

WM Symposia WM2010 Conference Panel Report

PANEL SESSION 40 – Contracting Opportunities in the UK with the Nuclear Decommissioning (NDA)

Co-Chairs: Ron Gorham, *Nuclear Decommissioning Authority*;
Fred Sheil, *Sellafield, Ltd. (United Kingdom)*

Panel Reporter – Fred Sheil, *Sellafield Ltd.*

Panelists included:

1. Ron Gorham, *Nuclear Decommissioning Authority UK*;
2. Bob Bonner, *Sellafield Ltd, UK*;
3. John Dalton, *Nuclear Decommissioning Authority UK*;
4. Brad Smith, *CH2M HILL, UK*.

Some 50 people were present to hear this session. Following introductions by the Co-chair, **Ron Gorham** opened the proceedings with an overview of the NDA approach to contracting and the key role of the supply chain. He emphasized that although there was likely to be a period of tight government spending leading to some project constraints the NDA program of liabilities reduction remained a key priority area. As such there would continue to be good opportunities for the supply chain particularly so for companies that could bring new ideas to offer improved value for money in delivering clean up.

Bob Bonner described developments at Sellafield since the appointment of the new M&O contractor, Nuclear Management Partners (NMP a consortium of URS, AREVA and AMEC), and explained that although Sellafield was now owned by NMP and there was an agreement between NDA and NMP to improve the capability of delivery the actual contract to deliver the operations on the site was between NDA and Sellafield Ltd. The main philosophy of the NDA approach to competition was to achieve improved performance and Sellafield, as the largest NDA site, has a major contribution to make. Sellafield spends almost 50% of it's around \$2.25billion annual budget in the supply chain which therefore has a key role. Sellafield's NMP parents have worked with the site to review its processes and it is intended to make changes to the procurement process to make it more cost effective for companies to become engaged. For key areas it is intended to move to more long-term relationships that allow improved delivery to be sustained.

John Dalton explained the expanding role of the Radioactive Waste Management Division (RWMD) within the NDA. The UK has adopted deep geological disposal as the chosen route for intermediate and high level waste and, although the Government has the lead for site selection, RWMD has the accountability to take the project to delivery. It therefore has to assess volunteer sites for suitability and once the final selection is made manage the construction and operation. The period for areas to volunteer a site have now closed and RWMD is about to commence a period of site suitability assessment which will in particular involve specialist deep drilling and geological assessment.

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Brad Smith gave an interesting perspective of working for the NDA sites and in particular Dounreay. He was seconded to Dounreay as part of the site management team, (CH2MHILL are partners in the management consortium), and brings a broad contracting background. He related his experience as an American working in the UK nuclear industry to aid companies who may be interested in entering the UK market. He stressed the importance of not overestimating the welcome for charging white knights. The UK supply chain is well established and is based on a long interactions and developed relationships. It is not closed to new entrants or new ideas but they have to demonstrate their competence, actions speak louder than words. Therefore in most cases a steady approach, ideally with local support or partners, is ideal. Do take time to really understand the technical challenges and the UK specific constraints including a completely different regulatory regime, two nations separated by a common language was one of the joking but true themes of the session.

In concluding Ron Gorham emphasized the key role of the supply chain to the NDA program and that there were opportunities for new entrants to the UK but that it must be based on real demonstrated capability.