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Date:	16 October 2012
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To: Secretary of State

MEETING WITH LUC OURSEL, CHIEF EXECUTIVE, AREVA

ISSUE

1. You have agreed to meet with Luc Oursel, Chief Executive of AREVA. This is an introductory meeting and may cover a range of subjects around AREVA's activities in the UK including wind, nuclear and renewables.
2. This note covers nuclear. You have already received information on Offshore wind

AREVA background

- France-based AREVA is the world's leading nuclear services group, integrated across all parts of the nuclear chain. The group estimates that it has a 25%-30% global market share. It generates about 60% of sales in Europe, 17% in the U.S., and 20% in Asia. The French state owns 87% of AREVA. AREVA's market capitalization was €7.7 billion in mid-March 2012.
- AREVA's ambition is to become a leading player in off shore wind and concentrated solar power. AREVA wishes to make its first projects commercial references and to refocus its renewable solutions on the most profit table operations.

Horizon

On Horizon, SoS should only be listening, it is a commercial transaction and he should not put a view on the exercise, or get drawn into discussion on it, REDACTED S.43(2).

Lines to take

REDACTED S.43(2).

Nuclear New Build

DECC is in preliminary discussion with NNB (EdF and Centrica joint venture) about the financial terms on which they may progress their Hinkley Point C project.

A key element of this process is understanding the costs of new nuclear in the UK, and it is important for there to be full transparency in the costs and to demonstrate that nuclear is competitive with other low carbon technologies.

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EdF propose to build AREVA's EPR reactor design on their Hinkley Point and Sizewell sites. An interim Design Acceptance Confirmation (iDAC) has been issued by the UK nuclear regulator, the ONR, for the EPR and AREVA are currently working to obtain full DAC. Areva has MoUs with major UK companies, incl. Balfour Beatty for construction and Rolls-Royce for engineering and supply, but want to procure from their established supply chain in France.

On skills and training, AREVA has joined the Boards of the National Skills Academy for Nuclear (NSAN) and NAMRC, and is in serious dialogue with other leading academic/skills organisation. In addition, Areva supplies fuel and servicing activities for Sizewell B.

Plutonium Management

Key points

- Technical work on MOX is proceeding well and we are very grateful for AREVA's engagement in the process. NDA hope to provide us with an updated report on the other technical options by the end of the year.
- REDACTED S.35(1)(a)
- The consultation on the process for justifying the end-to-end MOX process concluded in August and we will look to respond by the end of the year. This signifies a step towards overcoming the regulatory hurdles of building a MOX plant, but the financials must still be right.

Lines to take

- REDACTED S.43(2)
- Commercial discussions are ongoing, though we must take care to ensure that we do not create unnecessary risk for the new build or plutonium programmes by pushing too fast. REDACTED S.43(2).

Biography of Luc Oursel

- President and Chief Executive Officer of AREVA
- Member of the Supervisory Board of Souriau
- Chairman of the Société Française de l'Energie Nucléaire (SFEN)

Luc Oursel is a graduate of the École Nationale Supérieure des Mines de Paris and is a Chief Engineer in the Corps des Mines.

He began his career with the Regional Department of Industry and Research for the Rhone-Alps region in 1984, where he headed up the Energy and Mineral Resources division. In 1988, he joined the French Ministry of Industry's Department of Natural Gas, Electricity and Coal, where he was in charge of the Electricity department and subsequently deputy to the director of Natural Gas, Electricity and Coal. In 1991, he joined the cabinet of the French

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Ministry of Defense as technical advisor in charge of industrial affairs, armament programs and research.

Luc Oursel joined the Schneider Electric group in 1993, first as CEO of SAE Gardy, and later as CEO of Schneider Shanghai Industrial Control. In 1998, he was named President and Managing Director of Schneider Electric Italia and became Industrial Director of Schneider Electric in 2001.

Luc Oursel joined the Sidel group in 2002 as Executive Vice President of Sidel Solutions (sales, services, engineering). He became Vice President in charge of international subsidiaries at Geodis in September 2004 and was named CEO of the group in 2006.

In January 2007, Luc Oursel became President and CEO of AREVA NP and a member of the Executive Committee and of AREVA's Nuclear Executive Committee; he was appointed to the Executive Board of AREVA by the Supervisory Board on March 22, 2007. In November 2009, he was appointed Senior Executive Vice President, Nuclear Operations and, in January 2011, Chief Operating Officer in charge of Marketing, International and Projects.

On June 30, 2011, AREVA's Supervisory Board named Luc Oursel **President and CEO, and Chairman of the Executive Board** of AREVA.