, I wonder if you could some time when you are visiting the North West of England, visit us at Capenhurst and see this new and exciting technology growing successfully in a competitive world market.

We would be delighted if you could come.

Yours sincerely

J. M. Hill
J. M. Hill

The Rt. Hon. Mrs. Margaret Thatcher, M. P.,
10 Downing Street,
London, SW1.

Sir John Hill



Regd. Number: 1002607 England Regd. Office: Risley Warrington WA3 6AS