

Britain Faces Return To 'Winter of Discontent'

by Lothar Komp

While Britain, in early July, debated Prime Minister Tony Blair's culpability for the Iraq intelligence hoaxes, it also suffered through a near-record heat wave and faced warnings of regional electricity blackouts. In the longer term, a report by the country's Institute of Civil Engineers (ICE), published on July 1, forecast that the lights almost certainly will go out all across the country within 15 years, under the present energy and electricity deregulation policy.

Deregulation in Britain has lowered wholesale electricity prices to corporations, but has just about bankrupted its largest power producer, British Energy, and already required several government bail-outs of electricity producers. The Civil Engineers' study reveals that before 2020, Britain will become completely reliant upon energy sources supplied via pipelines from politically unstable countries thousands of miles away. The "State of the Nation 2003" report highlights a potential 80% shortfall in meeting the country's energy demands from current supplies by 2020, and points to the possibly cataclysmic effects of becoming reliant upon unsecured, imported fuel supplies.

Tom Foulkes, ICE Director General, says: "This country has been largely self-sufficient in electricity generation for the past 100 years. We have been able to ride through a succession of energy crises, such as oil in 1973, coal in the early 1980s, and the self-inflicted petrol crisis of 2000. All of these had the potential to inflict serious economic damage, but this was largely avoided by the fuel mix and diversity available at the time. This is about to change dramatically."

Coal and Nuclear Plants Face Closure

Currently, the British generation mix for electricity is approximately 32% coal, 23% nuclear, 38% gas, and 4% oil, with 3% "others" and renewables. But carbon emission constraints mean that the UK's existing coal-powered generating plants will close shortly after 2016. And, the ICE release adds, "only one nuclear power station will remain operational beyond 2020, due to the Government's failure to invest in maintaining and upgrading Britain's nuclear power programme. At present, renewable energy sources such as solar, wind and wave can only provide a fraction of the total requirement."

Under current government planning, the outstanding balance will have to be replaced by gas-fired power stations—importing 90% of their natural gas fuel—by no later than 2020. Initially, some gas supplies will come from Norway.



The Oldbury nuclear power station in Britain. British Energy, which runs 15 of Britain's 16 reactors, is near bankruptcy due to deregulation. "Only one nuclear power station will remain operational beyond 2020, due to the Government's failure to invest in maintaining and upgrading Britain's nuclear power programme," says a Civil Engineers report which warns of national blackouts.

But as demand across Europe exhausts supplies during the 2020s, Britain will be forced to import gas supplies from West Africa, the Middle East, and the former Soviet Republics.

According to the report, Britain's future energy plans lack both diversity and security of supply. Foulkes says, "If future gas supplies were interrupted, this country would have major difficulty in keeping the lights on. Britain is a long way from the major new gas fields being developed in central Asia and Africa. Can the security of the UK's gas supply be guaranteed, given that it will have to travel thousands of miles in a series of pipelines that are vulnerable to mechanical failure, sabotage and terrorist attack? What would happen then?"

"Under current plans, with no gas, this country would have no electricity."

David Anderson, chair of ICE's Energy Board, warned that if the government doesn't act, "a return to the blackouts that marked the 'Winter of Discontent' and the country grinding to a halt are very real possibilities in less than 20 years time." On top of investing into new power generation capacities, "the country needs far greater capability to store long-term energy reserves to see us through any future crisis. Major gas users such as Germany, France, and Italy all have a gas storage capability of over 20% of annual consumption, or over 70 days' worth. The UK has a woefully inadequate capability of less than two weeks' worth," says Anderson.

The Institution of Civil Engineers, founded in 1818, has 80,000 members and describes itself as "the pre-eminent engineering institution in the world." The London *Guardian* on July 1 featured the ICE report front-page, under the headline "A Vision of Britain in 2020: Power Cuts and the 3-day Week."