



**Report to the West Cumbria Sites Stakeholder Group**  
**From the Commercial Sub Committee**  
**For**  
**1 October 2009**

The 4<sup>th</sup> Commercial sub committee meeting was held on 9 June 2009 at the Ennerdale Country House Hotel, Cleator, which is the only meeting since the last scrutiny meeting on 2<sup>nd</sup> April 2009.

**Mike Davidson, Allerdale Borough Council** chaired the Commercial sub committee, which received a good attendance, although again there was no representative from Cumbria County Council. A number of new members were welcomed to the meeting.

**Keith Case, Executive Director of Commercial and Contract Management (Sellafield Ltd)** gave a presentation on supporting the local supply chain in response to an action from the previous meeting following concerns that the local supply chain was losing out.

It was explained that more than 56% of the 2008/09 site funding limit of £1.312 billion was spent with the supply chain. Expenditure with the supply chain is increasing year on year and 28% of the nuclear supply chain spend is retained in Cumbria.

There must be open competition for all business to be let with the supply chain, however, Sellafield Ltd has a range of initiatives to support the local supply chain. Sellafield Ltd was praised for their work with the supply chain, but there was concern that more, smaller value contracts needed to be made available for local suppliers to compete for.

Supply chain issues will continue to be dealt with by the Commercial Sub on a need by need basis

**John Clarke, NDA Commercial Director** gave an update on the SMP Review and other commercial operations, along with a presentation on the Sellafield Land Disposal Project which fulfilled an action from the previous meeting.

The ongoing SMP review is reaching a critical time. The NDA will make a recommendation on the way forward for SMP in a matter of months. Government will consider the recommendation and make a decision. The NDA agreed to provide information on what will be published and when with respect to their review of SMP.

Sale of land to the north of Sellafield was announced by the NDA on 8 June 2009. The sale of land will follow a similar process to the previous sales. The tenancies of any land sold will be transferred to the new owner who will agree any compensation with the tenant farmers directly.



## West Cumbria Sites Stakeholder Group

Under the proposed new planning authority, issues surrounding new nuclear build in the UK, including that of the reactor designs will be dealt with nationally and only local issues will be considered for any planning application.

**Tony Perry, Superintendent Major Projects (Sellafield Ltd)** provided an update on the Evaporator D project in response to an action from the previous meeting to provide a briefing.

There are currently three evaporators on site used to reduce the volume of liquid Highly Active Liquor (HAL) prior to its vitrification. The NII has in place a Specification to limit the amount of HAL that can be stored at any time and to promote HAL stocks reduction to long-term steady state limits by 2015.

Additional evaporative capacity is required because of the projected life of the existing Evaporators A, B and C. Site construction work has commenced on the new Evaporator D.

Evaporator D will be built in modules off the Sellafield site. Marine delivery of the modules is planned and the Environment Agency has been working on the beach landing plans with Sellafield Ltd.

**Graham McKendry, Executive Director of Recycling Operations (Sellafield Ltd)** outlined the main facilities and strategic roles of his directorate, and provided details of key achievements and challenges.

The Sellafield MOX Plant (SMP) is not meeting its planned throughput, however there has been some improvement in performance and the plant has just had its best ever monthly performance. SMP is on schedule to complete the next order of eight MOX fuel assemblies by the end of September.

The SMP review is on-going and it was recognised that the SMP workforce were under pressure and needed support to continue working to meet targets. SMP has still to receive a license instrument for full consent to operate and this will not be applied for until consistent plant performance has been achieved.

**Mike Johnson, Executive Director of Production Operations (Sellafield Ltd)** outlined the key facilities and strategic roles of the directorate, along with the key issues and successes.

A reorganisation will see the Magnox Operating Unit being transferred out of Production Operations into the new Spent Fuel Management Directorate. Stuart MacVean will lead this directorate bringing together all reprocessing and associated facilities together. Production Operations will be renamed Waste and Effluent Disposition Directorate with the emphasis on the management and in particular the disposal of wastes which was welcomed.

Continued investment in the old Magnox facilities is required in order to ensure their safe operation to 2016 which is the projected closure date in the Magnox Operating Plan (MOP8).



## West Cumbria Sites Stakeholder Group

Active commissioning of the Residue Export Facility (REF) continues in preparation for the first exports of HLW to customers in Japan and the Netherlands. The infrastructure for the first return in 2009/10 is already in place, including the rail wagon, flask and ship. Customers have previously received HLW from the continent and already have facilities to store this waste.

HAL stocks remain below the 1000m<sup>3</sup> Specification and all three evaporators are available to support vitrification. Actual vitrified containers produced and incorporation rates are ahead of schedule this year.

**Mark Jervis, INS MD (NDA)** outlined the scope of INS' work and news from the subsidiary.

The keel laying for the first of two new replacement ships has taken place in Japan, with delivery of both vessels expected in 2010.

The first vitrified residue return (VRR) is planned for later this year to comply with overseas reprocessing contracts signed since 1976 requiring the return of waste to customers. The detailed arrangements for the VRR are being agreed with customers, regulators and relevant governments. There is a 10 year programme of returns planned.

A route has been identified for the processing of 16 un-used MOX fuel assemblies. The MOX will be transported to France in 2014/15 where the reusable constituents will be separated out and made available for manufacture into new fuel. PCM waste will be returned to Sellafield.

**Steve Cockayne, Head of Thorp (Sellafield Ltd)** outlined the key facilities and strategic roles of the directorate, along with the key issues and successes

Reprocessing throughput is restricted due to the availability of Evaporator C for which we currently have a license to reprocess 300te of fuel. In 2008/09 117te of fuel was sheared and this year's target is 200te.

On completion of the 300te covered by the existing license there will be an inspection of Evaporator C and an engineering outage will be carried out in Thorp in parallel. Results from the Evaporator C inspection will be analysed and a further license sought from the NII to allow reprocessing in Thorp beyond the current 300te permission.

**Mike Davidson** summed up the meeting and praised the achievements outlined. There was an enthusiastic response to the call for agenda items for the next meeting including: SMP Review and any decisions on SMP; Evaporator D project update; existing evaporator inspections and future evaporator options; socio economics and tendering local supply chain spend.