

Magnox Procurement Plans 2007/8

February 2007

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Magnox Electric Ltd.

UK Magnox Reactor Sites

- Reactor Sites Management Company is the M&O contractor for 10 of the UKs 11 Magnox reactor sites.
- Magnox are 1st generation reactors commissioned 1957-70. They are graphite moderated, gas cooled units that use Uranium metal fuel clad in Magnesium.

Status:

- 2 units operating,
- 3 sites defuelling
- 5 sites decommissioning



K1

Picture/legend needs updating to reflect movement of SZA and DNA to defuelling
Keith, 2/5/2007

Magnox Reactors

Magnox Reactors are Massive!

- 000's tonnes concrete
- 000's tonnes steel
- 00's tonnes graphite
- 50,000+ fuel elements



Wylfa has the world's largest nuclear core!

The Magnox North SLC

2nd Largest Site
Licence Company in
the UK

2006/7 Turnover:
\$612M (£322M)

2006/7 Procurement:
\$410M (£215M)

67% total spend



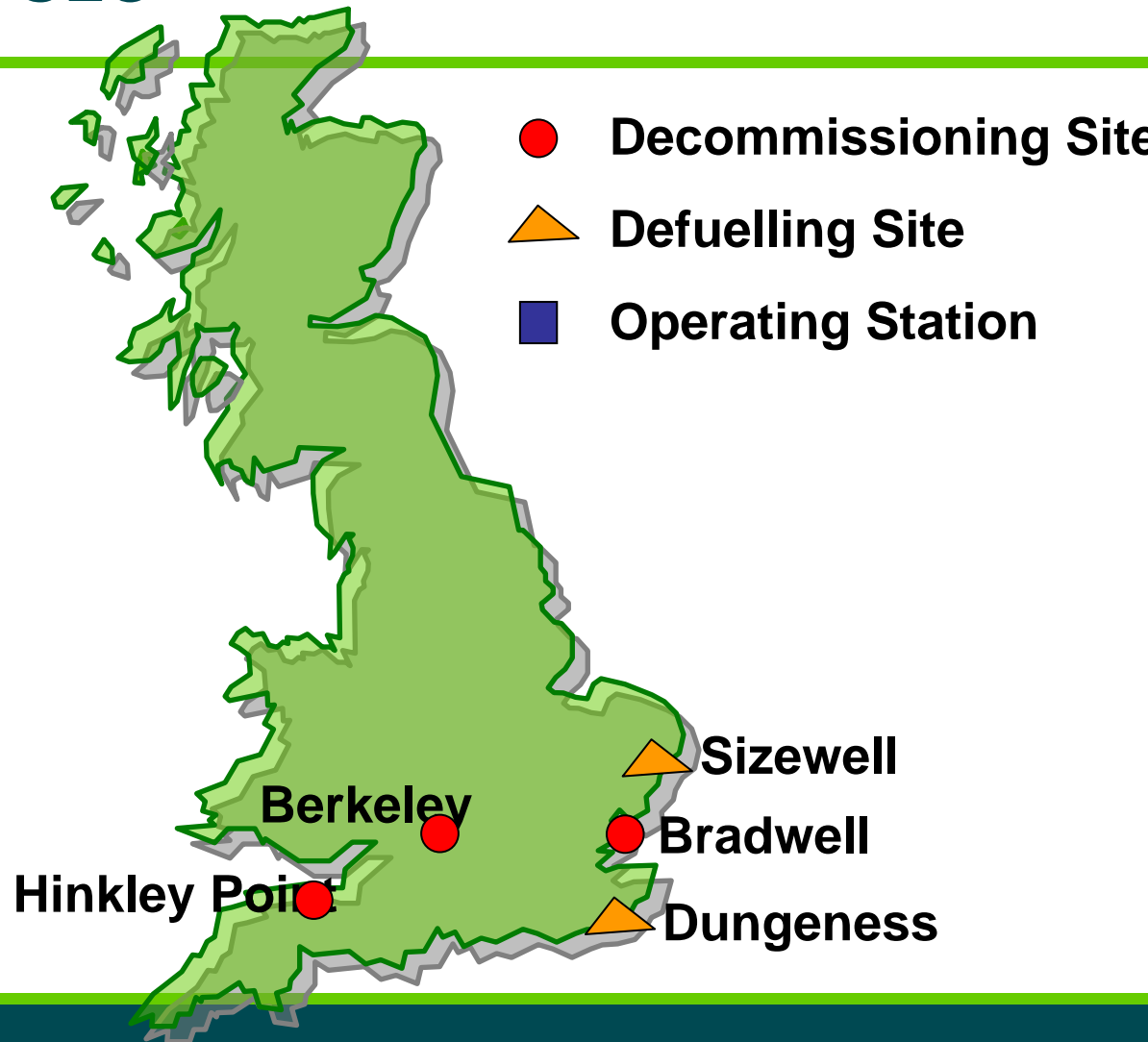
The Magnox South SLC

3rd Largest Site
Licence Company in
the UK

2006/7 Turnover:
\$515M (£271M)

2006/7 Procurement:
\$274M (£144M)

53% total spend



K2

Picture/legend needs updating to reflect movement of SZA and DNA to defuelling
Keith, 2/5/2007

Magnox North

- 2007/8 Procurements

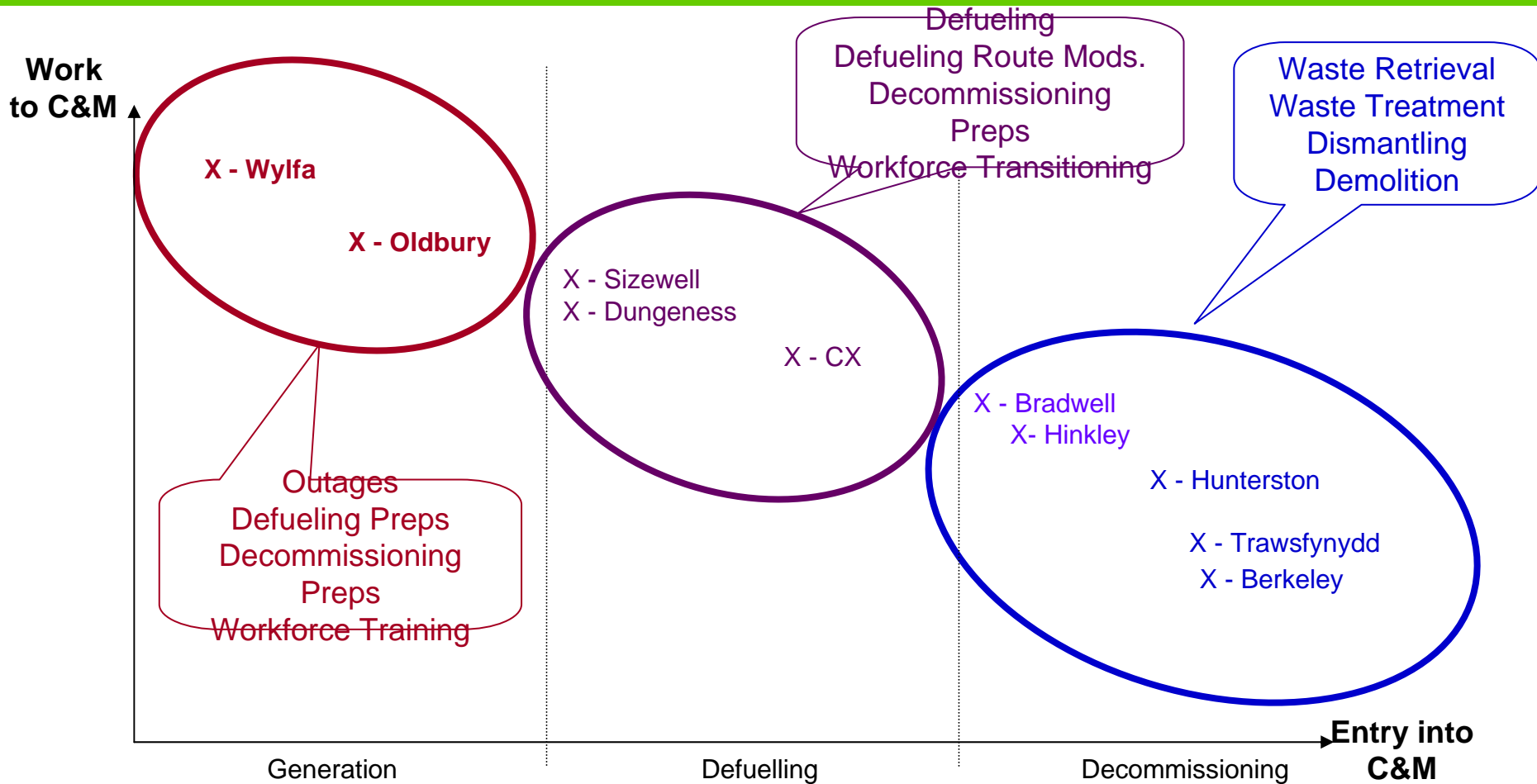
	Wylfa (\$M)	Oldbury (\$M)	Chapelcross (\$M)	Hunterston (\$M)	Trawsfynydd (\$M)	SLC (\$M)	Total (\$M)
ASFL (BCWS)	204.6	133.4	109.4	79.4	105.1	35.3	667.5
Existing Contracts	73.9	16.9	38.4	25.7	41.8	7.0	203.7
New Contracts	45.8	53.4	12.9	29.3	19.0	14.3	174.6
Total Spend	119.7	70.3	51.3	54.9	60.8	21.3	378.3
Spend (% BCWS)	58%	53%	47%	69%	58%	60%	57%

Magnox South

- 2007/8 Procurements

	Berkeley (\$M)	Bradwell (\$M)	Dungenes s (\$M)	Hinkley (\$M)	Sizewell (\$M)	SLC (\$M)	Total (\$M)
ASFL (BCWS)	92.7	59.9	81.5	69.2	73.3	53.0	429.6
Existing Contracts	1.5	4.2	5.9	13.5	5.5	13.3	43.9
New Contracts	56.1	12.5	20.9	21.1	19.6	5.7	135.9
Total Spend	57.6	16.7	26.8	34.6	25.1	19	179.8
Spend (%BCWS)	62%	28%	33%	50%	34%	36%	42%

Types of Procurement - Position in Lifecycle



Decommissioning Site (Hunterston) - 2007/8 Major Procurements

Project	Total Contract Value
Wet Waste Retrieval & Encapsulation <ul style="list-style-type: none">• Design, Build & Commission	\$32.3M (£17M)
Solid Waste Retrieval <ul style="list-style-type: none">• Design, Build & Commission	\$21.3M (£11.2M)
Solid Waste Encapsulation Plant <ul style="list-style-type: none">• Design, Build & Commission	\$22.8M (£12M)
Pond Decontamination <ul style="list-style-type: none">• Clean & Drain Pond	\$2.7M (£1.4M)

Operating & Defuelling Sites (Wylfa & Chapelcross) - 2007/8 Major Procurements

Project	Total Contract Value	
Chapelcross		
Fuel Route Modifications – Design, Build & Commission	\$2.9M	(£1.5M)
Decommissioning Preparations – Design & Perform	\$6.7M	(£3.5M)
Workforce Transitioning – Training	\$2.3M	(£1.2M)
Wylfa		
Outage Work – Design & Perform	\$3.0M	(£1.6M)
Production Operations – Design & Perform	\$16.7M	(£8.8M)

Working in the UK

“Two Peoples Separated by a Common Language”

- Similar Legal and Business Systems and Ethics

Some Typical Obstacles to Overcome

- Up-Front Investment
 - Tender Costs
 - Relocating Key Individuals
- Supply Chain Knowledge
 - Local T3/4 Suppliers
- National Rules and Regulations

Some Notable Successes

We spend over 50% of our turnover in the supply chain

- We want a supply chain which is able to draw on the best experience available
- A vibrant supply chain is key to our success

There are organisations that want to help new entrants

- Tier 1 contractors
- The NDA
- Regional Development Boards

Many US Companies have already established themselves with us

- Jacobs - Resource Enhancement, Fuel Route Modifications
- Energy Solutions – Waste Strategies, Waste Treatment
- Pole-star – Programme Controls

Find Out More

Our Procurement Plans Can Be Seen at:

- www.britishnucleargroup.com
 - >Suppliers
 - >Reactor Sites

Also Includes Information on:

- Site contacts
- Types (Categories) of Procurement