

Facing the Challenge of Change for a Safer Environment

A perspective from the new BNFL subsidiary, British Nuclear Group

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April 1st 2005 marked the beginning of a new era for the British nuclear industry.

Following the 2002 White Paper, *Managing the Nuclear Legacy*, a review was undertaken by the Government and BNFL.

Completed in December 2003, it predicated an entire re-structuring of the industry and British Nuclear Fuels. A new body was to be created to own the country's main nuclear sites, the Nuclear Decommissioning Authority (NDA). BNFL was to be transformed from owner of these sites to management and operations contractor. In due course the market for decommissioning and clean-up was to be opened up to competition. These arrangements were intended to ensure that the country's nuclear legacy is cleaned up as safely and cost-effectively as possible. They came into effect on April 1st 2005 with the formal inception of the NDA.

The work undertaken over the past two years by BNFL to prepare for these changes has been immense. The company is undergoing a period of transition to focus on remediation and clean-up, principally by means of the creation of a subsidiary, British Nuclear Group.

This new company employs around 15,000 people, with its primary focus on the management of eighteen sites in the UK. It draws its strength from an experienced and highly skilled workforce. This includes nuclear clean-up and decommissioning

work that dates back 30 years, and remediation projects on no fewer than 50 nuclear sites around the world. At the same time, as the UK clean-up market is opened up to competition, change is inevitable. Adding to the considerable knowledge of the existing workforce, additional skill sets have been engaged from the gas, oil and construction industries. New financial control systems have been introduced and new IT systems designed and installed. Perhaps above all, a new culture has been developed within the organisation as the NDA rightly requires a fundamental change from the past. The new culture is competitive, commercially aware, and capable of rapidly tailoring its activities to the requirements of its new customer, the NDA, while continuing to deliver for existing customers. It is right, too, that it puts safety above all other considerations.

Generally, British Nuclear Group's results to date have been impressive. Electricity generation has been very close to target, some key clean-up milestones have been delivered ahead of programme, layers of bureaucracy have been stripped away and greater levels of responsibility and accountability throughout the organisation have been achieved. Moreover, the April handover to the NDA was smoothly managed, and near-term work plans have been fully agreed with the Authority. There have been three particular highlights. The Vitrification Plant at Sellafield – that converts radioactive wastes

into a stable glassified product – achieved its best ever year of operations, exceeding its target to deliver 460 containers to storage; the discharges of the radionuclide Technetium 99 at the same site have been reduced by 90%, two years ahead of schedule; and the last of 71,000 fuel elements has been removed from Hinkley Point A power station four months ahead of schedule.

The real challenge, though, lies ahead. It is clearly incumbent on British Nuclear Group to place itself in prime position for the NDA's clean-up contracts when these are opened to competition. The company will achieve this by continuing to build a strong site management company in the UK that meets and – where at all possible – exceeds customers' needs. There is also an opportunity to grow and operate a vibrant, project-based company to address the nuclear sub-contractor market, both in the UK and in continental Europe.

At the same time, in the ongoing debate over the country's future energy supplies, British Nuclear Group has the opportunity to buttress the case for building a new and more efficient generation of reactors by showing that Britain's existing fleet of plants can be safely and economically decommissioned. This decision lies entirely with the Government. But by applying its exceptional experience in dealing with complex nuclear challenges, British Nuclear Group is committed to delivering a safer environment, both now and for future generations.