

UK Atomic Energy Authority Restructures to Meet Decommissioning Strategy

Press release - 1 April 2008

With effect from 1 April, the UK Atomic Energy Authority has formed new subsidiaries to continue its leading role in nuclear decommissioning in the UK and overseas.

A new wholly owned subsidiary, which will trade as UKAEA, formed with established expertise from the existing Business Division, will focus on nuclear decommissioning and environmental restoration management and consultancy in the UK and international markets. At the same time, a new company, formed out of the existing UK Atomic Energy Authority team at Dounreay and called Dounreay Site Restoration Ltd (DSRL), is being licensed by the HSE to operate the site and carry out its decommissioning under UKAEA's management.

Chairman Barbara Judge said "The creation of the new UKAEA company gives us an excellent foundation on which to compete successfully in the forthcoming competition for the decommissioning of nuclear sites in the UK and in the wider international market, where we have already established a growing presence. This is an immense achievement, marking the most significant change in the UK Atomic Energy Authority for over a decade. I am very proud of the commitment of all our staff and the team working which made this possible."

CEO Norman Harrison commented "The relicensing of Dounreay by the HSE, against very stringent standards, is a mark of the site's success under UKAEA management. We have shown that we can simultaneously deliver a stretching decommissioning programme while managing change to the satisfaction of our safety, environment and security regulators."

He added "While this is a profound change in the structure of the UK Atomic Energy Authority, our focus at the operational level remains clearly directed on the continuing safe and efficient delivery of our programmes to our customers."

With nearly 200 employees, the new UKAEA company will possess the full range of nuclear decommissioning expertise, developed in its pioneering and prestigious decommissioning work on UKAEA research facilities.

On its formation, UKAEA retains the current contract from the Nuclear Decommissioning Authority (NDA) to manage the decommissioning of Dounreay, through the new site licence company DSRL. Among numerous other contracts in the UK and overseas, UKAEA has won a £5 million contract to provide engineering design and documentation for the flagship decommissioning project at Ignalina in Lithuania. The contract follows recent contract awards by the UK Ministry of Defence, KOPEC of Korea and for waste strategy work in

Kazakhstan, as well as from the Nuclear Decommissioning Authority. In taking its business forward, UKAEA will continue to work with its alliance partners, AMEC, international project management and services company, and CH2MHILL, global leaders in programme management, nuclear decommissioning and construction management. In particular, the three partners will be bidding jointly, as the Pentland Alliance, for the Dounreay management contract, when this is competed by the NDA.

In parallel with these changes, the site at Windscale in Cumbria will be relicensed to the Sellafield Ltd site licence company, following close review and scrutiny by the HSE and environmental and security regulators. The majority of UK Atomic Energy Authority employees at the site will transfer to Sellafield Ltd but the new UKAEA company will retain a small team at Windscale to manage some key projects under contract to Sellafield Ltd.

CEO Norman Harrison said “The Windscale team have done a tremendous job within UKAEA and I have every confidence that they will maintain this standard when they become part of Sellafield Ltd. I am also delighted that UKAEA will continue to play a key role in Windscale’s future through our contract with Sellafield Ltd.”