

Your Ref: 10D/974

Paris and Brussels Conventions on nuclear third party liability  
Department of Energy and Climate Change  
Area 3C  
3 Whitehall Place  
London  
SW1A 2AW

28<sup>th</sup> April 2011

Dear Sirs,

## **Consultation Response re Changes to the Paris and Brussels Conventions on nuclear third party liability**

Thank you for the opportunity to respond to the Government's planned implementation of changes to the Paris and Brussels Conventions on Nuclear Third Party Liability. This response is the corporate response made on behalf of Studsvik UK Limited.

Studsvik is a specialist international nuclear services company. In the UK, we are the operator of the Studsvik Metal Recycling Facility at Lillyhall near Workington in Cumbria, which is a Nuclear Licensed Site (the first new, commercially operated and privates sector funded nuclear licensed site for many years), and which came into active operations in September 2009. The facility was conceived, designed and developed as a private investment by Studsvik to support the implementation of the UK Solid Low Level Waste Policy (in particular the Waste Management Hierarchy) and the National Low Level Waste Strategy published recently by the Nuclear Decommissioning Authority. We consider that the site will become an enduring part of UK nuclear infrastructure playing a key role in supporting the missions of the NDA, LLW Repository and other UK nuclear operators in meeting their obligation to utilise the Best Available Techniques to manage their radioactive wastes. Studsvik is a signatory to the Paris Brussels convention.

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# Studsvik

The Studsvik Metal Recycling Facility only accepts Low Level Waste. Both the hazard level and risk of the facility in both normal and emergency situations are very low. To this end, we have a number of specific responses to make in relation to our operations, as follows:

- In our view, implementation of higher levels of liability for the Studsvik Metal Recycling Facility are not warranted, and will create costs within our business that are likely to be unsustainable, or at least would need to be passed onto our customers, making the costs of our recycling services unattractive. We welcome the recognition under consultation document clause 11.15 that *“LLW facilities do not present the level of hazard that the Convention was intended to address.”* We believe that DECC should set out clearer proposals and plans as to how low hazard facilities will be affected.
- We would welcome further commentary from DECC as to how the process of the Nuclear Installations (Prescribed Sites) Regulations, 1983, could be extended to other low hazard facilities or indeed other processes that could be introduced to confirm that Reduced Operator Liability amounts would be determined, and in particular whether there is any link with the possible exclusion that may be sought for LLW disposal facilities, or indeed whether such exclusion could be extended to LLW *treatment* facilities. To illustrate this point, it is worth noting that the total quantity of radioactivity handled by our facility is likely to be considerably less than that handled by the LLW Repository each year.
- For our business, the way in which liabilities transfer between Paris-Brussels operators is important. The future regime should ensure that liabilities (for example for off-site incidents) can be appropriately transferred between Standard Operators, Reduced Liability Operators and indeed Excluded Operators (if indeed an exclusion for LLW disposal facilities is implemented), in order to ensure that the consignor of waste for treatment or disposal does not retain liabilities under the Convention.
- Studsvik UK Limited is part of an international group, ultimately owned and operated by Studsvik AB a publically quoted company based in Sweden. Many of our insurances are arranged at group level and cover facilities in different countries that deal with differing levels of hazard and risk. These proposals are not clear as to how such arrangements would be affected and we would welcome the opportunity to discuss this issue further in order to obtain clarification as to how your proposed changes would work in this situation.

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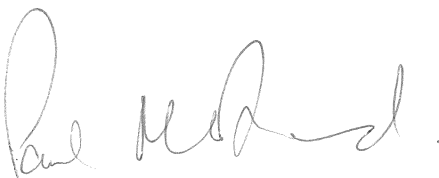
- As a final and general point, this consultation was issued prior to the events in Fukushima, Japan. Would it not now be prudent to wait until a 'lessons learnt' process has been completed so this could be incorporated into any proposals?

In support of these comments, we would be pleased to provide further technical information to substantiate the low hazard nature of the Studsvik Metal Recycling Facility, if required.

Studsvik has invested its own money in building the Studsvik Metal Recycling Facility and creating a significant number of high quality jobs in West Cumbria. Studsvik is a private sector company supporting the nuclear industry; commercial operations are very tight, and the business has been building up only slowly since opening. Any increase in the levels of cost associated with complying with additional regulation or legislation, such as these proposed changes and likely impact on Studsvik through, for example increased insurance premiums based on arbitrary, or non-risk assessed liabilities, would have a damaging impact on our ability to sustain a commercially viable business.

Studsvik UK would welcome further interaction with DECC regarding how the proposed changes to the convention would be implemented for low hazard operators.

Yours faithfully



pp. Joe Robinson  
Vice President - Strategic Development

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