

HINKLEY POINT SITE STAKEHOLDER GROUP MEETING

FRIDAY 19 OCTOBER

HINKLEY POINT A SITE DIRECTOR'S REPORT FOR THE PERIOD

6 MARCH 2007 – 5 OCTOBER 2007

1. Decommissioning Hinkley Point A

The major asbestos removal project was completed at the end of March 2007. This accounted for approximately 90% of the asbestos material on site. Surveys have been carried out across the rest of the site to identify and categorise any remaining material. These surveys form part of the sites Asbestos Management Plan as required by the Control of Asbestos Regulations 2006.

Phase three of the turbine hall project has been completed and control of the building was handed back to the operations department on 5 July. Preparation work began back in 2003 with the removal of 328,480 kilos of asbestos and 61,080 kilos of MMMF (man-made mineral fibre) lagging. Other preparative work included hundreds of gallons of oil being drained from the plant, electrical isolation and disconnection and de-cabing of all the plant.

In March 2006, the six large 110-tonne generator transformers and the six 20-tonne unit transformers left site ahead of schedule on the back of 12 giant low loader articulated lorries. Removal of the main turbine alternators quickly followed with TA3 being purchased by Alstom, for use at their training facility in Leicestershire. Work continued at a rapid pace with large items of plant being size reduced using hot cutting techniques to make transfer off site more manageable. On 20 March 2007, the final pieces of conventional plant left site on a number of lorries. Around 11,000 tonnes of scrap material has been recovered for recycling during the project which has generated tens of thousands of pounds towards further decommissioning work.

The electrical overlay system project continues to transfer supplies from the old electrical system to the new one. The new switchboards that feed the R1 ponds area and the command centre have been installed and circuits are in the process of being transferred, including the 250kW heating system. The management centre is now fed from the new system.

Foundation work for the new management centre is progressing well and should be complete by the 26 October. The building will be delivered to site in 69 sections with the first section due to arrive on the 30 October.

The new building will be located behind the turbine hall on the north road and is designed to house 198 people in mostly open plan offices. It has been constructed off site and will consist of three floors, with an atrium in the centre of the building and a lift for easy access.

The outline design for the low level waste on-site disposal facility has been progressed. Submission of the planning application is currently anticipated to be Nov/Dec this year. The first SSG sub-group meeting was held on 14 August at the Bridgwater office and was well attended. An exhibition providing details of the facility will be held locally prior to the submission of a planning application to help keep the local community fully informed.

The metal melt trial performed at the USA EnergySolutions, Duratek facility, in late 2006, demonstrated that the contaminated metal pond skips and shipping container can be successfully

melted for beneficial re-use/recycle as shield blocks that meet end user criteria. The melt produced an end product in which up to 90% of the metal mass was recovered for recycling or re-use within the nuclear industry.

On 26 March, DEFRA revised their policy on long term management of solid low level radioactive waste as they recognised that technologies for the recycling of certain radioactive metals have advanced over recent years and hence allow for authorisation to export LLW (low level waste) to other countries for the recovery of re-useable materials.

The Environment Agency (EA) has authorised the trans-frontier shipment of up to 235 tonnes of Hinkley Point A Site, contaminated steel, (pond skips) from the UK to EnergySolutions, USA, between 24 September 2007 - 31 August 2010. This is the first authorisation for bulk shipments to be granted in the UK under the 2007 DEFRA 'Long Term Management of Solid Low Level Radioactive Waste Policy'.

Hinkley Point A Site has around 1,700 pond skips requiring disposal. Up to 20 low level consignments of contaminated metal skips will be size reduced and packaged for recycling in the USA. It is estimated that it will take three years to ship the full inventory of the sites contaminated skips, and up to five years to process and melt.

Waste Processing - 2,700 tonnes of non-radioactive waste materials have been despatched from the site between March - September 2007. This consists of 2,450 tonnes which have been recycled, 100 tonnes - hazard reduced to free release, and 150 tonnes sent to landfill.

Four ISO containers of low level waste materials have also been despatched from the site to the low level waste repository near Drigg in Cumbria with another three containers ready to be despatched in the near future. Two ISO containers of size reduced pond skips were despatched to the USA for metal melt in early October with another two containers ready to be despatched very soon.

The Aqueous Decontamination Facility (ADF) was fully commissioned in early September. To date the team has retrieved and processed 200 skips from the R2 cooling pond with all skips successfully processed down from intermediate level waste to low level waste status. 122 of these processed pond skips and all (212) of the low level waste skips from the old skip store, have been size reduced and loaded into ISO containers along with 18 un-processed intermediate level waste skips from the old skip store. These are the containers mentioned above that have been sent to the USA for metal melting. Pond skips will continue to be processed, size reduced and loaded into ISO containers for temporary storage on site while future shipments are planned.

SILWM (solid intermediate level waste management) – Trials to test the viability of removing waste from the dry vault with the hydraulic crane arm grab are ongoing.

The initial technology optioneering report for the processing of solid waste was completed in July meeting a performance based incentive (PBI). The team is now planning a programme of waste sampling to characterise the solid waste.

An opportunity is currently being considered to install a small scale plant to allow early encapsulation of ILW which has been removed from the ponds.

As part of the ongoing decommissioning activities, Wet ILW is being retrieved and placed in designated hold up tanks. The wet ILW project team will be responsible for retrieving and processing these mobile radioactive wastes (sands, resins, sludges) from the hold up tanks prior

to processing and packaging, and making them passively safe for interim storage within the ILW store.

The historical solution for achieving the above is to mix them with cement to form a solid product which is packaged for storage. Due to some innovative thinking and advances in technologies utilised worldwide, it is now proposed that a thermal vitrification process should be adopted. This will essentially produce a solid glass product which is packaged for storage. The main advantages being that glass is significantly more stable than cement and there would be a significant reduction in the number of waste packages produced resulting in overall cost savings.

2. General

For the second year running Hinkley Point A Site was awarded the RoSPA Presidents Award for Occupational Health and Safety at a special awards ceremony in Birmingham. The Award represents 10 consecutive years that the station has been granted a Gold Award by RoSPA.

The site has now gone 116 days without a Lost Time Accident (LTA). The last lost time accident occurred when an operative was cleaning a shower cubicle. He was using a bucket of water to rinse the cubicle but over balanced and slipped, hurting his lower back.

On 11 September, a safety at work conference was held to discuss a number of safety events that have recently occurred on site. Members of the site management team and senior representatives from the sub contract companies worked together throughout the day to try and resolve any issues that might contribute to accidents or incidents occurring on site. As a result of the conference a number of actions are being implemented in an attempt to achieve world class safety and accident statistics.

Hinkley Point A Site has now gone for more than one year without a personal contamination event. This record is the culmination of new initiatives by the radiological protection team backed up by various projects and groups on site. Assessing working practices, PPE, and systems of work, as well as a bench-marking visit to the US have all been contributory factors to this achievement.

3. Company matters

The sale by BNFL of the Reactor Sites Management Company (RSMC) to EnergySolutions, LLC was completed on 26 June. Magnox Electric Ltd still holds the licence to operate the 10 nuclear reactor sites in the UK on behalf of the NDA (Nuclear Decommissioning Authority). The sale does not affect the day-to-day operations of Hinkley Point A Site and the focus for all staff will remain on safely delivering decommissioning activities.



From 27 July, Hinkley Point A Site was re-branded with the new Magnox South brand. The new brand identity, which includes the name, logo, and associated colours, has been devised in partnership with the NDA as part of a consistent programme across all seven of their Site Licence Companies (SLCs). This development reflects the wider restructuring that has been going on in the nuclear industry and is a key part of the preparation for legally separating Magnox Electric Ltd into two companies. The separation process is subject to regulatory scrutiny and approval and is anticipated to take full legal effect next year.

Magnox South will continue to manage and operate Hinkley Point A, Dungeness A, Berkeley, Sizewell A and Bradwell. Our identity embodies our aim to safely deliver the decommissioning

and clean-up of Magnox South sites and all that we stand and strive to be recognised for in achieving that aim:

- World class leadership
- Value for money
- Highest environmental, security and safety standards
- A motivated and valued workforce
- Innovation and skills development
- Openness and transparency with all our stakeholders
- Being a good neighbour

Due to the recent changes within the company and the sale of the Reactor Sites business to EnergySolutions, the company external website has now undergone a number of changes. Each site now has it's own web pages although each is linked to a central site. Provisions have been made for the site to split into Magnox North and South next year. The updated website can be accessed through the following URL addresses:

www.magnoxsouthsites.com

www.hinkleypointsite.co.uk

www.magnoxelectric.com

A new company agreement was introduced at the beginning of April which focuses on the management of staff and business development. The agreement was finalised after two years of work between the company and trade union representatives and is designed to reflect the decommissioning environment we work in to ensure our efforts are formally recognised and rewarded. A new bonus scheme offers incentives linked to the site, and regional performance. The agreement incorporates a new process for review and development of staff and includes monthly reviews for all staff with their line managers.

Magnox South's Re-skilling Programme kicked off with employees from a number of the southern sites attending pilot sessions at the training facility at Cannington. Classrooms have been refurbished at the former cheese factory at Bridgwater College's Cannington complex to accommodate these sessions.

Magnox South's Professional Development Scheme has recently been accredited for a further three years with the Institute of Civil Engineers. The ongoing accreditation relies on the ongoing support and effective development of Magnox South's graduates across the region.

4. NDA News

On 14 September 2007, Nick Baldwin was appointed chairman of the NDA for six months following Sir Anthony Cleaver's retirement on 31 July 2007. Nick is a chartered engineer, FIEE, and FIMechE, and has been a non executive director of the NDA since October 2004.

His early career was with Thames Water and the Central Electricity Generating Board. He joined Powergen in 1989 and became chief executive in 2001. Since leaving Powergen he has become a non executive director of Scottish & Southern Energy plc and the Forensic Science Service. He also has chairman roles with the Public Weather Service Customer Group and Worcester Community Housing. The post of NDA chairman is a public appointment and recruitment is handled by DBERR.

One of the fundamental reasons for setting up the NDA was to establish a competitive market in nuclear decommissioning in order to help drive innovation and efficiency. The NDA's first competition, LLWR (low level waste repository) near Drigg in Cumbria, is in its final stages

with negotiations currently underway with a preferred bidder. The second is for the much larger and more complex competition for the Sellafield site licence company (incorporating Sellafield itself, Calder Hall, Capenhurst and - in due course subject to re-licensing by the Nuclear Installations Inspectorate – Windscale). The Sellafield competition is progressing well and is currently in the competitive dialogue stage with four bidders.

Before proceeding with the remaining elements of the competition schedule the NDA is taking the opportunity to reflect on feedback from its ongoing market engagement activity and is reviewing this with Government. Feedback from the Magnox South Industry Day and subsequent market engagement identified issues around the sequencing, scope and timing of the remaining competitions and, as a result, the NDA has decided to hold back issuing the pre-qualification questionnaire for the Magnox South bundle.

This pause in the competition process will enable the NDA and Government to consider any lessons learnt from the first two competitions and review the best way forward to ensure we have the optimum timing and scope of competitions for the NDA's remaining sites in order to attract the highest quality bidding teams to the competitive dialogue process.

At the end of March, representatives from the Hinkley Point Site Stakeholder Group (SSG) took part in a three day trip to Sellafield to foster an understanding of its operations. The trip was organised by the NDA (Nuclear Decommissioning Authority). Although national conferences are regularly held for SSG representatives, this was the first visit organised to Sellafield. The venue was chosen due to the uniqueness of the decommissioning activities being conducted on site.

5. Community Relations

Hinkley Point A Site supported the Dunster Show again this year by sponsoring three of the horse classes and also manning a trade stand at the event. The show was used as an opportunity to raise awareness in the community about our decommissioning activities. The pictures of the recently completed de-plant of the turbine hall was of particular interest to many of the visitors to the stand. The lousy British summer and the foot and mouth restrictions, didn't seem to deter the crowds.

Staff at the site have chosen Dorset and Somerset Air Ambulance as their charity of the year for 2007/08. The charity was chosen as part of a staff communications survey carried out earlier in the year. Last years charity of the year BIBIC (British Institute for Brain Injured Children) received a total of £9,484.56 from fundraising events organised by staff throughout last year.

A total of 72 staff and contractors from Hinkley Point A and B sites took part in the annual fun run on 11 June. The 6.8 mile course started at Hinkley Point and finished at the Friendly Spirit, Cannington. Runners and walkers from the A site raised £3,344 for Dorset and Somerset Air Ambulance. The cheque will be presented to the charity in the near future.

Mark Lesinski was the keynote speaker at the Energy Industries Council in June where he discussed the progress we have made on site in the past year. The Energy Industries Council is the leading trade association for the promotion of UK-based companies involved in the supply of goods and services to the energy industry world-wide. The purpose of the talk was to update those in attendance about work completed on site, the challenges ahead and the opportunities arising from the work planned.

As part of the activities organised by Bridgwater College and Women in Science and Engineering (WISE), 16 female students from local schools toured areas of the site

accompanied by five of the sites female engineers. The aim of the visit was to show the young people the varied roles and careers available to women in science and engineering. Staff gave a short talk to the pupils about their own jobs, responsibilities and experience and were also on hand throughout the tour to answer questions and help the students realise the opportunities available to them within the industry.

WISE aims to attract more girls and women into science, engineering and construction and to support organisations that enable women to advance and stay in the sector. Through its initiatives, the campaign has helped to double the percentage of female engineering graduates from 7% in 1984 to 18% today.

Members of the communications team have been kept busy delivering educational workshops and presentation during the year to various schools in the area.

Staff from the site visited St Mary's Primary School in July to award prizes to competitors in their annual sports day. The medals and trophies were supplied by the sites sponsorship fund.

Sponsorship

The site recently sponsored pupils at Bishop Fox's school for a project organised by Greenpower, a company dedicated to promoting engineering and technology as a career to pupils. The project was for young people to design, build and race a car for a six hour endurance race. The car was built on the school premises with the help of a construction teacher, outside engineers and parents. The car was raced on 8 September at the Haynes Motor Museum race track.

The site also sponsored the Taunton Deane Scout Association's centenary celebration at Huish Woods in Taunton. Around 400 young scout members were in attendance taking part in various activities on the camp site. The camp was organised by the Assistant District Commissioner Mr Peter Bourner of the Taunton Deane Scout Association. Hinkley Point A Site supplied a number of hands on science activities on the day. Visitors to the science stand included Taunton MP, Jeremy Brown and the Mayor and Mayoress of Taunton. Members of the communication team also attended the event.

Since the last SSG meeting we have supported the following groups through our sponsorship and donations policy:

Stowey Bears Pre-school
Somerset County Orchestra
Somerset Levels Rotary Club
Spaxton Flower Show
Dunster Show
Watchet Kids Carnival
Engaging West Somerset
St Mary's Community Action Group
Bridgwater Rotary club
Two Moors Festival
Westfield & Cannington Mother & Toddler Group

Bishops fox's Community School
Bridgwater Flower Show
Age Concern – Somerset
Bridgwater Sports Football Club
Waterlinks – Somerset
Moorland Village Hall
Minehead Football Club
Taunton Deane Scout Council
Sedgemoor Community Transport
Robert Blake Science College
Cannington Village Centre