



Department
of Energy &
Climate Change

Department of Energy & Climate
Change
3 Whitehall Place,
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T: +44(0)300 060 4000
www.decc.gov.uk

Our Ref: 13/1740 and 13/1741

18 December 2013

Dear NAME REDACTED,

Thank you for your emails of 6 December 2013 where you requested the following information:

Ref 13/1740 - I would like to see any emails, papers, minutes, documents etc. relating to the DECC Permanent Secretary's May 2013 "Introductory meeting" with Horizon Nuclear Power/Hitachi Europe Ltd.

Ref 13/1741 - I would like to see any emails, papers, minutes, documents etc. relating to the Ed Davey's June 2013 meeting with Hitachi "to discuss energy and climate change issues"

Your requests have been considered under the Freedom of Information Act 2000 (FOIA).

In relation to request 13/1740: two emails, a note of the meeting and a briefing paper for the meeting have been located and are within the scope of your request. These can be found in Annex A.

In relation to request 13/1741: one email and a briefing paper for the meeting have been located and are in scope of your request. These can be found in Annex B.

Some information that is within the scope of your request is being withheld by the Department on the basis that it is exempt from disclosure under Section 43(2), Section 35(1)(a) and Section 40(2) of the FOIA.

Section 43(2) of the FOIA exempts information if its disclosure would, or would be likely to, prejudice the commercial interests of any person. The application of Section 43(2) to any given information request is subject to a public interest test – i.e. the public authority must

consider whether the balance of the public interest lies in favour of disclosure or in favour of maintaining the exemption and withholding it. In this context, we recognise that there is a general public interest in the disclosure of information, as greater transparency can make Government more accountable. Against this, however, there is a greater public interest in ensuring that the commercial interests of persons are not damaged or prejudiced by the disclosure of information which is not common knowledge and could adversely impact future commercial arrangements. Releasing certain types of information on the UK's new nuclear programme would prejudice the commercial interests of persons, would jeopardise future commercial arrangements within the nuclear industry, and indeed would be likely to dissuade developers from approaching Government to discuss commercial matters, none of which would be in the public interest. We have therefore concluded that, on balance, the public interest in this instance lies in maintaining this exemption and withholding certain information which is within the scope of your request.

Section 35(1)(a) of the FOIA, provides an exemption for information which relates to the formulation and development of Government policy. We are of the view that this exemption applies in this context because certain information that is in the scope of your request relates to the development of the Department's nuclear energy policy objectives and relates to the interplay between programmes underpinning those policy objectives.

The exemption in Section 35(1)(a) is also subject to the public interest test. In considering this, we recognise that there is an important public interest in the disclosure of information about the process of government policy formulation, particularly in the area of nuclear power, and recognise that disclosure may help promote greater understanding and transparency of Government. We also recognise that disclosing the information in question may help enhance trust in this area. However, there is also a very strong public interest against disclosing the workings of Departmental officials as they are attempting to formulate and establish Government policy going forward. When policy ideas are being raised, or have been raised for discussion and views and judgements sought, it is extremely important that officials have a safe space in which to consider these priorities, free from outside pressures, interference or the fear of premature disclosure. There is a need to ensure that Ministers and officials have the space in which to develop their thinking and explore options in communications and discussions without fear that their views will be disclosed to the public. This enables views to be tested and debated which can assist in stakeholder management, and which in itself enables more thorough policy development in the public interest. If officials are not permitted a safe space to consider these policy priorities there is likely to be a negative effect on the conduct of good government and there is a risk that decision making will become poorer and be recorded inadequately. Given the nature of the information, we have concluded in this case that, on balance, the public interest favours maintaining the exemption. Accordingly, some of the information that is within the scope of your request has been withheld on this basis.

Some personal information has been redacted from the information released. This information is exempt under section 40(2) of the FOIA as it constitutes 'personal data', and the disclosure of it would contravene one or more of the data protection principles. 'Personal data' can only be disclosed under the FOIA in accordance with the data protection principles which are set out in Schedule 1 of the Data Protection Act 1998. The first data protection principle requires that disclosure must be fair and lawful and must comply with one of the

conditions contained in Schedule 2 of the Data Protection Act 1998. We do not consider that it is fair and reasonable to release the names of individuals from third party businesses, or those who are not members of the Senior Civil Service, and do not consider that any of the relevant conditions in Schedule 2 are satisfied here. We have therefore redacted certain 'personal data' on this basis, but the names of Senior Civil Servants have been published.

If you are unhappy with the result of your request for information, you may request an internal review within two calendar months of the date of this letter. If you wish to request an internal review, please contact:

Security and Information Rights Team (DECC Shared Service)
Department for Business, Innovation & Skills
Victoria 3, 5th Floor
1 Victoria Street
London SW1H 0ET
Email: foi.requests@bis.gsi.gov.uk

If you are not content with the outcome of the internal review, you have the right to apply directly to the Information Commissioner for a decision. The Information Commissioner can be contacted at:

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF

Please remember to quote the reference number above in any future communications.

Yours sincerely,

Office for Nuclear Development

Annex A – 13/1740

OND brief for Stephen Lovegrove meeting with Horizon on 22nd May 2013

Points to make:

- Welcome Hitachi's entrance in to the UK new nuclear market, interested to hear from them on how their projects are progressing.
- Pleased to hear that preparatory work with ONR and EA has started to establish the timescales and resources required to assess the ABWR design
- Note Hitachi's commitment to UK content and the UK supply chain e.g. through MoUs with Babcock International and Rolls Royce and plans to establish a module assembly facility in the UK.
- I am aware that a Horizon Nuclear Supply Chain event is taking place in Gloucester tomorrow and that Michael Fallon will be in attendance to meet the senior team and deliver an address. I very much hope that the event is a success. As you know, accrued economic benefit to the UK arising from new nuclear is a key issue for the Government and to the local populations surrounding new build sites.

Lines to take:

Hinkley Point negotiations:

- As you are aware we are in negotiations with NNB Genco (a subsidiary of EdF Energy) about the potential terms of an Investment Contract (an early form of Contract for Difference) that might enable them to take a final investment decision on their Hinkley Point C project.
- There is clearly an interest in reaching an agreement on both sides, but no commitment to NNB Genco has yet been made by the UK Government, and neither side is obliged to pursue these negotiations.
- An Investment Contract will only be offered to NNB Genco if the deal is fair, affordable and value for money, as well as consistent with state aid, and in line with the Government's policy of no public subsidy for new nuclear. Any agreement will then be subject to Royal Assent of the supporting legislation and a positive state aid decision by the European Commission.
- There will be transparency over the terms of any Investment Contracts offered to developers of low carbon electricity, including new nuclear developers, and details will be laid before Parliament.

CfD Allocation Policy for new nuclear projects (post Hinkley Point C):

- We will be setting out our preferred policy in relation to post-Hinkley CfD allocation in July and will consult on CfD secondary legislation in Autumn 2013.

- Officials have been working to develop policy and will be meeting a team from Hitachi/Horizon on 30th May to discuss.
- At the moment I am unable to offer any detail on the likely policy as we have yet to seek ministerial approval for a preferred option. I would though be interested in your thoughts so that I can feed this into the policy development process.

Defensive lines:

- Government policy is that there will be no levy, direct payment or market support for electricity supplied or capacity provided by a private sector new nuclear operator, unless similar support is also made available more widely to other types of generation.
- The Government remains of the view that the contractual arrangements should largely be standardised across different low-carbon technologies, except for where some variations are required on a technology-specific, or similar, basis to ensure that a range of low-carbon technologies can come forward at a reasonable cost and in a manner that reflects distinguishable differences in risk profile.

Background:

REDACTED S. 35 (1) (a)

Horizon - Key facts:

- Japanese technology firm Hitachi Ltd has acquired Horizon Nuclear Power, and plans to develop up to 7.8GW of new nuclear capacity in the UK at sites in Wylfa and Oldbury.
- Hitachi plan to build 2-3 reactors at each site with the first station in Wylfa coming online in the first half of the 2020s.
- Hitachi will be making use of their ABWR reactor design. On 15 January 2013 the Minister of State for Energy asked the ONR and the EA to start assessment work on the ABWR. ONR and the EA will now begin preparatory work with Hitachi and Horizon on the timescales and resources involved in assessing this new design.
- Babcock International and Rolls Royce have signed Memorandums of Understanding to join Hitachi to plan and deliver the programme.

Subject: FW: Meeting - Stephen Lovegrove / Alan Raymant, Horizon Nuclear Power, Sir Stephen Gomersall and Masahiko Nakane, Hitachi Europe Ltd.

From: NAME REDACTED S.40(2) (DECC Private Office Group) **On Behalf Of** Perm Sec (DECC)
Sent: 14 May 2013 13:08
To: NAME REDACTED S.40(2)
Cc: NAME REDACTED S.40(2) (Energy Strategy Networks and Markets)
Subject: RE: Meeting - Stephen Lovegrove / Alan Raymant, Horizon Nuclear Power, Sir Stephen Gomersall and Masahiko Nakane, Hitachi Europe Ltd.

NAME REDACTED S.40(2)

We are very sorry, but given Stephen's commitments, 14:00-14:45 is all we can offer that day.

Grateful for your confirmation.

Kind regards
NAME REDACTED S.40(2)

NAME REDACTED S.40(2) | Diary Secretary & PA to Stephen Lovegrove | Permanent Secretary
Department of Energy and Climate Change | 3 Whitehall Place | London SW1A 2AW
✉ email [NAME REDACTED S.40\(2\)@decc.gsi.gov.uk](mailto:NAME REDACTED S.40(2)@decc.gsi.gov.uk) | [NAME REDACTED S.40\(2\)@decc.gsi.gov.uk](mailto:NAME REDACTED S.40(2)@decc.gsi.gov.uk) | ☎ tel REDACTED S.40(2) | 📱 mob REDACTED S.40(2)

The Permanent Secretary's Office will not keep a record of this e-mail or any attachments. It is the responsibility of the relevant department to ensure that it is properly stored.

From: NAME REDACTED S.40(2) [[NAME REDACTED S.40\(2\)@Horizonnuclearpower.com](mailto:NAME REDACTED S.40(2)@Horizonnuclearpower.com)]
Sent: 14 May 2013 13:01
To: Perm Sec (DECC)
Subject: RE: Meeting - Stephen Lovegrove / Alan Raymant, Horizon Nuclear Power, Sir Stephen Gomersall and Masahiko Nakane, Hitachi Europe Ltd.

Dear NAME REDACTED S.40(2),

Many thanks for your email.

I wonder if it would be at all possible to start the meeting at 14:30 instead of 14:00? I do appreciate if this isn't at all possible and apologise for your inconvenience.

Look forward to hearing from you.

With kind regards,
NAME REDACTED S.40(2)

From: NAME REDACTED S.40(2) (DECC Private Office Group) [[mailto: NAME REDACTED S.40\(2\)@decc.gsi.gov.uk](mailto:NAME REDACTED S.40(2)@decc.gsi.gov.uk)]
On Behalf Of Perm Sec (DECC)
Sent: 14 May 2013 12:34
To: NAME REDACTED S.40(2)
Cc: NAME REDACTED S.40(2) (Energy Markets & Infrastructure)
Subject: RE: Meeting - Stephen Lovegrove / Alan Raymant, Horizon Nuclear Power, Sir Stephen Gomersall and Masahiko Nakane, Hitachi Europe Ltd.

Dear NAME REDACTED S.40(2)

To confirm, we could accommodate a meeting on 22nd May from 14:00-14:45 between Stephen Lovegrove, Alan Raymant, Sir Stephen Gomersall and Masahiko Nakane. The meeting would be held at our offices at DECC, 3 Whitehall Place, London SW1A 2AW.

I would be grateful if you could confirm the arrangements by return.

With many thanks.

Kind regards

NAME REDACTED S.40(2)

NAME REDACTED S.40(2) | Diary Secretary & PA to Stephen Lovegrove | Permanent Secretary
Department of Energy and Climate Change | 3 Whitehall Place | London SW1A 2AW

✉ email [NAME REDACTED S.40\(2\)@decc.gsi.gov.uk](mailto:NAME REDACTED S.40(2)@decc.gsi.gov.uk) | [NAME REDACTED S.40\(2\)@decc.gsi.gov.uk](mailto:NAME REDACTED S.40(2)@decc.gsi.gov.uk) | ☎ tel REDACTED S.40(2) | 📱 mob REDACTED S.40(2)

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From: NAME REDACTED S.40(2) [[mailto: NAME REDACTED S.40\(2\)@Horizonnuclearpower.com](mailto:NAME REDACTED S.40(2)@Horizonnuclearpower.com)]

Sent: 14 May 2013 11:52

To: Perm Sec (DECC)

Subject: FW: Arrangement of a meeting between Steven Lovegrove and Alan Raymant, Horizon Nuclear Power, Sir Stephen Gomersall and Masahiko Nakane, Hitachi Europe Ltd.

Importance: High

Dear NAME REDACTED S.40(2),

Sincere apologies, I have just left a voicemail with regards to this meeting and omitted to mention that the 16th May is no longer available.

With kind regards,

NAME REDACTED S.40(2)

NAME REDACTED S.40(2)

Executive Assistant to Alan Raymant, Chief Operating Officer

HORIZON NUCLEAR POWER

REDACTED S.40(2)

Tel: REDACTED S.40(2)

Mob: REDACTED S.40(2)

mailto: [NAME REDACTED S.40\(2\)@Horizonnuclearpower.com](mailto:NAME REDACTED S.40(2)@Horizonnuclearpower.com)

From: NAME REDACTED S.40(2)

Sent: 13 May 2013 12:30

To: 'perm.sec@decc.gsi.gov.uk'

Subject: Arrangement of a meeting between Steven Lovegrove and Alan Raymant, Horizon Nuclear Power, Sir Stephen Gomersall and Masahiko Nakane, Hitachi Europe Ltd.

Importance: High

Dear NAME REDACTED S.40(2),

Further to our conversation a moment ago, please see below my email to NAME REDACTED S.40(2), Simon Virley's assistant, as more information with regards to the request for a meeting with Steven Lovegrove.

I understand from NAME REDACTED S.40(2) already that the 28th May is unsuitable, may I put forward either the 16th May, until 14:00 or 22nd May from 14:00?

I do appreciate diary constraints and should neither of these dates be available for Steven then, of course, we shall look at alternatives.

If you have any questions, then please feel free to call.

With kind regards,
NAME REDACTED S.40(2)

NAME REDACTED S.40(2)
Executive Assistant to Alan Raymant, Chief Operating Officer
HORIZON NUCLEAR POWER
REDACTED S.40(2)

Tel: REDACTED S.40(2)
Mob: REDACTED S.40(2)

mailto: [NAME REDACTED S.40\(2\)@Horizonnuclearpower.com](mailto:NAME REDACTED S.40(2)@Horizonnuclearpower.com)

From: NAME REDACTED S.40(2)
Sent: 09 May 2013 11:57
To: NAME REDACTED S.40(2) @decc.gsi.gov.uk'
Subject: Arrangement of a meeting between Steven Lovegrove and Alan Raymant, Horizon Nuclear Power, Sir Stephen Gomersall and Masahiko Nakane, Hitachi Europe Ltd.
Importance: High

Dear NAME REDACTED S.40(2),

I hope you are well.

I understand that as a result of the meeting between Simon and Alan last week, 1st May, a further meeting is to be arranged for Steven Lovegrove to meet with Alan and two colleagues from Hitachi Europe Ltd.

Apologies, but I was asked to make arrangements via you at Simon's office. If you would prefer to forward my email to Mr Lovegrove's assistant, please feel free to do so.

The attendees from our side would be:-

Alan Raymant	Chief Operating Officer, Horizon Nuclear Power
Sir Stephen Gomersall	Group Chairman for Europe, Hitachi Europe Ltd
Masahiko Nakane	Executive General Manger, Nuclear Power Group, Hitachi Europe Ltd.

May I offer the 28th May, at any time, as a suitable date in advance? I am able to offer sooner availability but appreciate the Mr Lovegrove's calendar will probably be already fully booked for the next couple of weeks.

Please feel free to call me on REDACTED S.40(2) should you have any questions on the above.

In the meantime, many thanks for assisting me with this request.

I look forward to hearing from you.

With kind regards,
NAME REDACTED S.40(2)

NAME REDACTED S.40(2)
Executive Assistant to Alan Raymant, Chief Operating Officer

HORIZON NUCLEAR POWER
REDACTED S.40(2)

Tel: REDACTED S.40(2)
Mob: REDACTED S.40(2)

mailto: [NAME REDACTED S.40\(2\)@Horizonnuclearpower.com](mailto:NAME REDACTED S.40(2)@Horizonnuclearpower.com)

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Subject: FW: Follow Up from Our Meeting

From: NAME REDACTED S.40(2) (Energy Strategy Networks and Markets) **On Behalf Of** Virley Simon (Energy Strategy Networks and Markets)
Sent: 07 May 2013 14:59
To: Perm Sec (DECC)
Subject: FW: Follow Up from Our Meeting

NAME REDACTED S.40(2),

Please see email below and can you advise if Stephen would be happy to attend a meeting with the president of Hitachi?

Thanks

NAME REDACTED S.40(2)

From: Alan Raymant [[mailto:NAME REDACTED S.40\(2\)@Horizonnuclearpower.com](mailto:NAME REDACTED S.40(2)@Horizonnuclearpower.com)]
Sent: 03 May 2013 12:15
To: Virley Simon (Energy Markets & Infrastructure)
Cc: Haye Hergen (Office for Nuclear Development)
Subject: Follow Up from Our Meeting

Dear Simon,

Thank you for taking the time to meet with me on Wednesday. It was very helpful to be able to share with you the key issues that are front of our minds and to hear your thoughts on those and on progress more generally.

As I explained, we are seeking deeper engagement with your team on the development of EMR, particularly on the CFD framework ahead of its publication in July. Whilst we understand the pressures on your team at this time, we are keen to ensure we have a full opportunity to explain the areas where we have specific concerns, such as base-load reference prices, and to share our thoughts on how these could be addressed. It was with this in mind, that I proposed a workshop in late May and I was pleased that you supported this. We would like to put the arrangements in place for this workshop and I would be pleased if you could confirm whom from your team will be taking the lead.

We also discussed meeting with the Permanent Secretary, Stephen Lovegrove ahead of President Nakanishi's visit at the end of May. I need to confirm attendees from Hitachi - Horizon but I would expect that Sir Stephen Gomersall would lead from our side. It would be helpful if we could now schedule this meeting. Is it best if we make arrangements through your office ?

Many thanks.

Kind Regards

Alan
Alan Raymant
Chief Operating Officer

HORIZON NUCLEAR POWER
REDACTED S.40(2)

Tel: REDACTED S.40(2)

email: [NAME REDACTED S.40\(2\)@horizonnuclearpower.com](mailto:NAME REDACTED S.40(2)@horizonnuclearpower.com)

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Annex B – 13/1741

Subject: FW: BRIEFING: SoS Mtg with Hiroake Nakanishi, Hitachi - 4 June 2013
Attachments: SoS Hitachi Visit 4 JUNE 2013.doc

From: NAME REDACTED S.40(2) (Office for Nuclear Development)

Sent: 03 June 2013 10:16

To: PS Edward Davey

Cc: PS Michael Fallon (DECC); Perm Sec (DECC); PS SOS SPADS; Higson Mark (Office for Nuclear Development); Haye Hergen (Office for Nuclear Development); Allen Jeremy (Commercial); NAME REDACTED S.40(2) (Commercial); NAME REDACTED S.40(2) (Office for Nuclear Development); NAME REDACTED S.40(2) (Office for Nuclear Development); NAME REDACTED S.40(2) (Office for Nuclear Development); NAME REDACTED S.40(2) (Office for Nuclear Development)

Subject: BRIEFING: SoS Mtg with Hiroake Nakanishi, Hitachi - 4 June 2013

Morning NAME REDACTED S.40(2),

Please see attached briefing for tomorrow morning's meeting between the SoS and the President of Nuclear at Hitachi. I have not yet been able to secure a read-out of last week's meeting between the SoS and Ishizuka in Tokyo, but will update accordingly, and as necessary, once I get one. Similarly, Nakanishi is meeting with the PM later today, and will incorporate the read-out of that meeting as soon as I get it.

Thanks

NAME REDACTED S.40(2)

NAME REDACTED S.40(2)

Office for Nuclear Development

Department of Energy and Climate Change

55 Whitehall

London SW1A 2AW

Office: REDACTED S.40(2)

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