

Wylfa New Build Project Liaison Group (PLG)

MINUTES

Minutes of the Wylfa New Build Project Liaison Group held on Tuesday 22nd May 2012 at 6.00pm in Eleth and Eilian Rooms (Wylfa Learning and Development Centre).

Attendees (in alphabetical order by organisation):

Organisation	Name	Surname
Agewell Amlwch	Vic	Tolhurst
Agewell Amlwch	Delyth	Jones
Anglesey County Council	Aled Morris	Jones
Anglesey County Council	Councillor J. V	Owen
Anglesey County Council Deputy Leader	Councillor Bob	Parry
Anglesey County Council's Children and Young People's Partnership	Arwel	Williams
Campaign for the Protection of Rural Wales	Gwynne Morris	Jones
Chair – Wylfa PLG	Dennis	Evans
Citizens Advice Bureau	Karen	Garrod
Energy Island Programme	Linda Wyn	Jones
Energy Island Programme	Sasha Wynn	Davies
Environment Agency Wales	Iwan	Williams
Holyhead Town Council	Clifford	Everett
Isle of Anglesey County Council	William Thomas	Hughes
Isle of Anglesey Youth Service	Enid	Williams
JobCentre Plus	Damian	Hamilton
Jones Peckover	Matthew	Holmberg
Leader of Anglesey County Council	Councillor Bryan	Owen
Llanbadrig Community Council	Allan	Kerry
Llanbadrig Community Council	Anthony	Hughes
Llanbadrig Community Council	Elfed	Jones
Llaneilian Community Council	Helen	Woodcock
Llanfachraeth Community Council	Bleddyn	Rowlands
Llanfaethlu Community Council	John Arfon	Jones
Llanfaethlu Community Council	Kenneth P	Hughes
Llannerch y Medd Community Council	John	Jukes
Llannerch y Medd Community Council	Elwyn	Schofield

Magnox	John Idris	Jones
Mechell Community Council	Thomas H	Jones
Menter Mechell	Jac	Jones
National Farmers Union	Will	Edwards
National Skills Academy	Ali	Hunt
National Trust Wales	Richard	Williams
Public Health Wales	Sarah	Andrews
Representative of Conwy Council	Dr Stuart	Anderson
Tref Alaw Community Council	Anna M	Jones
Tref Alaw Community Council	Trevor	Jones
Welsh Water	Angela	Meadows
Wylfa Retirees Association	Tom	Conway
Ysgol Syr Thomas Jones	Jean	Jones
Ysgol Syr Thomas Jones	Callum	Gaskell
Ysgol Syr Thomas Jones	Gemma	Roebuck
Ysgol Uwchradd Bodedern	Irfon	Morris
Members of the public		
	Paul	Bracegirdle
	Michael	Dodds
	Derek	Gadson
	John Cadwaladr	Jones
	Kimberley	Jones
	Peter	Jones
	Lisa	Morgan
	Mel	O'Hara
	Tim	Poole
	Steve	Roberts
Apologies		
Amlwch Rural Community Council	Gareth Winston	Roberts
Anglesey County Council	Dylan	Williams
Anglesey County Council	Clive	McGregor

Anglesey County Council	Brian	Jones
Anglesey County Council Head of HR	Carys	Edwards
Bodorgan Trust	Melanie	Wymer
Citizens Advice Bureau	Jackie	Blackwell
Coleg Menai	Wyn	Thomas
Farmers Union Wales	Heidi	Williams
Isle of Anglesey Member of Parliament	Albert	Owen
Isle of Anglesey National Assembly Member	Ieuan Wyn	Jones
Llanfachraeth & Bodfordd Community Council	Derek	Owen
Member of Parliament for Conwy	Guto	Bebb
Member of Parliament for Dwyfor Meirionnydd	Elfyn	Llwyd
National Assembly Member for North Wales	Mark	Isherwood
North Wales MEP	Dr Kay	Swinburne
North Wales MEP	Nathan	Gill
North Wales MEP	Jill	Evans
North Wales Tourism	Esther	Roberts
Taran Disability	Aled	Roberts
The Anglesey Agricultural Society	John	Chamberlain
Young Farmers Club	Ellen	Jones
Ysgol Syr Thomas Jones	Aaron	Bailey
Ysgol Uwchradd David Hughes	Dr Brian	Jones

If your name has been inadvertently missed from this list or recorded inaccurately, please contact Horizon on 0800 954 9516 or at wylfaenquiries@horizonnuclearpower.com.

1 WELCOME FROM THE CHAIR – DENNIS EVANS

The Chairman, Dennis Evans (DE), thanked everyone for attending and noted that some time had passed since the last meeting. He also noted that this was the first meeting of the PLG since the announcement by Horizon's parent companies that they would no longer be investing in nuclear power in the UK. The shareholders are currently working to identify potential new owners.

2 APOLOGIES AND MINUTES OF THE LAST MEETING

Tom Conway (TC), Wylfa Retirees Association, asked John Idris Jones (JIJ), Magnox, to qualify his point regarding decommissioning, made during the previous PLG of February 16th. TC stated that funding allocated for decommissioning in the 1960s was re-allocated upon privatisation in the 1980s. JIJ agreed this was the case.

The minutes of the previous meeting (16th February 2012) were agreed as a true and accurate record of events and approved by members.

3 Project Update – Charlie Tasker, Director of Project Development, and Alan Smith, Head of Site Development, Horizon Nuclear Power

- Charlie Tasker (CT) thanked everyone for their support and for attending the PLG.
- *29th March Shareholder Announcement* - CT explained the decision for shareholder companies, E.ON UK and RWE npower, not to continue with their plans to invest in nuclear power in the UK was the result of separate strategic reviews conducted by the businesses. CT said their decisions were related to particular commercial pressures unique to their respective businesses and did not relate to Horizon Nuclear Power's capabilities or business model. CT emphasised that Horizon Nuclear Power, and its sites at Wylfa and Oldbury, remain excellent prospects for nuclear new build.
- CT explained that the shareholders are currently focusing on finding new owners for Horizon. This includes working closely with the Department of Energy and Climate Change (DECC), the UK Government and the Welsh Government, who all remain supportive. As part of this, work is underway to prepare the business for the due diligence process, collecting and collating data to support the sale of Horizon. Once this information is ready, a sales brochure will be developed.
- CT said Horizon is also working internally to identify staff training needs and add value to the sales process. CT stated Charles Hendry would be visiting Horizon at the end of May to meet Horizon representatives and outline his continuing support for the project.
- *Site Development activity* – Alan Smith (AS) explained that there are two streams of activity underway at present. One stream is the activities that are essential to the running of Horizon, such as corporate governance, communicating with stakeholders and working with staff to re-allocate resources to other needs. The other stream consists of activities that are required to enhance the sales process. This includes completing outstanding surveys, collating data and developing material that can support the due diligence process.
- AS stated it is important Horizon remains visible and continues to be a part of the local community. There are a number of activities and investments that are ongoing in this area. This includes £90,000 funding in Coleg Menai's Cwmni Prentis Menai Apprenticeship Scheme, refurbishing Horizon's new site office at Wylfa and holding monthly Open Surgeries.

Horizon would also distribute a newsletter at the end of May.

- AS explained that topographical studies along the A5025 are close to completion. The results from these studies will help to refine Horizon's proposals for route improvements and also help Horizon to develop transport and traffic strategies, such as park and ride schemes.
- AS explained that stakeholder engagement remained a priority for Horizon. In May, Horizon will meet with the Welsh Government to discuss the Development Consent Order Strategy process and its progression. He said support from the Welsh Government has been positive and very welcome.
- AS also stated that the National Grid connection agreement remains in place, and National Grid's work to strengthen the existing transmission network continues. It is expected public consultation on the project will take place later this year. AS said the fact that this project is continuing helped add value to Horizon in the eyes of prospective new owners.
- *Supply Chain* – AS explained that Horizon (with support from Magnox) has worked extensively to develop a supply chain list and knowledge of businesses in the local area. Horizon is keen to maintain these relationships and will remain in contact with those businesses with which relationships have already been established.

Post-Meeting Note: *Businesses can register their interest in working with Horizon by emailing suppliers@horizonnuclearpower.com with details of their business provision.*

- *Political interest* – CT and AS re-stated that political support remains extremely high and both Governments are doing all they can to prepare the way for new investment. CT also explained that the case for new nuclear remains unchanged, and the UK requires 60GW of new generating capacity by 2025. This represents a huge challenge and there is significant opportunity for new investment and job opportunities.

Q&A

- DE stated that any developer needs certainty over costs and price. Nuclear power is unique in that the majority of costs are 'up-front', with financial returns delivered over the long term lifetime of the project. It is therefore important a developer can understand fully what the return on its investment will be in 20 or 30 years' time. Government support is important in this area and helps to ensure nuclear power development can continue with developers able to make investment decisions based on long term views.
- Tom Conway (TC) said he was unsure there was political will to develop new nuclear power generation. TC stated that the original Draft National Policy Statement for Nuclear Power in 2009 outlined the Government's commitment to 25,000MW of new nuclear capacity by 2025 and 35,000MW of wind power. Given the political situation over new nuclear, TC asked CT to ask Charles Hendry whether the political will to develop new nuclear power stations still exists.
 - CT said the matter could be raised with Mr Hendry, but the Government remains a key supporter of the project and of nuclear power in general. Nuclear power is an important part of the energy mix, and is in a better position to provide reliable and consistent power compared to generation technologies such as coal, which will require carbon capture and storage systems in the future. The Government has got to ensure they support nuclear to meet energy demand.

- TC thanked CT and re-stated his concern that the capacity of the current programme suggests only 15,000MW could realistically be generated. He also raised a concern that the UK engineering sector does not have the experience to develop new nuclear power stations.
- Allan Kerry (AK), Llanbadrig Community Council, asked whether the Toshiba reactor currently being discussed by the media would have to go through the Generic Design Assessment process, if a Toshiba-led consortium were to invest in Horizon?
 - AS answered that Toshiba owns Westinghouse, which is one of the two consortiums with technologies currently being assessed through the Generic Design Assessment (GDA) process. While Toshiba has designed a number of reactor types, it would be unlikely to propose any technology other than the AP1000 as that reactor has already been assessed as part of the current GDA process. Any new reactor type proposed would need to go through the entire GDA process, and could therefore mean a delay to the programme.
 - AK asked whether this could be a ‘deal breaker’ for the programme – would Toshiba/Westinghouse consider this a sensible investment?
 - CT responded it would be impossible for Horizon to comment. The shareholders are engaged in those discussions, but there is a keen desire to see Generic Design Assessment technologies used in any future development
- Jac Jones (JJ), Menter Mechell asked if Horizon needed to recruit more staff in order to secure regulatory approval for operations from the Government.
 - AS confirmed this is correct, and said that Horizon had plans to recruit staff at Head Office over 2012 and 2013.
 - JJ asked whether this staff recruitment needed to happen before Horizon could become a saleable project.
 - CT said there is a full recruitment programme in place and a recruitment strategy is available to potential buyers.
- JJ stated that the Generic Design Assessment process depends on a conditional approval for Interim Design. This cannot be given until a developer is willing to invest in one of the two technologies. JJ asked if this investment would be likely and where it might come from.
 - CT said that AREVA continued to invest in the development of its reactor, which will be used at Hinkley Point. Minor changes that had been outlined by the Environment Agency were currently being addressed as part of this ongoing investment and development.
- Thomas H Jones (THJ), Mechell Community Council, asked what the guidelines for a new buyer were, and will they need a track record in nuclear power development?
 - CT said there are guidelines in place, and the Government is involved with drafting these. Investors who express interest will need to have met these guidelines and it’s essential they can demonstrate a credible track record in nuclear power. The UK market is tightly monitored and regulated, so developers need to be confident and competent.

4 Energy Island Programme overview – Sasha Wynn Davies, Energy Island Programme Director, Isle of Anglesey County Council

- Sasha Wynn Davies (SWD) said this PLG meeting was an important opportunity to give an update on the project. Her key message was that everything is currently continuing and the

County Council is working hard to co-operate with the Governments in London and Cardiff as well as with Horizon and shareholder companies. SWD said it is important to remember that it is the Governments' aim to make Britain – and Anglesey – an attractive place for energy investment.

- *The Energy Island vision* – SWD explained that the vision of the Energy Island Programme is to establish Anglesey and North West Wales as an internationally renowned centre for excellence into the research and development of power generation.
- SWD said one of the main ways to achieve this aim is to bring together different groups with an interest in developing energy generation on Anglesey. This means working with the private and public sector as well as local people. The Energy Island Programme has an important role to play in keeping local people up to date, and this will continue.
- Nevertheless, with public sector funding and resource scarce, co-operation and support needs to be extremely efficient to ensure the best possible outcome for Anglesey and North Wales.
- *Job creation* – SWD said that generating economic activity also means delivering skilled jobs for local people, and the Energy Island is working to understand what jobs could be created and what educational provision needs to be made. The Energy Island is working with the private and public sector to ensure there are enough people coming into the field, such as engineers, welders and that the opportunities can be identified to keep these people on Anglesey.
- The Energy Island Forum and the Energy Island Advisory Board are well-served in terms of input from the UK and Welsh Governments, Magnox, Horizon and other bodies. This is fundamental in terms of providing the right level of skills and knowledge to drive the programme forward. There is a lot of expertise on Anglesey at the moment.
- *Other projects* – SWD explained the Energy Island is extremely busy. National Grid's work is ongoing and other development opportunities exist across Anglesey, including RAF Valley, Holyhead Port, and off-shore wind farms. The Land and Lakes development proposal is also important and will provide tourism opportunities in the future. These all send out a positive message to young people in the area.
- *Teaching and skills* – SWD said that John Idris Jones (JIJ) has been leading the Supply and Action Plan which outlines how Anglesey can respond to an increase in job opportunities for young people. There will be more on this in the future, and the proposals are progressing well. Young people are important for the future of the island.
- SWD said that, while the Horizon shareholder decision is disappointing, Horizon is responding well to the situation and keeping people up to date. Most people want to see the project do well, so the message is that we need to remain focussed on development happening and ensure we have plans in place to support a new nuclear power station at Wylfa.

Q&A

- SWD will be leaving the Energy Island in the summer and DE thanked her for her hard work and input into the programme. DE said that JIJ will lead the Energy Island Programme from

July onwards, and will continue the good work and engagement with key bodies that has been successful so far.

- Gwynne Morris Jones (GMJ), Campaign for the Protection of Rural Wales (CPRW), asked where Horizon currently stands with the environmental studies which were discussed at the previous meeting. What are the next steps, and when will more be known?
 - AS said that initial bird studies are underway, and once Horizon has more certainty over the project future, other studies will be started. All environmental studies carried are guided and informed by the Environmental Forum, which discusses key issues and will help Horizon develop a management strategy.
 - GWJ asked for details of who sits on the Environmental Forum.
 - AS said a full list is on the Horizon website and can be accessed freely.
- TC said he was concerned about limited public transport in the area, in particular around Cemaes. He would like to see the Energy Island and the Council work with Horizon to ensure public transportation is sustainable in the long-term for people in the area. He said the service to Amlwch is ‘satisfactory’, but buses from Cemaes are ‘not fit for purpose’. He would like to see Horizon help improve the service.
 - DE asked TC to discuss this with the Council and, specifically, with the Group for Transport so he can be directed to the right people. He said careful consideration of transportation is part of Horizon’s proposals.
 - Dewi Roberts Williams, Isle of Anglesey County Council Head of Service for Highways, said that sustainable travel is an important issue which Horizon will look at. He said he looked forward to seeing the strategy that would be prepared by Horizon in due course.

5 Welsh Government update – Gareth Hall, Director General at the Department of Economy and Transport, Welsh Government

- Gareth Hall (GH) said that the Welsh Government has developed a positive relationship with the Energy Island Programme and Horizon Nuclear Power in recent years. The project involves working with every department of the Welsh Government and it was important to emphasise the breadth of the relationship.
- GH said the First Minister outlined the Welsh Government’s position on their nuclear policy in March 2012 and he’s personally responsible for energy development. The policy document ‘*Energy: A Low Carbon Transition*’ is available on the Welsh Government website.
- There are three important points in the policy document. The first is recognition that nuclear power is required in a low-carbon energy mix. The second is that a new build at Wylfa is needed for future energy generation, and the Welsh Government is working with Horizon, the Council, DECC and other bodies to deliver this. And the third aspect is that the Welsh Government recognises the role the Energy Island plays in laying the foundations for development on Anglesey. He said it is a ‘well-oiled machine’ capable of bringing together stakeholders in a facilitation role.
- GH said that nuclear power is not a devolved matter in Wales, but Government is standing by to assist with delivery once it knows the next steps. The First Minister is fully supporting the project and the UK Government’s discussions, and will provide strategic leadership to facilitate new build. GH also said it is important to note that work hasn’t stalled, and that there is much to be done for all parties involved to ensure Horizon is a saleable project.

Q&A

- DE thanked GH for his time and said it was encouraging to hear such support.
- Councillor Aled Morris Jones (AMJ), Llanelian, said it's important we realise that the existing station has been a good neighbour for many years, and there is potentially a good successor in place. Horizon is to be commended for their engagement on the project so far, and for the fact they have not hidden bad news. There is a talented workforce in place, but the gap will now only get bigger between decommissioning and a new project starting. This is a regional issue, but what can the Government do to ensure we protect trained people?
 - GH said that an economic policy is aligned with an energy policy. The Government – locally and nationally – is keen to protect the security of jobs. Some of this is already achievable through work at Trawsfynydd and the existing site at Wylfa, but funding is provided to those who require it for training and support. Nevertheless, he said that he doesn't yet know the next steps for Horizon, and once an investor is secured, he expected the project to regain momentum.

6 Martin Kinsey, Senior Project Manager, National Grid

- DE asked Martin Kinsey, Senior Project Manager at National Grid, to provide a short update on National Grid's project.
- MK thanked DE for the opportunity to speak and explained that National Grid's project to connect a new nuclear power station is an important element in the eyes of those who may be considering future investment. Horizon needs to demonstrate that the station can be connected to the transmission network in order to secure a new buyer.
- MK said Horizon's contract for connection remains in place for 3.6GW of power so National Grid's project can continue. At the moment, the project involves assessing options and carrying out initial studies into how these options could work. This might include cables in the sea, across the land or a mixture of the two.
- MK explained that key stakeholders are already being briefed on the project and work is ongoing to keep them informed of the decision making process. The next stage will be to present this work to local communities during consultation, which will be launched later in 2012. Consultation will consist of publicised exhibitions for communities and local people on Anglesey.
 - DE said the message was loud and clear, that the project is still moving ahead - along with the sale process.
 - MK agreed, and said National Grid remains committed to the programme schedule and hopes to run exhibitions and consultation this year. And while plans have to be altered, Horizon was always one step ahead of the process, so this gives National Grid the opportunity to catch up.
- GMJ asked why the 11 or 12 options that were being considered last year have now been reduced to two, without public consultation. GMJ said he hoped sub-sea remains an option
 - MK said National Grid has not been to public consultation, but will do this year. This will be a formal process, but consulting with stakeholders has always been part of the schedule, and includes meeting with planning authorities, the Environment Agency, the Countryside Council for Wales and Snowdonia National Park – among

- others. The final step is consultation with communities.
- MK also said that National Grid had started with around 60 options. As the network is a matrix of connections, there are many options, but in practice the project needs to address specific areas to strengthen the system. It's also not practical to discuss 60 options for feedback, so the work so far has been to narrow down these options before consultation. MK said it's not possible to discuss what the final options are, but sub-sea remains one of the options being assessed.
 - JJ asked whether the PLG will become a body to discuss the National Grid as well as Horizon Nuclear Power.
 - DE said the PLG's role was to discuss all aspects relating to Horizons' project and that National Grid is a part of the project
 - Richard Williams (RW), National Trust Wales, asked whether there has been any progression on discussions relating to the need for a third bridge across the Menai.
 - MK said that National Grid will look at all options, and if a third bridge is built, it would be considered for use. He added that whether it will be built is not a question for National Grid as that is beyond their control.
 - TC said that Britannia Bridge is more than capable of holding power lines and could be considered.
 - MK agreed that bridges are strong enough structures to hold power cables.

Post meeting note: The chairman will invite National Grid to present at a future PLG meeting to update members on progress and give more details of proposed options.

7 AOB

- Will Edwards (WE), National Farmers Union, asked whether the PLG will meet again in the future?
 - DE confirmed that the PLG will continue to meet to discuss matters relating to the project. The minutes will be sent out in due course and future meeting dates will be organised in the usual way.

8 CLOSE

The Chair drew the meeting to a close at 7:40pm and thanked everyone for attending. He noted that he looked forward to meeting again very soon.

For more general project information or to ask Horizon any questions, please contact the team on 0800 954 9516 or at wylfaenquiries@horizonnuclearpower.com and visit www.horizonnuclearpower.com