CONFIDENTIAL

a:\energy.dsg

File

bc: PU

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

2 July 1990

NEW ENERGY TECHNOLOGIES: RENEWABLES AND COAL

Thank you for your letter of 28 June in which you enclosed your Department's Chief Scientist's paper on new energy technologies. The Prime Minister thought this a fascinating paper, and has suggested that she would like to visit some of the more interesting examples of energy research and development work on a regional tour. I would be grateful for any suggestions you may have as soon as possible. One possibility might be that the Prime Minister could make a few visits in late August.

BF

I am copying this letter to Phillip Ward (Department of the Environment).

Caroline Slocock

Terry Carrington, Esq.,
Department of Energy.

CONFIDENTIAL

CONFIDENTIAL

THE RT HON JOHN WAKEHAM MP

Charles ✓ CPU.
Here's Mar letter. Please copy on to relevant files.
NDM + 1991
DRS
DRS

Department of Energy
1 Palace Street
London SW1E 5HE
071 238 3290

Miss Caroline Slocock
Private Secretary to
The Prime Minister
10 Downing Street
LONDON
SW1A 2AA

9 July 1990

Dear Caroline

NEW ENERGY TECHNOLOGIES: RENEWABLES AND COAL

Thank you for your letter of 2 July about our paper on new energy technologies. My Secretary of State was pleased that the Prime Minister found the paper interesting.

We have considered possible visits for the Prime Minister to R&D projects. With the forthcoming publication of the environment White Paper, if the Prime Minister could allocate some time in late August it might be appropriate for her to visit one of our renewable sites. Possibilities are:

i. the major landfill gas site at Brogborough near Bedford operated by Shanks and McEwen. Landfill gas (methane produced from anaerobic digestion of municipal waste) is one of the most commercially advanced renewables in the UK with 33 schemes in operation. The Brogborough site contains a commercial electricity plant, provides a supply of heat for brickmaking and has experimental test cells where research is conducted to enhance gas production.

ii. National Power's wind demonstration centre at Carmarthen Bay, South Wales. This is used to test the performance of wind turbines and contains a wide range of machines likely to be used in demonstration wind farms as well as experimental machines. My Secretary of State hopes to visit this centre on 23 August.

iii. the major waste incinerator at Edmonton in North London. This is the largest incinerator producing electricity in the UK.

CONFIDENTIAL

Further possibilities exist in other parts of the country which we could pursue if the Prime Minister does not intend to visit the areas mentioned above.

The Prime Minister might also like to visit some coal research sites possibly later this year:

i. British Coal's Coal Research Establishment at Stoke Orchard near Cheltenham. This carries out research on coal utilisation and has major facilities to test new burners for all kinds of coal plant and equipment.

ii. British Gas' Westfield research site in Fife at which several types of coal gasifier have been developed. At present UK coals are being tested in the major British Gas/Lurgi slagging gasifier which could form an element in future high efficiency electricity generating systems. The site is however nearing the end of its life as British Gas is winding down its coal gasification activities.

We would be very happy to make arrangements for the Prime Minister for any of these visits.

I am copying this to Phillip Ward at DOE.

Yours
John

JOHN NEILSON
Principal Private Secretary

NAT INDS: Coal pt22,

CONFIDENTIAL

file checking

cc P.U.

2 MARSHAM STREET
LONDON SW1P 3EB
01-276 3000

My ref: P/PSO/28760/90

Your ref:

GR/DE-NT

We have a letter setting out ideas for a visit. Could you get it for me.

CMS

Caroline Slocock
PS/Prime Minister
10 Downing Street
LONDON SW1

31 July 1990

Dear Caroline.

NEW ENERGY TECHNOLOGIES: RENEWABLES AND COAL

Thank you for sending me a copy of your letter of 2 July to Terry Carrington in the Department of Energy.

The Secretary of State was also very appreciative of the paper on new energy technologies by the Department of Energy's Chief Scientist. As the paper acknowledges in paragraph 15, the Environment White Paper will emphasise the Government's commitment to ensuring that renewables can play a full part in helping to meet the country's energy needs in ways which cause minimal harm to the environment. Officials from the Departments of Environment and Energy have worked closely together in preparing the White Paper text on this subject.

Chapter 5 and Annex C of the White Paper cover many of the technologies described in the Department of Energy's paper. In addition Chapter 5 (para 5.37) proposes a modest target for the contribution by renewables of 1000 MW by the year 2000 - ie about 0.9% of current UK electricity needs. In view of the potentially significant impact of renewable energy sources on UK emissions of CO_2 and SO_2, the Secretary of State hopes that we can plan to improve on that target.

The Secretary of State welcomes the Prime Minister's suggestion that she might visit some examples of energy research and development work on a regional tour. Should it prove possible to arrange a visit for late September or October, this would enable the Prime Minister to give even more effective endorsement to the White Paper's coverage of new energy technologies.

I am copying this letter to Terry Carrington (Department of Energy).

Yours

Phillip

PHILLIP WARD
Private Secretary

NAT IND: Coal

Pt 2

THE RT HON JOHN WAKEHAM MP

SECRETARY OF STATE FOR ENERGY

Department of Energy
1 Palace Street
London SW1E 5HE

071 238 3149

Philip Ward Esq
Private Secretary
Department of the Environment
2 Marsham Street
LONDON
SW1P 3EB

20 August 1990

Dear Philip,

NEW ENERGY TECHNOLOGIES: RENEWABLES AND COAL

Thank you for sending me a copy of your letter of 31 July to Caroline Slocock on this subject. You raised two issues:

(1) whether we can plan to improve on the figure in the White Paper for 1000 MW from renewables by 2000; and

(2) whether the visit(s) which the Prime Minister might make to renewable projects can be scheduled for late September or October to enable the Prime Minister to give even more effective endorsement to the White Paper's coverage of new energy technologies.

On (1) you are already aware of my Secretary of State's strong reservations about referring to the 1000 MW figure as a "target" in the White Paper (his letter to Mr Patten of 10 August). It might further be helpful if I explained the background to that figure and to the difficulties in increasing it, particularly at this time. 1000 MW is a significant figure. It takes account of the very limited existing renewables capacity (50-1000 MW) in England and Wales and the capacity expected to be installed by virtue of the non-fossil fuel obligation (800 MW). A higher figure could not be set without a major exercise to define the appropriate strategy for achieving it. This would have to take account of the sensitivities surrounding the privatisation of the electricity supply industry. I regret that this exercise cannot be undertaken at present. Increasing the figure now would also carry implications for the decision on the Hinkley Point 'C' public inquiry, which will be based on certain evidence about the

SECRETARY OF STATE FOR ENERGY

demand for and availability of electricity. It would create legal difficulties if the decision in early September were based on one set of views and the White Paper, published later in the month, showed different ones. However, as the White Paper says, we shall be reviewing the position again next year.

On (2) we have already provided No 10 with details about possible visits to renewable projects. We too recognise that a visit or visits after the publication of the White Paper would be helpful, but this need not in our opinion be the crucial determinant.

I am copying this letter to Caroline Slocock.

Yours sincerely

Terry Carrington

TERRY CARRINGTON
Private Secretary

NAT IND: COAL PT 22