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

20 March 1984

The Rt. Hon. Peter Walker MBE MP
Secretary of State for Energy

Pme Murks

Alan Peter

with TF?

Dr 20/3

BNOC'S PRICE FOR MARCH

You wrote to me on 19 March about BNOC's price for March. I have also seen Geoffrey Howe's minute to you of 20 March.

I remain of the view that we should move to market related pricing for March. I am not convinced that the oil companies would mount a legal challenge. The announcement of BNOC's abolition has been generally welcomed and a move to market related pricing will be seen as entirely consistent with the run-down of participation options. Moreover suppliers may well not want to take on the Government so close to the award of the Ninth Round licences.

As regards OPEC, I entirely agree with Geoffrey Howe's assessment.

below

Copies of this letter go to the Prime Minister and Geoffrey Howe.

NIGEL LAWSON

John
Nigel

20 MAR 1965

