Business Plan
2008/2011
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NDA Business Plan 2008/2011
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1.0 Introduction

The Nuclear Decommissioning Authority (NDA) is a non-departmental public body set up under the Energy Act 2004, responsible for the decommissioning and clean-up of the UK’s civil public sector nuclear sites.

We do not directly manage the sites for which we are responsible. Instead we contract out the delivery of site programmes to Site Licence Companies (SLCs), which remain responsible for day-to-day operations until all decommissioning and clean-up work has been completed. Each SLC has a Parent Body Organisation (PBO), which owns the shares in that SLC for the duration of the contract with the NDA, and which is responsible for managing the delivery of site programmes.

The Business Plan reflects our approved Strategy published in March 2006 and the additional responsibilities we have taken on since then for implementing Government policy on the long-term management of low level and higher activity wastes. It sets out our key objectives and plans for delivering our priorities over the next three years. Progress against these will be reported in our Annual Report and Accounts.
Our Remit

Our remit is to ensure that the UK’s civil public sector nuclear sites are decommissioned and cleaned up safely, securely, cost-effectively and affordably, in ways that protect the environment for this and future generations. This means never compromising on safety or security, taking full account of our socio-economic responsibilities, always seeking value for money for the taxpayer and actively engaging with stakeholders. We are also required to maximise revenue from existing commercial assets and operations.

Our principal objectives for 2008-2011 are to:

- Encourage the highest standards in health, safety, security and environmental performance
- Deliver hazard and risk reduction
- Progress decommissioning and clean-up
- Maximise commercial value from our existing assets and operations
- Ensure safe management of radioactive waste and materials
- Determine the scope of the liabilities

Our secondary objectives are to:

- Provide socio-economic support and development
- Deliver skills, research and development and supply chain development

To enable us to deliver our objectives effectively, we will also:

- Compete the management of our sites
- Control costs and drive efficiency

Later in this document, we describe these objectives in more detail, including our planned activities to meet them.
Consultation

As required by the Energy Act 2004 our draft Business Plan was subject to a formal public consultation from 7 November 2007 to 31 January 2008. Responses were received from 127 individuals and organisations covering a broad range of stakeholders. These included regulators, Site Licence Companies (SLCs), the supply chain, Local Authorities, Trades Unions, Site Stakeholder Groups (SSGs), Non-Governmental Organisations (NGOs) and members of the public.

We have considered all the comments received and where possible have incorporated changes to the Business Plan to reflect respondents’ views. Unless requested otherwise, all received comments have been published at www.ndabusiness.dialoguebydesign.net along with a summary report into the web-based consultation. We will publish a more substantive report on the consultation in due course.

Environmental Assessment

We undertook an Environmental Assessment to inform our first Strategy, which was published in 2006. This assessment informed both the approaches set out in our Strategy and, by extension, the relevant parts of this Business Plan. We also published an environmental statement with our Strategy that describes how the assessment we undertook informed our published Strategy.

We plan to review our Strategy, beginning in 2008/09, and will undertake a Strategic Environmental Assessment (SEA) to inform the revision of our Strategy. We do not intend that this Business Plan should constrain the regulators or planning authorities in their consideration of projects or developments flowing from either the Strategy or the Business Plan.
2.0 Overview

Our goal is to achieve safe and secure decommissioning of the nuclear legacy and deliver environmental restoration of our sites. In the three years since the NDA took responsibility for the clean-up of the UK’s civil public sector nuclear sites, our main focus has been to understand and measure the size of the task ahead and to establish the processes and relationships needed to enable the delivery of our Strategy.

Since 2005, we have recorded a number of successes, including the demolition of more than 150 buildings, and delivered some £330 million in efficiency savings, which have been used to bring forward additional decommissioning work. We have awarded a new Parent Body Organisation (PBO) contract for the Low Level Waste Repository (LLWR) and plan to award a new PBO contract for Sellafield in 2008/09. In other areas, we have made good progress in developing our skills strategy and have recently published our socio-economic policy, agreed by Ministers. Also we have continued to explore and, where possible, developed opportunities to maximise revenue from our existing commercial assets to help fund our mission of decommissioning and clean-up.
Prioritisation

Government funding for decommissioning has progressively increased year-on-year since 2005. Our anticipated budget for the next three years is set to be over £8 billion, contingent on the amount of income earned. This will be the largest expenditure ever achieved on the UK civil nuclear clean-up programme over such a period. However, we do not have unlimited funding and it is essential that we have a prioritisation process to optimise delivery of our objectives. This must be sufficiently flexible to deal with unforeseen circumstances and allow timely reallocation of funds. For example, a recent review of the Magnox Operating Programme (MOP) has revealed that, because of poor plant performance at Sellafield, we are unlikely to achieve completion of reactor defuelling and Magnox reprocessing before 2016.

The review has demonstrated the pivotal role of Sellafield in delivering our clean-up mission, but it has also highlighted the interconnected nature of the industry and the fact that decommissioning progress at sites across our estate can be affected by plant performance at Sellafield. Other issues continue to emerge on high hazard facilities, particularly at Sellafield, that may require additional funding to ensure safety compliance.

Responding to these issues will involve difficult decisions that challenge the aspiration in our Strategy to accelerate decommissioning. The impact will be felt most immediately and significantly at Harwell, Winfrith and the Magnox reactor sites but prioritisation based on hazard and risk reduction will affect all projects, including those at Sellafield, where a number of planned activities will not now be funded.

We recognise that deferring lower hazard projects may impact on the environment, value for money, the availability of skills and have socio-economic consequences for local communities. All these factors need to be considered against wider priorities and affordability. Nevertheless, we aim to return as soon as possible to a position where our remit can be delivered in a balanced way across the whole of our estate.

Clearly, a prioritisation system based solely on reduction of hazard and risk is not sophisticated enough to meet the needs of the NDA and its stakeholders. Hence, in conjunction with stakeholders, we will develop a process methodology that incorporates a range of factors related to the overall value delivered by a given approach and, in future years, allocate site funding accordingly.
Introducing competition

The success of attracting significant interest in our first two competitions has confirmed that we have the potential to bring world-leading companies into the UK market to deliver more cost-effective clean-up. However, following market testing in respect of our proposed competition for the Magnox South bundle of sites, we have chosen to take stock before moving forward with a revised competition schedule, which will be announced during 2008/09. Until then, we will be reviewing the incumbent contracts in order to develop arrangements under which earned fee reflects real improvements in efficiency rather than solely a proportion of turnover.

Review of NDA strategy

Much has changed since our establishment three years ago. In March 2007, we were given responsibility by Government for developing a UK-wide strategy for the disposal of nuclear industry Low Level Waste (LLW) and ensuring its delivery. We are also required to support the Government in developing a UK-wide strategy for LLW arising from non-nuclear sectors. These responsibilities augment those for the interim storage of higher activity wastes, where we are charged with its safe, secure and environmentally responsible management consistent with the recommendation from the Committee on Radioactive Waste Management (CoRWM).

In addition, we are responsible for supporting the UK Government in securing geological disposal for higher activity wastes under the Government’s Managing Radioactive Waste Safely (MRWS) programme, as announced in October 2006.

Given the significantly different landscape in which we now operate, we have recognised the need to review our current Strategy.

This will begin in 2008/09 and include a programme of stakeholder engagement, a Strategic Environmental Assessment (SEA) and full public consultation on our revised draft Strategy. The SEA will evaluate the environmental impact of different strategic options and will inform decisions on matters such as the pace of decommissioning and clean-up, management of nuclear materials, storage of Intermediate Level Waste (ILW) and implementation of a national integrated waste strategy that takes account of UK and international best practice. Subject to Ministerial approval, we expect our revised Strategy to be published early in 2011.

Funding

We are funded by a combination of Government grant-in-aid and income from our commercial operations. Our challenge is to manage within these arrangements, responding flexibly to any variation in commercial income. Separately, we are working with Government to examine other potential funding models that might provide the NDA and contractors with greater funding certainty and improved flexibility to manage the work programme over a longer period. Meanwhile, we remain committed to cost-effective clean-up that reduces hazard and meets the highest standards of health, safety, security and environmental performance.

Establishing the estimated cost for cleaning up our estate is an ongoing and unprecedented process. Our improved understanding has meant that discounted cost estimates have risen by £6.4 billion to £37.0 billion. This increase arises from better characterisation of our liabilities and improved site plans, which are now prepared on a consistent basis. We expect these estimates to stabilise and fall over time as competition drives innovation, greater efficiency and reduction of fixed costs.

Our Business Plan

This Business Plan sets out how we intend to take forward our programme. In view of the uncertainties described, we have only provided expenditure details for 2008/09. We intend to include more detail in future issues of our Business Plan, on which we will consult annually. Meanwhile, we recognise the following key strategic challenges:

• how do we determine the best way to prioritise our spending so that we maximise hazard and risk reduction while operating within our budget?
• how do we balance delivery of our enhanced remit on waste management with other priorities?
• how can we best move forward with our competition schedule?
3.0 Objectives: 2008/09-2010/11

Decision-making processes
As stated in the Overview section, we plan to begin a formal review of our Strategy in 2008/09. The process will include a Strategic Environmental Assessment (SEA) and incorporate stakeholder engagement to identify and evaluate strategic options for consideration. The outcome of the review will be subject to a formal public consultation and the revised Strategy will require Ministerial approval.

It is essential that we engage stakeholders to inform our decisions on how funding should be allocated. These need to accommodate a wide range of factors to ensure that we deliver a balanced portfolio of work. As a first step, we have developed a prioritisation process with regulators and site operators to produce a hazard baseline that ranks projects according to their potential to cause safety or environmental detriment. This process will inform the development of a ‘value framework’ that balances our priority of hazard reduction with a range of other potential benefits.

Departmental strategic objective
As part of the 2007 Comprehensive Spending Review (CSR07) settlement, the Department for Business, Enterprise and Regulatory Reform (BERR) has been given a Departmental Strategic Objective (DSO) to manage energy liabilities effectively and responsibly. To help achieve this target, the NDA is required to “establish a safe, affordable, innovative and dynamic market for clean-up and decommissioning” and to ensure progress in tackling the civil nuclear liability in line with agreed end states for the NDA’s sites and delivering value for money, through:

- a reduction in UK civil nuclear liabilities at least in line with agreed and published NDA business plans
- delivering minimum value for money savings on costs equivalent to 3% per annum averaged over the three year CSR period
- a reduction of the risk associated with high hazards by progressively mitigating hazards and ensuring radioactive waste continues to be put into a passively safe form

Technical notes will be published in 2008/09 that describe, in detail, how each of these indicators will be measured.

Our objectives for the period 2008/09 to 2010/11 are designed to ensure that our planned activities are prioritised effectively to meet the DSO target. Our principal objectives, to which we attach highest priority, are to:

- Encourage the highest standards in health, safety, security and environmental performance
- Deliver hazard and risk reduction
- Progress decommissioning and clean-up
- Maximise commercial value from our existing assets and operations
- Ensure safe management of radioactive waste and materials
- Determine the scope of the liabilities

We also have secondary objectives to:

- Provide socio-economic support and development
- Deliver skills, research and development and supply chain development

To enable us to deliver these objectives effectively, we will:

- Compete the management of our sites
- Control costs and drive efficiency
Encourage the highest standards in health, safety, security and environmental performance

Good health, safety, security and environmental (HSSE) performance is paramount. It is also fundamental to our success. Together with our contractors, we strive to deliver real progress on decommissioning and environmental restoration.

Our goals are:
• no accidents
• no harm to the health of our employees or the public
• no damage to the environment
• no theft or sabotage of our assets

We have a dedicated team that provides assurance to the Chief Executive and Board that our contractors are delivering sustained excellence in HSSE performance.

We also promote the sharing of good safety and environmental practices across our sites to achieve further improvements in all areas.

Our aim is to reduce safety and environmental hazards, delivering an integrated approach to waste management, decommissioning and clean-up that results in no harm to people or the environment.

To meet our objective in 2008/09, we plan to:
• complete the programme of recruitment to enhance our environmental and safeguards capabilities
• continue to refine the metrics we use to assess HSSE performance in consultation with the regulators

• audit and publish the HSSE performance of our contractors to provide assurance that HSSE performance continues to improve in line with our requirements
• facilitate the sharing of good practice between SLCs

In 2009/10 and 2010/11, we plan to:
• continue our programme of regular HSSE audits and monitoring trends, including discharges, to provide ongoing assurance that our contractors are delivering sustained excellence in HSSE performance
Deliver hazard and risk reduction

Our top decommissioning and clean-up priority is to deal with high hazard, high risk legacy facilities, the majority of which are at Sellafield and Dounreay. The hazard reduction programme at Sellafield is to a large extent driven by regulatory specifications, which require significant progress in the retrieval of hazardous materials over the Business Plan period. Issues continue to emerge that could require additional funding in order to ensure safety compliance. As ever, we will need to ensure that any emerging pressures at Sellafield are managed appropriately. In the first instance, we will seek assurance that additional expenditure is essential by requiring an independent evaluation of the site’s programme, in addition to carrying out our own review.

We will endeavour to minimise any adverse impact on other site programmes as far as practicable, and will ensure that any additional funds are genuinely focused on safety and environmental hazard reduction. This means, of course, that non-essential work at Sellafield and at other sites may need to be delayed or terminated.

We expect good progress to be made in preparing for the retrieval and conditioning of hazardous materials from the legacy facilities at Sellafield to enable their passively safe storage. This will entail the design and construction of new stores and waste retrieval capability and a reduction in the volume of Highly Active Liquor (HAL) stored on the site. This will continue to be reduced at least in line with regulatory requirements, which, in practice, means achieving a minimum 25% volume reduction by March 2011.

We plan to complete the development of a hazard baseline to enable year-on-year measurement of hazard reduction associated with potentially mobile radioactive wastes and other materials. We will also continue to refine the decision-making process used by SLCs to identify the greatest safety and environmental hazards and risks on our sites. However, we recognise that a process driven solely by hazard and risk reduction is not a sufficiently sophisticated basis for funding decisions. With this in mind, we intend to work with stakeholders to develop a ‘value framework’ that weighs our priority of hazard and risk reduction against other impacts. These include safety and environmental protection, socio-economic effects and value for money.
To meet our objective in 2008/09, we plan to:

• continue the development of the hazard baseline for radioactive waste
• continue to refine the prioritisation and value framework processes to ensure that our allocation of funding is understood transparently

In 2009/10 and 2010/11, we plan to:

• extend the scope of the hazard baseline processes to include other materials, as appropriate and ensure that the NDA’s inventory is covered

Progress decommissioning and clean-up

Our overall goal is to achieve safe and secure decommissioning of the nuclear legacy and deliver environmental restoration of our sites to agreed end states.

Achieving these end states depends on complex interactions between a wide range of different factors. For example, the reprioritisation of funds from lower hazard sites to address our higher priority objectives has affected work programmes at Harwell, Winfrith and at some Magnox sites. As a contingency, we have asked Magnox Electric Limited to identify the minimum level of funding required to maintain ‘safe and secure’ site operations. This is a planning exercise, not a decision, and we recognise that implementation of ‘safe and secure’ would require regulatory approval following evaluation of the safety, security and environmental effects. We will also need to develop an understanding of the effect on skills, as well as the potential socio-economic impacts. We will engage relevant stakeholders throughout this process and expect the initial work to be completed before publication of the next iteration of our Business Plan.

We believe that, due to the absence of a solution for the disposition of activated graphite, it is not yet possible to make a business case for accelerating Magnox decommissioning. Nevertheless, we will complete work on the business case in line with our Strategy for discussion with Government and, subject to availability of funding and viable waste disposal routes, will continue to explore the option of identifying a lead Magnox site to act as a ‘test site’ for reactor decommissioning.

A recent review of the Magnox Operating Programme (MOP) has revealed that, due to poor operational performance of the ageing Magnox reprocessing plant, it will not be possible to defuel the Magnox reactors within the planned timescales. As a consequence, it is likely that the reprocessing of Magnox spent fuel at Sellafield, which was due to be completed by around 2012, will not be completed until 2016 or later and that further plant enhancements will be required. We will continue to examine options for dealing with spent fuel, although our ambition remains to defuel all reactors as soon as practicable and to complete reprocessing operations in line with commitments made under the OSPAR Convention. In mitigation, our contractors have adopted working practices to reduce the quantity of wetted fuel in storage, thereby minimising environmental discharges from this source. Other such measures will be assessed to ensure that discharges from Sellafield comply with international conventions. These will be taken into account, as far as practicable, in the proposed review of the current UK Strategy for Radioactive Discharges 2001–2020.

To meet our objective in 2008/09, we plan to:

• engage with stakeholders to develop an affordable delivery plan for the Magnox, Harwell and Winfrith sites
• refine the Oxide Operating Plan to optimise the management of spent oxide fuel

In 2009/10 and 2010/11, we plan to:

• continue to refine and optimise site decommissioning plans in line with our developing priorities and available funding

Maximise commercial value

Our commercial activities comprise:

• electricity generation at Oldbury and Wylfa power stations
• fuel manufacture at Springfields for British Energy’s Advanced Gas-Cooled Reactors (AGRs)
• reprocessing of oxide fuel
• conversion of uranium hexafluoride
• Mixed Oxide (MOX) fuel manufacture
• transportation of nuclear fuel and radioactive materials
• rental/sale of land and other property

Maximising the commercial value of our estate will help fund decommissioning and clean-up. We will continue to maximise revenue from our existing assets and operations. This may include divesting ourselves of assets that are not core to our remit. Following the outcome of the UK Government’s consultation on nuclear power, there may also be opportunities to generate additional revenues or reduce liabilities associated with our assets.

We will discuss with the Government the most appropriate management option(s) for dealing with the spent nuclear fuel not currently contracted for reprocessing, as well as the future of the Sellafield Mixed Oxide Plant (SMP) and the Thermal Oxide Reprocessing Plant (THORP).

To meet our objective in 2008/09, we plan to:

• provide the strategic oversight for our subsidiary companies and for SLCs to pursue opportunities to enhance revenues from existing commercial activities
• complete the review of the future of Springfields and Capenhurst sites
• embed the new International Nuclear Services Limited (INS) organisation within the NDA following its reconstruction as an NDA owned subsidiary company
• develop closer relationships with our major overseas customers for spent fuel management and waste return services in conjunction with INS
• complete the review of our non-licensed land and building assets to determine how best value can be secured in line with our property and assets strategy
• engage with potential developers, including energy utilities, to maximise value for money for the public sector from possible future uses of our sites

**In 2009/10 and 2010/11, we plan to:**

• reassess the opportunities for the NDA to maximise the commercial income from its existing assets and operations to help fund decommissioning
• ensure that the Vitrified Residue Return (VRR) programme of returning High Level Waste (HLW) to its country of origin begins on schedule, with the first shipment of waste in line with customer requirements

**Ensure safe management of radioactive waste and materials**

Our remit has expanded significantly following key Government policy announcements on the long-term management arrangements for higher activity radioactive wastes and on the long-term policy for managing Low Level Waste (LLW) in the UK.

We will require our SLC, Low Level Waste Repository Limited, to assist us in the development of the UK-wide LLW strategy, including the procurement of additional disposal capacity, and ensure that all SLCs manage waste by applying the waste hierarchy. To support this, they will continue to be required to develop integrated waste solutions for all wastes, including contaminated land and groundwater management, while we start work to develop a national integrated waste strategy.

We will continue to work with the UK Government, the devolved administrations for Scotland, Wales and Northern Ireland and the regulators on the delivery of safe, secure and environmentally responsible interim storage of higher activity radioactive wastes under the Managing Radioactive Waste Safely (MRWS) programme. We will also work with the UK Government on the implementation of a programme for geological disposal of higher activity wastes. This work will be supported by appropriate research and development (R&D) programmes. The Committee on Radioactive Waste Management (CoRWM) will scrutinise our plans and programmes and provide advice to Government.

We will continue to seek solutions for issues that are common across sites, such as dealing with the large volumes of graphite arising from the eventual dismantling of Magnox and other reactors. Waste returns to overseas customers will be progressed.

**To meet our objective in 2008/09, we plan to:**

• develop an implementation plan to deliver the long-term management arrangements for higher activity wastes under the MRWS programme, including setting up a delivery organisation to develop and implement a geological disposal facility
• review and commence implementation of the public and stakeholder engagement processes that will need to be put in place to deliver a geological disposal facility for higher activity radioactive wastes under the MRWS programme
• begin to develop a UK-wide integrated waste strategy for all our wastes within the context of which will be a national strategy for managing nuclear industry LLW, linked to a programme of work by Low Level Waste Repository Limited and in consultation with stakeholders
• develop an integrated schedule of waste store emptying to support SLC, site and waste disposal programme optimisation

**Determine the scope of the liabilities**

In 2008/09, we will produce a comprehensive estimate of the lifetime costs of delivering our remit. This will be subject to third party evaluation to provide assurance that the processes used to develop the LTP are robust and that the LTP itself is properly underpinned.

**To meet our objective in 2008/09, we plan to:**

• subject a number of individual site plans to independent review prior to publishing the LTP
• finalise the development of our strategy for dealing with civil nuclear materials

**In 2009/10 and 2010/11, we plan to:**

• demonstrate real progress in delivering our programme in line with the DSO target

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Top right: Demolition of the Calder Hall towers
Bottom right: Demolition of Bradwell’s cooling water pumphouse
Secondary Objectives

Provide socio-economic support and development

We will continue to work in partnership with the Regional Development Agencies, the Enterprise Networks in Scotland and other support agencies to help create a sustainable future for communities affected by decommissioning. Our approach is described in more detail in our socio-economic policy, which is available on our website.

Support will be focused on four key areas where we believe the long-term impact of decommissioning and clean-up will be greatest:

• West Cumbria
• Caithness and North Sutherland
• Anglesey and Meirionnydd
• the Gretna-Lockerbie-Annan corridor in Dumfries and Galloway

Our top priorities for socio-economic support and development are:

• employment – with a preference for higher value job creation
• education/skills – both to support decommissioning and clean-up and diversification into other sectors
• economic and social infrastructure, including environmental remediation and improvement, and culture and natural heritage
• economic diversification – diversification into other industries and sectors, including support for the local supply chain

We have made provision to spend up to £10 million on socio-economic support and development in each of the next three years, subject to achieving the value for money savings required by the DSO. We will also develop our approach to Corporate Social Responsibility.

To meet our objective in 2008/09, we plan to:

• make up to £10 million available for socio-economic support and development, subject to planned value for money savings being achieved

• develop our approach to Corporate Social Responsibility

In 2009/10 and 2010/11, we plan to:

• make up to £10 million available annually for socio-economic support and development, subject to planned value for money savings being achieved
Deliver investment in skills, research and development and supply chain development

We plan to continue the good progress made with our partners in establishing the University of Cumbria, in developing the Dalton Cumbria Facility (Nuclear Institute) and in developing the National Skills Academy for Nuclear (NSAN). We will continue to work with the Government in establishing the proposed National Nuclear Laboratory (NNL) and will continue with our work to establish a National Nuclear Archive (NNA) in Caithness. To support the development of a competitive clean-up industry, we will design and implement a strategy for supply chain development and improvement over the period.

To meet our objective in 2008/09, we plan to:

• support implementation of the NSAN in line with Government policy objectives
• stand ready to support the Government in the proposed development of the NNL
• apply the relevant methodology for determining the value of investment in Research & Development (R&D), in support of a UK strategy for investment in University-based R&D
• establish a technology baseline to underpin R&D and measure innovation across our programme

• continue the work to establish the NNA to consolidate and safeguard the management of valuable information on the development of the UK’s nuclear programme
• develop an outline strategy for Information Technology (IT) management across our estate
• continue work to ensure there is a vibrant supply chain to support the NDA decommissioning market
• participate, where appropriate, in international collaborative R&D

In 2009/10 and 2010/11, we plan to:

• focus on the R&D needs for the plutonium fuel/disposition programme
• establish the Nuclear Institute (Dalton Cumbria facility)
• complete the development of the NDA estate-wide IT strategy
To enable us to deliver our objectives effectively, we will compete the management of our sites while controlling costs and driving efficiency.

**Compete the management of our sites**

On 31 March 2008 we awarded the new Parent Body Organisation (PBO) contract for the Low Level Waste Repository (LLWR). An important activity for us will be to ensure that the transition arrangements for the new contractor are completed smoothly.

By autumn 2008, we expect to announce the successful bidder for the new PBO contract for Sellafield Limited. The new contract will reflect a risk and reward structure that is more appropriate for a private sector contractor. We expect the new PBO to deliver significant improvements in productivity, project management and cost estimating in addition to enhanced safety, security and environmental performance.

As a result of limited market interest in our proposed competition for the Magnox South Limited sites bundle, we have decided to put the remainder of our competition schedule on pause while we review the lessons learned to date. This will give us space to review our existing contracts to include arrangements under which earned fee reflects real improvements in efficiency rather than solely a proportion of turnover. It will also ensure that the timing and scope of our competitions attract the highest quality bidders during the competitive dialogue phase. We expect to announce our revised competition schedule in 2008/09.

To meet our objective in 2008/09, we plan to:

- work with the new LLWR PBO and SLC to ensure the optimum use of the LLWR and to provide solutions for UK Low Level Waste (LLW) management services
- award the new PBO contract for Sellafield Limited
- announce the schedule for competing the remainder of our sites, following a review of the scope and timing of our competitions
- finalise the establishment of new SLCs
- work with aspiring PBO contractors to help develop their capability to compete for NDA contracts

In 2009/10 and 2010/11, we plan to:

- deliver our revised competition schedule
Control costs and drive efficiency

Our planned expenditure for the next three years is over £8 billion. In line with the DSO target for CSR07, we plan to deliver value for money savings of at least 3% per annum averaged over the CSR period. This means achieving a cumulative hard target of £240 million in savings. The key indicator for measuring these savings will be the Cost Performance Index (CPI), which measures the actual cost of the work performed against its budgeted cost.

To maximise efficiency, we plan to encourage our SLCs reduce fixed costs, which currently amount to as much as 65% of expenditure on some sites, and facilitate improvements in shared service provision between SLCs. We intend to improve the processes used to identify risks to ensure that we have greater financial flexibility to respond to potential income volatility. And we will continue to benchmark our performance against appropriate organisations, to share good practice and to encourage our contractors to do likewise, particularly in areas such as cost estimation.

To meet our objective in 2008/09, we plan to:

• implement a programme for our SLCs to reduce fixed costs across our estate
• improve our financial planning processes to give us greater flexibility to manage our programme responsively
• deliver savings on our expenditure in line with the DSO target

• oversee the creation of a shared services platform by SLCs to maximise efficiency in support service costs across our estate
• maintain ISO9001 accreditation and Investors in People (IiP) recognition
• maintain ISO14001 accreditation (which we expect to gain in 2007/08)
• be in a position to undergo assessment for the European Foundation of Quality Management (EFQM) to further improve our quality management systems

In 2009/10 and 2010/11, we plan to:

• deliver further annual savings on our expenditure in line with the DSO target
• further refine our financial planning
• maintain ISO9001, ISO14001 accreditation and Investors in People (IiP) recognition

In 2009/10 and 2010/11, we plan to:

• deliver further annual savings on our expenditure in line with the DSO target
• further refine our financial planning
• maintain ISO9001, ISO14001 accreditation and Investors in People (IiP) recognition

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We are funded by a combination of Government grant-in-aid and income from commercial operations. The following section sets out our planned expenditure for the three financial years covered by this plan. These figures reflect the funding settlement agreed between the Department for Business, Enterprise and Regulatory Reform (BERR) and the NDA following the BERR settlement in the 2007 Comprehensive Spending Review (CSR07).

Our total planned expenditure in 2008/09 is £2,855.0 million, of which £1,536.8 million is funded by grant-in-aid and £1,318.2 million represents estimated commercial income. In total, we plan to spend £2,594.0 million on our site programme and £261.0 million on non-site activities. Apart from NDA operating costs, this non-site expenditure includes skills development, research and development (R&D), insurance and pension costs, as set out in detail overleaf.

In 2009/10, we plan to spend £2,817.8 million, of which £1,612.0 million will be funded by grant-in-aid and £1,205.8 million by income from commercial operations. In 2010/11, our total planned expenditure will be £2,784.6 million, with £1,707.5 million grant-in-aid and £1,077.1 million from commercial income.

**Commercial Income**

Commercial income will always be subject to uncertainty, depending on the operational performance of ageing facilities and fragile infrastructure. Furthermore, it is expected to decline in future years as electricity generation ceases at the two operating Magnox power stations: Oldbury and Wylfa. We will continue to maximise revenue from our existing assets and operations, which may include divesting ourselves of assets that are not core to our remit, to help fund decommissioning and clean-up.

**Value for Money Savings**

During the period covered by this plan, the NDA must achieve value for money savings of at least 3% per annum averaged over the CSR period. This is consistent with the Departmental Strategic Objective (DSO) agreed between the Department for Business, Enterprise and Regulatory Reform (BERR) and HM Treasury as part of the CSR07 settlement. These savings will need to be found from the planned expenditure set out in Table 1.
Table 1
Estimated income and expenditure summary 2008/09

<table>
<thead>
<tr>
<th>£m</th>
<th>Sites</th>
<th>Decom &amp; Clean-up Costs A</th>
<th>Running Cost B</th>
<th>Capex C</th>
<th>TOTAL COST D (A+B+C)</th>
<th>Commercial Revenue E</th>
<th>Other Income F</th>
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Non site expenditure

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2009/10 Estimates

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20010/11 Estimates

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<td>2,784.6</td>
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*This includes £230 million in funding from End Year Flexibility (EYF) earned through Commercial Income, which we expect to be brought forward from 2007/08.
Note: numbers may not cast due to rounding.
5.0 Site Licence Company Summaries
Site Licence Companies (SLCs) are the legal entities responsible for day-to-day operations of those nuclear sites designated to the NDA.

The following section describes at a high level the work that we expect our contractors to deliver during the period covered by the plan. This information includes:

- a brief description of the key activities that will be undertaken at each site during the period
- Key Performance Indicators (KPIs) for 2008/09, which are used to measure performance in meeting key milestones
- any significant regulatory issues that are likely to emerge
- planned expenditure at each site
- a forecast of the income generated at each site
This Business Plan sets the anticipated Annual Site Funding Limits (ASFL) for each SLC in 2008/09. Our contractors can, however, apply for the NDA’s consent to alter the scope, schedule or cost of planned work during each financial year. Work and funds will continue to be adjusted through this change control process in order to optimise programme delivery, as long as the total NDA funding allocation is not exceeded. Indicative site expenditure, as well as a brief description of the programme of work for each site, is also included for 2009/10 and 2010/11. The health, safety, security and environmental performance of our contractors is reported in our Annual Reports and Accounts.

More detailed programme information is contained in the Lifetime Plan (LTP) for each site, which are available on the NDA’s website: www.nda.gov.uk

Programme Summary Work Breakdown Structure

The Programme Summary Work Breakdown Structure (PSWBS) provides the planning framework for work delivered at our sites and is the primary framework for planning and performance monitoring of our work programme. The PSWBS data for each site has been estimated on a pro-rata basis in line with the planned PSWBS category expenditure for 2007/08.

The PSWBS consists of the following categories of work:

- **Transition**- one-off activities associated with major organisational or structural changes that have site-wide implications, such as restructuring costs associated with the initial creation of SLCs or a change of Parent Body Organisation (PBO) resulting from a competition.

- **New Construction Projects**- all activities and costs (i.e feasibility, design, construction and commissioning) associated with a new construction project or a group of related projects.

- **Commercial Operations**- all activities and costs either exclusively associated with, or in direct support of, commercial operations. Commercial operations include: electricity generation, fuel manufacturing, spent fuel reprocessing and the defuelling of reactor sites. Reactor site defuelling accounts for the proportion of commercial operations on a number of reactor sites that have ceased electricity generation.

- **Decommissioning and Termination**- all activities undertaken on a site to decommission facilities, starting from the end of Post Operational Clean Out (POCO) or defuelling through to the agreed end state for the site. This also includes contaminated land and groundwater remediation and post-decommissioning activities.

- **Waste and Nuclear Materials Management (WNMM)**- all activities that relate to the treatment, storage, transportation and on-site disposal of radioactive and non-radioactive wastes. This also captures the activities and costs of dealing with nuclear materials.

- **Site Support**- includes activities that directly support projects and operations on a site as a whole but which are not dedicated to a single operating unit or project.

- **Support Services**- includes functional-type activities that support the site as a whole, including projects and operations on the site and also the site licensees’ organisation and business activities. This includes activities that are carried out on the site itself and services provided by the PBO.

- **Stakeholder Support**- costs and activities associated with stakeholder and regulator support and involvement at sites.

- **NDA Funded**- this category includes costs to the SLC directly incurred on behalf of the NDA that would normally be considered to be outside the scope of site activities. These include staff seconded to the NDA, activities or packages of work directly commissioned by the NDA that would not normally constitute part of the scope of the site’s core activities and activities undertaken by or funded from one site on behalf of another site or SLC.

- **Trading Costs**- this category relates to the trading costs associated with uranium.

Key for Site Budget by PSWBS Category Graphs

F – Forecast
E – Estimate – subject to revision
6.0 Sellafield Limited

Sellafield Limited is the Site Licence Company (SLC) responsible for the operation of the Sellafield (including Calder Hall), Capenhurst and, from 1 April 2008, Windscale sites. The current Parent Body Organisation (PBO) is British Nuclear Fuels plc.

It has become increasingly apparent that Sellafield requires additional funding to deal with high hazard facilities and ensure safety compliance. On that basis funding has already been reprioritised from other sites and from other projects at Sellafield. Even so, it may be necessary to reprioritise yet more funding to the high hazard facilities, provided safety, security and environmental performance is not compromised at other sites. A third party has been commissioned to provide assurance that this additional work is essential and will have the desired outcomes. If it is, we will ensure that expenditure is focused on the highest hazards and risks, which may mean that some planned activities will no longer be funded at Sellafield or at other sites.

During the plan period, activities will largely be focused on mitigating the risk of plant failure. We expect to see significant progress in the design and construction of new facilities, including the new Sludge Packaging Plant (SPP), to enable legacy wastes to be retrieved, packaged and stored in safer conditions. Asset care and maintenance will be enhanced to optimise plant performance at Sellafield. The future of Capenhurst will also be reviewed to ensure the best outcome for the site.
Commercial operations, including spent fuel storage, reprocessing and the manufacture of Mixed Oxide (MOX) fuel, are expected to continue throughout the period and will provide an important source of revenue for the NDA. However, the prolonged outage of the Thermal Oxide Reprocessing Plant (THORP), and poor Magnox reprocessing performance, have prompted us to review the anticipated dates for the completion of their contracted activities. In the case of Magnox reprocessing, a review of the Magnox Operating Programme (MOP) suggests that operations are now unlikely to be completed until 2016 or later. Contingency plans are being pursued vigorously to accommodate major plant failure, including consideration of alternative options for the treatment of spent Magnox fuel. To minimise the quantity of fuel in wet storage and resultant discharges to the environment, a restriction on the volume of wetted fuel has also been put in place.

In addition, we intend to undertake strategic reviews of the long-term future of THORP and of the Sellafield MOX Plant (SMP).

Key developments include the award of the new PBO contract for Sellafield Limited in 2008/09, the relicensing of the Windscale site to Sellafield Limited on 1 April 2008 and the full integration of Calder Hall into the Sellafield site from 1 April 2008.

**Key SLC Activities**

Key activities from 2008/09 to 2010/11 include:

- progressing the remediation, decommissioning and clean-up of historical legacy plant at Sellafield
- spent fuel reprocessing, MOX fuel manufacture and waste management
- the decommissioning and dismantling of enrichment plant at Capenhurst
- develop a business plan for the Capenhurst site following the achievement of the ‘end of decommissioning’ milestone in 2009/10
- progressing the restoration of the Windscale site (following the planned relicensing of the site to Sellafield Limited from 1 April 2008)

**Key Focus**

- **Hazard reduction**
  - dealing with the high hazard legacy facilities at Sellafield to enable legacy waste retrieval and hazard reduction
  - the vitrification of liquid High Level Waste (HLW) and its safe storage at Sellafield

- **Delivering value and profit**
  - fulfilling contractual obligations and securing revenue to help to fund decommissioning and clean-up
Sellafield including Calder Hall

Sellafield is located in Cumbria and has an area of 262 hectares covered by the nuclear site licence. It is a large, complex nuclear chemical facility that has supported the nuclear power programme since the 1940s, and has undertaken work for a number of organisations including United Kingdom Atomic Energy Authority (UKAEA) and the Ministry of Defence (MoD). Operations at Sellafield include processing of fuels removed from nuclear power stations; Mixed Oxide (MOX) fuel fabrication; and storage of nuclear materials and radioactive wastes. The area around the site is environmentally sensitive.

Calder Hall is located on the Sellafield site in Cumbria. It was the world's first commercial nuclear power station and started generating electricity in 1956. Generation ceased in 2003.

<table>
<thead>
<tr>
<th>£m</th>
<th>Total Expenditure:</th>
<th>Total Income:</th>
<th>Net:</th>
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<td>1,296.2</td>
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Key Site Activities

**Key Site Activities 2008/09**
- sanctioning projects to enable the eventual retrieval of Magnox Swarf and waste from the Legacy Ponds and Silos
- isolating redundant pipework and plant systems to reduce hazard
- progressing projects to enable the demolition of redundant structures and facilities
- evaluating Best Practicable Environmental Options (BPEOs) for dealing with plutonium contaminated material

**Key Site Activities 2009/10**
- recovering sludge from the Pile Fuel Storage Ponds
- constructing an improved ventilation system for the Separation Area
- decommissioning plants and buildings ready for demolition
- retrieving legacy wastes and materials to enhance safety and reduce risk
- removing asbestos from Calder Hall Reactor Heat Exchangers and Turbine Hall

**Key Site Activities 2010/11**
- progressing the commissioning of facilities for the retrieval of Swarf from the Magnox Swarf storage silos
- progressing commissioning of facilities for the retrieval of fuel and waste from legacy facilities
- progressing additional high active evaporator capacity to improve liquid High Level Waste (HLW) vitrification throughput
Key Performance Indicators 2008/09

- continuing refurbishment of the Magnox storage pond skip handler, to be completed in June 2009
- continuation of site investigation work in support of modelling of contaminated land and groundwater
- enhancement of security arrangements to the Highly Active Liquor Evaporation and Storage (HALES) and legacy plant areas
- reprocessing of spent fuel through THORP (subject to the availability of high active evaporator capacity)
- preparing for the first return of vitrified waste to its country of origin
- production of 380 containers of vitrified high level waste
- reprocessing of 525 tonnes of Magnox spent fuel

Regulatory Matters

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<td>progress the removal of sludge from the first generation Magnox storage pond to interim buffer storage</td>
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Site Budget by PSWBS Category
Windscale

Windscale is a separate licensed site located within the Sellafield site in Cumbria. The site area is 14 hectares. It comprises three reactors, two of which were shut down in 1957. The third was closed in 1981. A fire damaged one of these reactors (Pile 1) in 1957, making its decommissioning a significant challenge.

<table>
<thead>
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<th>£m</th>
<th>Total Expenditure:</th>
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Key Site Activities

- **Key Site Activities 2008/09**
  - testing the recovery techniques for Pile 1 fuel and isotope retrieval
  - continuing dismantling of the Windscale Advanced Gas-Cooled Reactor (WAGR) pressure vessel

- **Key Site Activities 2009/10**
  - completing the detailed design of the Pile 1 fuel and isotope removal equipment
  - approval of Pile 2 Decommissioning Safety Case
  - completing the integrated safety improvement plan for the Post Irradiation Examination (PIE) Caves

- **Key Site Activities 2010/11**
  - completing the removal of the WAGR pressure vessel, transfer and mortuary tubes
  - completing the conditioning of Intermediate Level Waste (ILW) from the Western Area

Key Performance Indicators 2008/09

- continuation of the safety improvement upgrades to the PIE Caves
- completion of the mock-up trials for Pile 1 fuel and isotope removal

Regulatory Matters

**2008/09 to 2010/11**

- regulatory oversight and approval for decommissioning activities

Site Budget by PSWBS Category

Previous spread: Sellafield site
Capenhurst

Capenhurst is located near Ellesmere Port in Cheshire, adjacent to Urenco (the Uranium Enrichment Company), and has an area of 32 hectares covered by the nuclear site licence. It was home to a uranium enrichment plant and associated facilities that ceased operation in 1982.

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Key Site Activities

- cleaning out non-operational facilities
- demolishing redundant buildings
- achieving the ‘End of Decommissioning Milestone’
- demolishing redundant diffusion plant and surrounding buildings
- safe and secure storage of Magnox Depleted Uranium (MDU) and uranium hexafluoride (UF6)
- completing waste disposals to the Low Level Waste Repository (LLWR) and to Clifton Marsh

Key Performance Indicators 2008/09

- completion of the demolition of redundant diffusion plant structure
- completion of incinerator operations
- commencement of Post Operational Clean Out (POCO) and demolition of the facility

Regulatory Matters

2008/09 to 2010/11

- regulatory oversight and approval for decommissioning activities

Site Budget by PSWBS Category
Magnox North Limited will become the Site Licence Company (SLC) responsible for the operation of the Chapelcross, Hunterston A, Trawsfynydd, Wylfa and Oldbury sites. The current Parent Body Organisation (PBO) of the company is Reactor Sites Management Company Limited, which is owned by Energy Solutions LLC.

Our long-term strategy for the Magnox North sites is decommissioning and final site clearance as early as practicable. Oldbury and Wylfa power stations will continue to receive priority funding to support revenue generation until their scheduled closure dates. However, to deal with the highest hazards and risks on our estate, other Magnox sites will receive lower funding allocations than previous years. This will allow reactor defuelling to progress in line with the revised Magnox Operating Programme (MOP) and ensure the safe and environmentally responsible management of mobile waste forms, including asbestos. We aim to restore a more balanced funding profile as soon as possible but, as a contingency, we have asked our contractor to identify the minimum level of expenditure necessary to ensure ‘safe and secure’ site operations. This will ensure that we develop an understanding of the skills impact and potential socio-economic effects of adopting ‘safe and secure’ site operations. This is a planning exercise, not a decision, and would only be pursued with regulatory approval following scrutiny of the safety and environmental impacts.
During the period we will review the scope, bundling arrangements and timing of competitions for our sites with Government to ensure that our proposals attract the highest quality bidders during the competitive dialogue phase. Key developments will include the closure of Oldbury power station in 2008/09 and the closure of Wylfa power station in 2010/11.

**Key SLC Activities**

Key activities from 2008/09 to 2010/11 include:
- electricity generation at Oldbury and Wylfa power stations until shut down
- the removal of spent fuel from reactor vessels and cooling ponds
- the removal, packaging and disposal of asbestos
- preparation for decommissioning, including removal of plant equipment and the demolition of ancillary buildings
- the construction of facilities for the interim storage of Intermediate Level Waste (ILW)

**Key Focus**

- **Maximising commercial income**
  - generating electricity until scheduled reactor closure dates

- **Hazard reduction**
  - removing spent fuel and associated wastes from the reactors and cooling ponds in accordance with Magnox Operating Programme (MOP) requirements
  - draining, treating and disposing of pond water
  - removing exposed asbestos from reactors and turbine halls

- **Preparing for care and maintenance**
  - retrieval and safe management of wastes
  - completing civil engineering work in preparation for safe and secure state
Chapelcross power station is located near Dumfries in south west Scotland and has an area of 96 hectares covered by the nuclear site licence. It was the first nuclear power station in Scotland. Electricity generation started in 1959 and ceased in June 2004. The area around the site is environmentally sensitive.

<table>
<thead>
<tr>
<th>£m</th>
<th>Total Expenditure:</th>
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</thead>
<tbody>
<tr>
<td>2008/09</td>
<td>55.3</td>
<td>–</td>
<td>55.3</td>
</tr>
</tbody>
</table>

### Key Site Activities

#### Key Site Activities 2008/09
- removing asbestos to reduce hazard
- refurbishing fuel route equipment in preparation for defuelling
- replacing aged electrical equipment
- recovering, packaging and dispatching legacy waste to reduce hazard

#### Key Site Activities 2009/10
- defuelling reactors in line with Magnox Operating Programme (MOP) requirements
- continuing activities to reduce hazard

#### Key Site Activities 2010/11
- defuelling reactors in line with MOP requirements
- continuing activities to reduce hazard
- preparing a Periodic Safety Review (PSR) for post-defuelling operations

### Key Performance Indicators 2008/09
- preparing for reactor defuelling in line with MOP requirements
- management of contaminated land
- progressing the decommissioning of the Chapelcross Production Plant (CXPP)

### Regulatory Matters

**2008/09 – 2009/10**
- regulatory oversight and approval for decommissioning activities and priority work
- review of the Miscellaneous Beta Gamma Waste Store disposal route

**2010/11**
- submission of a PSR for post-defuelling operations

### Site Budget by PSWBS Category
Hunterston A

Hunterston A power station is located in Ayrshire, south west Scotland and has an area of 15 hectares covered by the nuclear site licence. It started electricity generation in 1964 and ceased production in 1989. The surrounding area of coastal mudflats is designated as a Site of Special Scientific Interest (SSSI).

<table>
<thead>
<tr>
<th>£m</th>
<th>Total Expenditure:</th>
<th>Total Income:</th>
<th>Net:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008/09</td>
<td>52.2</td>
<td>–</td>
<td>52.2</td>
</tr>
</tbody>
</table>

Key Site Activities

**Key Site Activities 2008/09**
- commencing projects to enable the retrieval and encapsulation of solid and wet Intermediate Level Waste (ILW)
- conducting trials to support drainage and clean-up of the Fuel Storage Pond
- continuing work to characterise contaminated land

**Key Site Activities 2009/10**
- preparing for the retrieval and encapsulation of solid ILW
- removing redundant plant and equipment to support fuel skip disposal
- commissioning plant to support the retrieval of sludges and resins from fuel cooling ponds

**Key Site Activities 2010/11**
- continuing all the activities shown to the left
- commencing the installation of the Weather Envelope

Key Performance Indicators 2008/09

- commencement of site installation works for the Solid ILW Retrieval Project
- commencement of site installation works for Cartridge Cooling Pond (CCP) ILW sludges and resins
- completion of work on the Temporary Weather Barrier Project

Regulatory Matters

**2008/09 – 2010/11**
- regulatory oversight and approval of authorisations for environmental discharges, decommissioning and demolition

Site Budget by PSWBS Category
Trawsfynydd

Trawsfynydd power station is located at Trawsfynydd in Gwynedd, North Wales and has an area of 15 hectares covered by the nuclear site licence. It started electricity generation in 1965 and ceased generating in 1991. The site is situated in the Snowdonia National Park near to a number of Sites of Special Scientific Interest (SSSIs), National Nature Reserves (NNRs) and Special Areas for Conservation (SACs). The NDA also has designated powers to manage and operate the Maentwrog hydro-electric power station, which was opened in 1928 and is situated near the site.

<table>
<thead>
<tr>
<th>£m</th>
<th>Total Expenditure:</th>
<th>Total Income:</th>
<th>Net:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008/09</td>
<td>62.0</td>
<td>–</td>
<td>62.0</td>
</tr>
</tbody>
</table>

Key Site Activities

**Key Site Activities 2008/09**
- continuing hazard reduction through waste retrieval and decontamination
- preparing for building height reduction including continuation of the partial relocation of primary circuit components and commencement of roof capping

**Key Site Activities 2009/10**
- continuing hazard reduction through waste retrieval and decontamination
- preparing for building height reduction including completion of the partial relocation of primary circuit components and continuation of roof capping
- Miscellaneous Active Components (MAC) Retrieval project to remove waste from the reactor vault
- transferring waste packages to the Intermediate Level Waste (ILW) store

**Key Site Activities 2010/11**
- preparing for building height reduction including completing installation of roof capping
- continuing hazard reduction through waste retrieval and decontamination
- preparing for the retrieval of Fuel Element Debris (FED)
- starting contaminated land remediation
Key Performance Indicators 2008/09

- completion of the design of the FED Vacuum system
- completion of the commissioning of the ILW store
- commencement of roof-capping

Regulatory Matters

2008/09 to 2010/11

- regulatory oversight and approval for decommissioning and waste management activities

Site Budget by PSWBS Category
Oldbury

Oldbury power station is located at Oldbury in South Gloucestershire and has an area of 51 hectares covered by the nuclear site licence. It started electricity generation in 1967. The area around the site is environmentally sensitive and has been designated as a Special Protection Area (SPA) and a Site of Special Scientific Interest (SSSI).

<table>
<thead>
<tr>
<th>£m</th>
<th>Total Expenditure:</th>
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</thead>
<tbody>
<tr>
<td>2008/09</td>
<td>80.6</td>
<td>–</td>
<td>80.6</td>
</tr>
</tbody>
</table>

Key Site Activities

**Key Site Activities 2008/09**
- electricity generation
- preparing for workforce reorganisation to support defuelling operations
- preparing for decommissioning and hazard reduction

**Key Site Activities 2009/10**
- preparing for reactor defuelling in line with Magnox Operating Programme (MOP) requirements
- cleaning out operational plant to reduce hazards and prepare for decommissioning

**Key Site Activities 2010/11**
- continuing reactor defuelling in line with MOP requirements
- reorganising the workforce for decommissioning

Key Performance Indicators 2008/09

- generation of 1.54 TWh of electricity
- preparing for reactor defuelling in line with MOP requirements

Regulatory Matters

**Regulatory Matters 2008/09**
- regulatory oversight and approval for continued operation
- approval of the Management of Change for the transition from generation to defuelling
- approval of the Environmental Impact Assessment for Decommissioning (EIAD)

**Regulatory Matters 2009/10**
- approval of the safety case and authorisation for defuelling

**Regulatory Matters 2010/11**
- regulatory oversight and approval for decommissioning activities

Site Budget by PSWBS Category

NDA Business Plan 2008/2011
Wylfa

Wylfa power station is located on Anglesey in North Wales and has an area of 21 hectares covered by the nuclear site licence. Commencing electricity generation in 1971, it was the last and largest power station of its type to be built in the UK and consequently, radioactive doses during decommissioning are anticipated to be lower than at other sites. The area around the site includes several areas of environmental importance.

<table>
<thead>
<tr>
<th>£m</th>
<th>Total Expenditure:</th>
<th>Total Income:</th>
<th>Net:</th>
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</thead>
<tbody>
<tr>
<td>2008/09</td>
<td>93.0</td>
<td>–</td>
<td>93.0</td>
</tr>
</tbody>
</table>

### Key Site Activities

#### Key Site Activities 2008/09
- electricity generation at Wylfa power station and Maentwrog
- preparing for transition of the site from generation to defuelling

#### Key Site Activities 2009/10
- electricity generation at Wylfa power station and Maentwrog
- carrying out Reactor 1 statutory outage
- completing the removal of damaged fuel from Dry Store Cell (DSC) 4

#### Key Site Activities 2010/11
- electricity generation at Wylfa power station and Maentwrog
- preparing for reactor defuelling in line with MOP requirements
- carrying out Reactor 2 statutory outage

### Key Performance Indicators 2008/09
- generation of 5.65 TWh of electricity
- completion of Reactor 2 outage to programme

### Regulatory Matters

#### Regulatory Matters 2008/09
- regulatory oversight and approval for continued operation
- preparation of Post Defuelling Safety Case (PDSC)

#### Regulatory Matters 2009/10
- preparation of Environmental Impact Assessment for Decommissioning (EIAD)
- removal of damaged fuel from the site

#### Regulatory Matters 2010/11
- regulatory oversight and approval for continued operation and preparation for shutdown

### Site Budget by PSWBS Category
8.0 **Magnox South Limited**

Magnox South Limited will become the Site Licence Company (SLC) responsible for the management and operation of the Berkeley, Bradwell, Dungeness A, Hinkley Point A and Sizewell A sites which have all ceased generation. The current Parent Body Organisation (PBO) of the company is Reactor Sites Management Company Limited, which is owned by Energy Solutions LLC.

Our long-term strategy for the Magnox South sites is decommissioning and final site clearance as early as practicable. However, to deal with the highest hazards and risks on our estate, Magnox South sites will receive lower funding allocations than previous years. This will allow reactor defuelling to progress in line with the revised Magnox Operating Programme (MOP) and ensure the safe and environmentally responsible management of mobile waste forms, including asbestos. We aim to restore a more balanced funding profile as soon as possible but, as a contingency, we have asked our contractor to identify the minimum level of expenditure necessary to ensure ‘safe and secure’ site operations. This will ensure that we develop an understanding of the skills impact and potential socio-economic effects of adopting ‘safe and secure’. This is a planning exercise, not a decision, and would only be pursued with regulatory approval following scrutiny of the safety and environmental impacts.

During the period we will review the scope, bundling arrangements and timing of competitions for our sites with Government to ensure that our proposals attract the highest quality bidders during the competitive dialogue phase.
Key SLC Activities

Key activities from 2008/09 to 2010/11 include:

• the removal of spent fuel from reactor vessels and cooling ponds
• the removal, packaging and disposal of asbestos
• the decommissioning of plant and demolition of ancillary buildings
• the construction of facilities for the interim storage of Intermediate Level Waste (ILW)

Key Focus

• Hazard reduction
  - removing spent fuel and associated wastes from the reactors and cooling ponds in accordance with MOP requirements
  - draining, treating and disposing of pond water
  - removing exposed asbestos from reactors and turbine halls

• Preparing for care and maintenance
  - retrieval and safe management of wastes
  - completing civil engineering work in preparation for safe and secure state
Berkeley

Located near Berkeley in Gloucestershire, this was one of the UK’s first nuclear power stations and has a total site area of 27 hectares covered by the nuclear site licence. The site includes the Berkeley Centre laboratories and offices that lie adjacent to the power station. The station operated from 1962 until 1989 when it ceased electricity generation. Defuelling was completed by 1992. The area around the site is environmentally sensitive and is designated as a Special Protection Area (SPA), Special Area for Conservation (SAC), a wetland of international importance under the RAMSAR convention and Site of Special Scientific Interest (SSSI). The nearby Berkeley Gazebo is a Grade 2 listed building, constructed in 1754.

The Berkeley site is at an advanced stage of decommissioning and, as a result, all activities are focused on clean-up and waste management. There are no commercial activities carried out on the site.

<table>
<thead>
<tr>
<th>£m</th>
<th>Total Expenditure:</th>
<th>Total Income:</th>
<th>Net:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008/09</td>
<td>68.5</td>
<td>0.1</td>
<td>68.4</td>
</tr>
</tbody>
</table>

Key Site Activities

- **Key Site Activities 2008/09**
  - completing the Periodic Safety Review for Berkeley Power Station
  - completing the project to separate Berkeley Nuclear Licensed Site from the Berkeley Centre

- **Key Site Activities 2009/10**
  - completing the physical work necessary to achieve care and maintenance status for the reactors. Options will also be explored for the development of a Business Park on delicensed land

- **Key Site Activities 2010/11**
  - completing the physical work necessary to achieve care and maintenance status for the reactors. Options will also be explored for the development of a Business Park on delicensed land

Key Performance Indicators 2008/09

- completion of Periodic Safety Review for Berkeley Power Station

Regulatory Matters

**2008/09 – 2010/11**

- regulatory oversight and approval for decommissioning activities

Site Budget by PSWBS Category
Located at Bradwell in Essex, and with an area of 20 hectares covered by the nuclear site licence, this power station operated from 1962 until 2002 when it ceased electricity generation.

### Key Site Activities

- removing redundant plant and decontaminating the fuel cooling pond
- preparing for the construction of facilities to enable the recovery and treatment of wet and solid Intermediate Level Waste (ILW) from site stores
- removing asbestos from Boiler Houses and Circulator Halls
- enhancing electrical power supplies and accommodation to allow the safe decommissioning of existing structures
- surveying the site to confirm levels of radiological and/or chemical soil contamination

### Key Performance Indicators 2008/09

- completion of the safe removal, packaging and disposal of asbestos
- removal of pond furniture from the fuel cooling pond
- completion of the installation of facilities for the treatment of Low Level Waste (LLW)

### Regulatory Matters

2008/09 – 2010/11

- regulatory oversight and approval for decommissioning activities

### Site Budget by PSWBS Category

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Expenditure:</th>
<th>Total Income:</th>
<th>Net:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008/09</td>
<td>£29.8</td>
<td>–</td>
<td>£29.8</td>
</tr>
</tbody>
</table>

[Graph showing site budget by PSWBS Category]
**Dungeness A**

Located at Dungeness in Kent and with an area of 20 hectares covered by the nuclear site licence, Dungeness A power station started generating electricity in 1965. The area around the site is environmentally sensitive, designated as a Special Protection Area (SPA), a Special Area for Conservation (SAC) and a Site of Special Scientific Interest (SSSI), is proposed as a wetland of international importance under the RAMSAR convention and is home to the largest shingle peninsula in Europe. Continuous shingle replenishment is in progress to maintain the reactor site and British Energy's Dungeness B power station.

<table>
<thead>
<tr>
<th>£m</th>
<th>Total Expenditure:</th>
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</thead>
<tbody>
<tr>
<td>2008/09</td>
<td>41.9</td>
<td>0.1</td>
<td>41.8</td>
</tr>
</tbody>
</table>

**Key Site Activities**

**Key Site Activities 2008/09**
- commencing spent fuel removal from reactor cores and fuel cooling ponds, subject to capacity at Sellafield
- continuing the dissolution of Fuel Element Debris (FED) through the Magnox Dissolution Plant (MXD)
- installing facilities for the treatment of Low Level Waste (LLW)
- enhancing electrical power supplies and accommodation to allow the safe decommissioning of existing structures

**Key Site Activities 2009/10**
- continuing the removal of spent fuel from the site
- continuing the dissolution of FED
- installing facilities for the treatment of LLW

**Key Site Activities 2010/11**
- continuing all the activities shown to the left
Key Performance Indicators 2008/09

- reactor defuelling in line with Magnox Operating Programme (MOP) requirements
- processing of seven tonnes of FED
- completion of the electrical overlay system to support turbine hall decommissioning

Regulatory Matters

2008/09 – 2010/11

- regulatory oversight and approval for defuelling and decommissioning activities

Site Budget by PSWBS Category
Hinkley Point A

Hinkley Point A power station is located at Hinkley in Somerset and has an area of 19 hectares covered by the nuclear site licence. It started electricity generation in 1965 and ceased operations in 2000. Several Sites of Special Scientific Interest (SSSIs), National Nature Reserves (NNRs) and Special Protection Areas (SPAs) are situated around the site.

<table>
<thead>
<tr>
<th></th>
<th>£m</th>
<th>Total Expenditure:</th>
<th>Total Income:</th>
<th>Net:</th>
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</thead>
<tbody>
<tr>
<td>2008/09</td>
<td>40.3</td>
<td>–</td>
<td>40.3</td>
<td></td>
</tr>
</tbody>
</table>

Key Site Activities

**Key Site Activities 2008/09**
- removing, packaging and disposing of asbestos
- installing facilities for the treatment of Low Level Waste (LLW)
- removing redundant skips to allow decontamination of the fuel cooling pond
- enhancing electrical power supplies and accommodation to allow the safe decommissioning of existing structures

**Key Site Activities 2009/10**
- continuing the removal of asbestos
- continuing the construction of facilities for the treatment of LLW and of Intermediate Level Waste (ILW)
- continuing the enhancement of electrical power supplies and accommodation

**Key Site Activities 2010/11**
- continuing all the activities shown to the left

Key Performance Indicators 2008/09
- de-sludging of ponds
- continuing disposal of pond skips

Regulatory Matters

**2008/09 – 2010/11**
- regulatory oversight and approval for decommissioning activities

Site Budget by PSWBS Category
Sizewell A

Located at Sizewell in Suffolk and with an area of 14 hectares covered by the nuclear site licence, Sizewell A power station started generating electricity in 1966. The area around the site is environmentally sensitive and is designated a Special Protection Area (SPA), a Special Area of Conservation (SAC), a wetland of international importance under the RAMSAR convention, a Site of Special Scientific Interest (SSSI) and a National Nature Reserve (NNR).

<table>
<thead>
<tr>
<th>£m</th>
<th>Total Expenditure:</th>
<th>Total Income:</th>
<th>Net:</th>
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</thead>
<tbody>
<tr>
<td>2008/09</td>
<td>41.5</td>
<td>0</td>
<td>41.5</td>
</tr>
</tbody>
</table>

Key Site Activities

Key Site Activities 2008/09
- commencing removal of spent fuel from fuel cooling ponds subject to capacity at Sellafield
- removing, packaging and disposing of asbestos
- enhancing of electrical power supplies and accommodation to enable the safe decommissioning of redundant structures

Key Site Activities 2009/10
- continuing the removal of asbestos
- continuing the enhancement of electrical power supplies

Key Site Activities 2010/11
- continuing all the activities shown to the left
- continuing the removal of spent fuel from the site

Key Performance Indicators 2008/09
- reactor defuelling in line with Magnox Operating Programme (MOP) requirements
- commencement of removal and disposal of asbestos
- completion of the electrical overlay system to support turbine hall decommissioning

Regulatory Matters

2008/09 – 2010/11
- regulatory oversight and approval for defuelling and decommissioning activities

Site Budget by PSWBS Category
Subject to regulatory approval, Dounreay Site Restoration Limited (DSRL) will become the Site Licence Company (SLC) responsible for the operation of the Dounreay site. The current Parent Body Organisation (PBO) is the United Kingdom Atomic Energy Authority (UKAEA).

Our long-term strategy for Dounreay is decommissioning and site remediation. In the near term, our priority is the remediation of the higher hazard facilities on the site to enable legacy wastes to be retrieved and put into a passively safe form.

During the period we will review the scope, bundling arrangements and timing of competitions for our sites with Government to ensure that our proposals attract the highest quality bidders during the competitive dialogue phase.
Key SLC Activities
Key activities during 2008/09 to 2010/11 include:
• the isolation of the Dounreay shaft
• the retrieval and treatment of sodium and potassium (NaK) from the Dounreay Fast Reactor (DFR)
• the immobilisation of wastes
• the ongoing decommissioning of facilities on the site
• the construction of new facilities for the disposal of Low Level Waste (LLW)

Key Focus
• Hazard reduction
  - retrieving, treating and immobilising hazardous wastes and putting them into passively safe storage
• Preparing for Site Restoration
  - progressive decommissioning and dismantling of facilities to enable eventual site restoration
Dounreay

Dounreay is located in Caithness, Scotland and has a total site area of 74 hectares. It was established in the mid-1950s as a research reactor site with fuel production and processing facilities. There were three reactors, the last of which ceased operation in 1994.

<table>
<thead>
<tr>
<th>£m</th>
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</thead>
<tbody>
<tr>
<td>2008/09</td>
<td>151.7</td>
<td>10.4</td>
<td>141.3</td>
</tr>
</tbody>
</table>

Key Site Activities

**Key Site Activities 2008/09**

- completing the isolation of the Dounreay shaft
- cleaning out facilities in preparation for decommissioning
- continuing characterisation of contaminated land
- resuming operation of the Dounreay Cementation Plant (DCP) to immobilise waste and reduce hazard

**Key Site Activities 2009/10**

- completing the destruction of liquid metal wastes from the Dounreay Fast Reactor (DFR)
- commencing operations for the removal of DFR fuel
- completing the concept and detailed designs for facilities to support decommissioning

**Key Site Activities 2010/11**

- designing potential schemes for the disposal of active solvent wastes
- preparing designs for facilities to enable reactor dismantling, the treatment of nuclear materials and the storage of fuel casks
- constructing the new Low Level Waste (LLW) disposal facility
Key Performance Indicators 2008/09

- completion of the Dounreay shaft isolation
- completion of inactive landfill closure
- completion of the Post Operational Clean Out (POCO) of the Prototype Fast Reactor (PFR) Irradiated Fuel Caves
- operation of the DCP Import Export Facility
- completion of scheme design for PFR Reactor Decommissioning Facility

Regulatory Matters

2008/09

- regulatory oversight and approval for decommissioning activities
- determination of authorisations for waste decommissioning activities and the proposed Dounreay LLW facility
- approval of the Dounreay shaft Post Closure Safety Case (PCSC)

2009/10 – 2010/11

- regulatory oversight and approval for decommissioning activities

Site Budget by PSWBS Category
10.0 Research Sites Restoration Limited

Subject to regulatory approval, from Autumn 2008 Research Sites Restoration Limited (RSRL) will be the Site Licence Company (SLC) responsible for the operation of the Harwell and Winfrith sites. The current Parent Body Organisation (PBO) is the United Kingdom Atomic Energy Authority (UKAEA).

Our longer term strategy for Harwell and Winfrith is the progressive delicensing and clearance of both nuclear licensed sites. However, during the Business Plan period we plan to prioritise expenditure to deal with the highest hazards on our estate, the majority of which are at Sellafield and Dounreay. While this means that there will be deferral of work at Harwell and Winfrith, our aim is to restore a more balanced funding profile as soon as possible to ensure progress in the decommissioning and clean-up of both sites.

During the period we will review the scope, bundling arrangements and timing of competitions for our sites with Government to ensure that our proposals attract the highest quality bidders during the competitive dialogue phase.
The expenditure and income figures in the table above show the total for Harwell and Winfrith sites together. Individual site allocations have yet to be determined.

### Key SLC Activities

Key activities from 2008/09 to 2010/11 include:
- the retrieval, processing and packaging of wastes
- the care and maintenance of redundant reactors and other facilities

### Key Focus

- **Preparing for care and maintenance**
  - retrieval and safe management of wastes
  - preparation for safe and secure state

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<table>
<thead>
<tr>
<th>£m</th>
<th>Total Expenditure:</th>
<th>Total Income:</th>
<th>Net:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008/09</td>
<td>60.0</td>
<td>5.4</td>
<td>54.6</td>
</tr>
</tbody>
</table>

The expenditure and income figures in the table above show the total for Harwell and Winfrith sites together. Individual site allocations have yet to be determined.
Harwell

Harwell is located in Oxfordshire and was established in 1946 as Britain's first Atomic Energy Research Establishment. The campus, of which the designated site forms a part, is home to a wide range of research organisations and businesses. The NDA has responsibility for 110 hectares of land – approximately one-third of the total area.

Key Site Activities

<table>
<thead>
<tr>
<th>Key Site Activities 2008/09</th>
<th>Key Site Activities 2009/10</th>
<th>Key Site Activities 2010/11</th>
</tr>
</thead>
<tbody>
<tr>
<td>• recovering, processing and packaging solid Intermediate Level Waste (ILW)</td>
<td>• commissioning of the Waste Encapsulation Treatment Plant (WETP)</td>
<td>• commencing treatment of legacy contact-handled ILW</td>
</tr>
<tr>
<td>• care and maintenance of the redundant reactors and other facilities</td>
<td>• recovering, processing and packaging solid ILW</td>
<td>• recovering, processing and packaging solid ILW</td>
</tr>
<tr>
<td>• releasing land for development of the science campus</td>
<td>• care and maintenance of the redundant reactors and other facilities</td>
<td>• care and maintenance of the redundant reactors and other facilities</td>
</tr>
<tr>
<td></td>
<td>• releasing land for development of the science campus</td>
<td>• releasing land for development of the science campus</td>
</tr>
</tbody>
</table>

Key Performance Indicators 2008/09

• recovery of 132 cans of legacy waste recovered from the tube stores
• immobilisation of 30 drums of sludge in the Liquid Effluent Treatment Plant (LETP)
• commencement of active commissioning of Recovery Machine 2 (RM2)

Regulatory Matters

2008/09

• approval of safety cases for the second retrieval machine and for the WETP
• agreement to the formation of Research Sites Restoration Limited (RSRL)

2009/10 – 2010/11

• regulatory oversight and approval for decommissioning activities
Winfrith is located near Poole in Dorset and has a total site area of 88 hectares. It was established by the United Kingdom Atomic Energy Authority (UKAEA) in 1958 as an experimental reactor research and development site. The coast south of Winfrith is a World Heritage Site and the surrounding heathland and chalk ridges are environmentally sensitive.

### Key Site Activities

<table>
<thead>
<tr>
<th>Key Site Activities <strong>2008/09</strong></th>
<th>Key Site Activities <strong>2009/10</strong></th>
<th>Key Site Activities <strong>2010/11</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>• recovering and immobilising Steam Generating Heavy Water Reactor (SGHWR) sludges</td>
<td>• immobilising thorium metal to reduce hazard</td>
<td>• ensuring care and maintenance of redundant reactors and other facilities</td>
</tr>
<tr>
<td>• ensuring care and maintenance of redundant reactors and other facilities</td>
<td>• ensuring care and maintenance of redundant reactors and other facilities</td>
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</tr>
</tbody>
</table>

### Key Performance Indicators **2008/09**

- complete immobilisation of SGHWR sludges in the Waste Encapsulation Treatment Plant (WETP)

### Regulatory Matters

**2008/09 to 2010/11**

- regulatory oversight and approval for decommissioning activities
- agreement to the formation of Research Sites Restoration Limited (RSRL)
11.0 Low Level Waste Repository Limited

Low Level Waste Repository Limited is the Site Licence Company (SLC) responsible for the operation of the Low Level Waste Repository (LLWR) near the village of Drigg in Cumbria. The Parent Body Organisation (PBO) at the time of publication is UK Nuclear Waste Management Limited.

The LLWR will remain a strategically important facility both for UK nuclear industry and for non-nuclear industry waste producers. Following the successful planning application for the construction of Vault 9, we will require the SLC to assist us in the development of the UK-wide LLW Strategy, including the procurement of additional disposal capacity and adherence to the waste hierarchy.

Key developments will include the completion of transition arrangements for the new PBO contractor following the award of the new PBO contract in 2007/08. The nature of the contract, including the agreement of site funding levels, will be the subject of detailed negotiation.
Key SLC Activities

Key activities from 2008/09 to 2010/11 include:
- continuing the detailed design work and awarding the construction contract for Vault 9 to secure additional waste management capacity
- receiving, treating, storing and disposing of LLW consignments
- preparing of designs for vault and trench capping
- cleaning up and demolishing historical waste storage facilities to reduce hazard
- supporting the NDA in the development of the UK-wide LLW Strategy

Key Focus

- Waste receipt and disposal
  - acceptance of consignments of LLW from nuclear industry and non-nuclear industry producers
- Hazard reduction
  - cleaning up and demolishing redundant waste storage facilities
Low Level Waste Repository

The Low Level Waste Repository (LLWR) is located near Drigg in Cumbria and has an area of 98 hectares covered by the nuclear site licence. It has operated as a disposal facility since 1959. Wastes are compacted and placed in containers before being transferred to the facility. The area around the site is environmentally sensitive and is designated as a Special Area for Conservation (SAC) and a Site of Special Scientific Interest (SSSI).

<table>
<thead>
<tr>
<th>£m</th>
<th>Total Expenditure</th>
<th>Total Income</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008/09</td>
<td>37.1</td>
<td>26.5</td>
<td>10.6</td>
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</table>

Key Site Activities

Key Site Activities 2008/09
- constructing new facilities for the receipt of Low Level Waste (LLW)
- commencing Post Operational Clean Out (POCO) of Plutonium Contaminated Material (PCM) facilities

Key Site Activities 2009/10
- completing the construction of Vault 9
- commencing demolition of PCM Facilities
- preparing designs for vault and trench capping

Key Site Activities 2010/11
- completing demolition of PCM Facilities
- commencing vault and trench capping

Key Performance Indicators 2008/09
- completion of concept designs for south drain cut off wall
- commencement of Vault 9 construction
- completion of the Post Closure Safety Case Schedule 9

Regulatory Matters

Regulatory Matters 2008/09
- regulatory oversight and approval of safety cases for ongoing operation

Regulatory Matters 2009/10
- regulatory oversight and approval of safety cases for ongoing operation
- submit disposal planning application for Vault 9

Regulatory Matters 2010/11
- regulatory oversight and approval of safety cases for ongoing operation
- review and update the LLW Safety Case
- submit an updated Post Closure Safety Case (PCSC)

Site Budget by PSWBS Category

Right: Images of the Low Level Waste Repository
12.0 Springfields Fuels Limited

Springfields Fuels Limited is the Site Licence Company (SLC) responsible for the operation of the Springfields fuel manufacturing site. The Parent Body Organisation (PBO) is Westinghouse Electric UK Limited, which is part of the Toshiba Group.

The Springfields site plays a strategically vital role, both in meeting the UK’s energy needs, and in generating income for the NDA. Our strategy is to ensure that the plant continues to supply fuel to British Energy’s Advanced Gas-Cooled Reactors (AGRs) while exploring new business opportunities.

During the next year, the NDA will undertake a review of its strategy for Springfields.
Key SLC Activities

Key activities from 2008/09 to 2010/11 include:
- the manufacture of fuel for the UK’s AGRs
- the conversion of uranium hexafluoride for overseas customers
- the manufacture of uranium dioxide powder for overseas customers
- the decommissioning and demolition of redundant plants and facilities
- the recovery of nuclear material residues

Key Focus

- Delivering value and profit
  - fulfilling contractual obligations
  - securing revenue to help to fund decommissioning and clean-up
  - optimising the manufacturing cost base for the facility

- Hazard reduction
  - cleaning out residues and decommissioning legacy facilities
  - retrieving and treating residues and disposing of waste
  - remediating contaminated land
Springfields

Springfields is located near Preston in Lancashire and has an area of 81 hectares covered by the nuclear site licence. It manufactures nuclear fuel and fuel products for the UK’s nuclear power stations and for international customers. Several environmentally sensitive and protected areas are situated close to the site, including the Ribble Estuary.

<table>
<thead>
<tr>
<th>£m</th>
<th>Total Expenditure</th>
<th>Total Income</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008/09</td>
<td>322.4</td>
<td>261.4</td>
<td>61.0</td>
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</tbody>
</table>

Key Site Activities

Key Site Activities 2008/09
- continuing the manufacture and delivery of oxide fuel, intermediate products and uranium hexafluoride for UK and overseas customers in line with contractual requirements
- completing Magnox plant Post Operational Clean Out (POCO) and commencing decommissioning
- continuing to clear uranic residues and decommissioning redundant facilities

Key Site Activities 2009/10
- continuing commercial activities as described on the left
- continuing the decommissioning of Magnox plants
- continuing to clear uranic residues in enriched recovery plant and decommissioning redundant facilities
- commencing POCO of natural recovery plants

Key Site Activities 2010/11
- continuing commercial activities as described on the left
- continuing the decommissioning of Magnox plants
- continuing to clear uranic residues in enriched recovery plant and decommissioning redundant facilities
- commencing the decommissioning of natural recovery plants

NDA Business Plan 2008/2011
Key Performance Indicators 2008/09

- manufacture of approximately 4,900 AGR fuel elements subject to demand from British Energy
- production of approximately 5,000 tonnes of uranium hexafluoride
- processing of 113 tonnes of uranium residues
- production of 340 tonnes of UO$_2$ powder and granules
- completion of POCO of the Magnox fuel fabrication plants

Regulatory Matters

2008/09 to 2010/11

- regulatory oversight and approval of safety cases for commercial activities and decommissioning

Site Budget by PSWBS Category
13.0 Subsidiary Companies

The NDA has a number of subsidiary companies to manage a range of business interests. The following section describes the plans for our key operating subsidiaries for the next three years.

International Nuclear Services (INS) Limited

International Nuclear Services (INS) Limited is the customer interface for spent fuel reprocessing and Mixed Oxide (MOX) fuel supply contracts with over 20 utility customers. It is also responsible for the transportation of nuclear fuel products to both UK and overseas customers. From 1 April 2008, it is anticipated that INS will become a wholly owned NDA subsidiary company, following the NDA's decision to exercise its option to take ownership of the 51% remaining share in the company held by Sellafield Limited, taking the NDA's shareholding to 100%.

Key Activities

The portfolio of services provided by INS includes:

- the management of contracts with international customers for spent fuel business
- supporting the reprocessing of spent oxide fuel at the Thermal Oxide Reprocessing Plant (THORP)
- marketing MOX fuel to overseas customers
- the international transportation of nuclear materials, including spent fuel, MOX fuel and vitrified High Level Waste (HLW), through the company’s logistics subsidiary company, Pacific Nuclear Transport Limited (PNTL)
- flask maintenance in a bespoke facility on the Sellafield site

Key Focus 2008-11

- continuing to provide its range of services to all international customers, with an increasing focus on the return of vitrified wastes to their country of origin
- securing the first returns of overseas reprocessing materials and wastes
- investigating opportunities for new commercial business
Direct Rail Services (DRS)

Direct Rail Services is a wholly owned subsidiary company of the NDA. The company was established in 1995 to provide a strategic rail transport service to British Nuclear Fuels Limited (BNFL), its parent company at the time. The company has continued to develop its business into new areas to maximise revenues while continuing to ensure that spent fuel products are transported safely and securely.

Key Activities

The range of services provided by the company includes:

- specialist transportation services, particularly for the transportation of spent nuclear fuel from the UK’s nuclear reactors to the Sellafield site
- general freight services, including for fast-moving consumer goods, high value products and time-sensitive cargoes

Key Focus 2008-11

- maintaining the company’s market position as the supplier of choice for the transport of nuclear materials
- increasing the company’s market share in other UK rail freight transport sectors
### Glossary

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
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<tbody>
<tr>
<td>AGR</td>
<td>Advanced Gas-Cooled Reactor</td>
</tr>
<tr>
<td>ASFL</td>
<td>Annual Site Funding Limit</td>
</tr>
<tr>
<td>BERR</td>
<td>Business, Enterprise and Regulatory Reform</td>
</tr>
<tr>
<td>BNFL</td>
<td>British Nuclear Fuels Limited</td>
</tr>
<tr>
<td>BPEO</td>
<td>Best Practicable Environmental Option</td>
</tr>
<tr>
<td>CCP</td>
<td>Cartridge Cooling Pond</td>
</tr>
<tr>
<td>CoRWM</td>
<td>Committee on Radioactive Waste Management</td>
</tr>
<tr>
<td>CSR</td>
<td>Comprehensive Spending Review</td>
</tr>
<tr>
<td>DCP</td>
<td>Dounreay Cementation Plant</td>
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<tr>
<td>DFR</td>
<td>Dounreay Fast Reactor</td>
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<tr>
<td>DRSS</td>
<td>Direct Rail Services</td>
</tr>
<tr>
<td>DSC</td>
<td>Dry Store Cells</td>
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<tr>
<td>DSO</td>
<td>Departmental Strategic Objective</td>
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<tr>
<td>DSRL</td>
<td>Dounreay Site Restoration Limited</td>
</tr>
<tr>
<td>EFQM</td>
<td>European Foundation of Quality Management</td>
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<tr>
<td>EIAD</td>
<td>Environmental Impact Assessment for Decommissioning</td>
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<tr>
<td>FED</td>
<td>Fuel Element Debris</td>
</tr>
<tr>
<td>HAL</td>
<td>Highly Active Liquor</td>
</tr>
<tr>
<td>HALES</td>
<td>Highly Active Liquor Evaporation &amp; Storage</td>
</tr>
<tr>
<td>HLW</td>
<td>High Level Waste</td>
</tr>
<tr>
<td>HSSE</td>
<td>Health, Safety, Security &amp; Environment</td>
</tr>
<tr>
<td>IIP</td>
<td>Investors in People</td>
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<tr>
<td>ILW</td>
<td>Intermediate Level Waste</td>
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<tr>
<td>INS</td>
<td>International Nuclear Services</td>
</tr>
<tr>
<td>IT</td>
<td>Information Technology</td>
</tr>
<tr>
<td>KPI</td>
<td>Key Performance Indicator</td>
</tr>
<tr>
<td>LETP</td>
<td>Liquid Effluent Treatment Plant</td>
</tr>
<tr>
<td>LLW</td>
<td>Low Level Waste</td>
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<tr>
<td>LLWAM</td>
<td>Low Level Waste Activity Monitor</td>
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<tr>
<td>LLWR</td>
<td>Low Level Waste Repository</td>
</tr>
<tr>
<td>LTP</td>
<td>Lifetime Plan</td>
</tr>
<tr>
<td>MAC</td>
<td>Miscellaneous Active Component</td>
</tr>
<tr>
<td>MDU</td>
<td>Magnox Depleted Uranium</td>
</tr>
<tr>
<td>MoD</td>
<td>Ministry of Defence</td>
</tr>
<tr>
<td>MOP</td>
<td>Magnox Operating Programme</td>
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<td>MOX</td>
<td>Mixed Oxide</td>
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<td>MRWS</td>
<td>Managing Radioactive Waste Safely</td>
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<td>MXD</td>
<td>Magnox Dissolution Plant</td>
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<td>NDA</td>
<td>Nuclear Decommissioning Authority</td>
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<tr>
<td>NGO</td>
<td>Non-Governmental Organisations</td>
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<td>NNA</td>
<td>National Nuclear Archive</td>
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<td>NNL</td>
<td>National Nuclear Laboratory</td>
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<tr>
<td>NNR</td>
<td>National Nature Reserve</td>
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<tr>
<td>NSAN</td>
<td>National Skills Academy for Nuclear</td>
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<tr>
<td>NSG</td>
<td>National Stakeholder Group</td>
</tr>
<tr>
<td>PBO</td>
<td>Parent Body Organisation</td>
</tr>
<tr>
<td>PCM</td>
<td>Plutonium Contaminated Material</td>
</tr>
<tr>
<td>PCSC</td>
<td>Post Closure Safety Case</td>
</tr>
<tr>
<td>PDSC</td>
<td>Post Defuelling Safety Case</td>
</tr>
<tr>
<td>PFR</td>
<td>Prototype Fast Reactor</td>
</tr>
<tr>
<td>PIE</td>
<td>Post Irradiation Examination</td>
</tr>
<tr>
<td>PNTL</td>
<td>Pacific Nuclear Transport Limited</td>
</tr>
<tr>
<td>POCO</td>
<td>Post Operational Clean Out</td>
</tr>
<tr>
<td>PRPCC</td>
<td>Partial Relocation of Primary Circuits Components</td>
</tr>
<tr>
<td>PSR</td>
<td>Periodic Safety Review</td>
</tr>
<tr>
<td>PSWBS</td>
<td>Programme Summary Work Breakdown Structure</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>Research and Development</td>
</tr>
<tr>
<td>RM2</td>
<td>Recovery Machine 2</td>
</tr>
<tr>
<td>RSRL</td>
<td>Research Sites Restoration Limited</td>
</tr>
<tr>
<td>SAC</td>
<td>Special Area for Conservation</td>
</tr>
<tr>
<td>SEA</td>
<td>Strategic Environmental Assessment</td>
</tr>
<tr>
<td>SGGHR</td>
<td>Steam Generating Heavy Water Reactor</td>
</tr>
<tr>
<td>SLC</td>
<td>Site Licence Company</td>
</tr>
<tr>
<td>SMP</td>
<td>Sellafield MOX Plant</td>
</tr>
<tr>
<td>SPA</td>
<td>Special Protection Area</td>
</tr>
<tr>
<td>SPP</td>
<td>Sludge Packaging Plant</td>
</tr>
<tr>
<td>SSG</td>
<td>Site Stakeholder Group</td>
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<tr>
<td>SSSI</td>
<td>Site of Special Scientific Interest</td>
</tr>
<tr>
<td>THORP</td>
<td>Thermal Oxide Reprocessing Plant</td>
</tr>
<tr>
<td>UF6</td>
<td>Uranium Hexafluoride</td>
</tr>
<tr>
<td>UKAEA</td>
<td>United Kingdom Atomic Energy Authority</td>
</tr>
<tr>
<td>VRR</td>
<td>Vitrified Residue Return</td>
</tr>
<tr>
<td>WAGR</td>
<td>Windscale Advanced Gas-Cooled Reactor</td>
</tr>
<tr>
<td>WETP</td>
<td>Waste Encapsulation Treatment Plant</td>
</tr>
<tr>
<td>WNMM</td>
<td>Waste and Nuclear Materials Management</td>
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</tbody>
</table>
Some images supplied courtesy of British Nuclear Group, United Kingdom Atomic Energy Authority and Magnox.

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