

File



cc: Brian Griffiths

10 DOWNING STREET

From the Private Secretary

26 November 1985

GAS PRIVATISATION

The Prime Minister has seen your Secretary of State's minute of 22 November and the comments circulated by the Secretary of State for Trade and Industry and the Financial Secretary on 25 November.

The Prime Minister recognises the reservations which the Secretary of State for Trade and Industry and the Financial Secretary have about the proposal to exclude the Director General of Gas Supplies from the contract market. However, she is prepared to go along with the licence condition proposed by your Secretary of State, to require British Gas to publish the principles by which it will set prices in the industrial contract sector. The Prime Minister believes that if there is criticism in the House of the arrangements proposed for the contract market there may have to be an amendment to the Bill at Committee stage.

I am copying this letter to the Private Secretaries to members of E(A), to Vivian Life (Financial Secretary's Office, HM Treasury) and Michael Stark (Cabinet Office).

David Norgrove

Geoff Dart, Esq.,
Department of Energy.

BGL