STATUTORY INSTRUMENTS

1981 No. 1215 (S.122)

ELECTRICITY

The North of Scotland Hydro-Electric Board (Compensation for Smelter Deficits) Order 1981

Laid before the House of Commons in draft

Made - - - - 30*th July* 1981

Coming into Operation 3*rd August* 1981

In exercise of the powers conferred upon me by section 2(1) of the Electricity (Financial Provisions) (Scotland) Act 1976(a) and of all other powers enabling me in that behalf, and after consultation with the North of Scotland Hydro-Electric Board (hereinafter referred to as the Board), I hereby, with the consent of the Treasury, make the following order, a draft of which has been laid before the House of Commons and has been approved by resolution of that House in accordance with section 3(1) of the said Act:—

1. This order may be cited as the North of Scotland Hydro-Electric Board (Compensation for Smelter Deficits) Order 1981 and shall come into operation on 3rd August 1981.

2. The sum of £8,277,193 shall be paid by me to the Board towards reimbursement of the deficit incurred by the Board, including interest charges on monies necessarily borrowed to finance that deficit, during the year ended 31st March 1981 under the contract entered into in 1968 between the Board and the British Aluminium Company Limited for the supply of electricity to that Company's aluminium reduction plant at Invergordon.

3. The sum of £434,780 shall be paid by me to the Board towards reimbursement of the capital contributions paid by the Board to the South of Scotland Electricity Board during the year ended 31st March 1981, including interest charges on monies necessarily borrowed to finance those contributions, to maintain entitlement to that part of the generating capacity of Hunterston "B" nuclear power station assigned to the Board for the purpose of supplying electricity to the British Aluminium Company Limited for the operation of that Company's aluminium reduction plant at Invergordon.

(a) 1976 c.61.

George Younger,
One of Her Majesty's Principal Secretaries of State.

New St. Andrew's House,
Edinburgh.
30th July 1981.

We consent.
30th July 1981.

John Wakeham,
Robert Boscawen,
Two of the Lords Commissioners of Her Majesty's Treasury.

EXPLANATORY NOTE

(*This Note is not part of the Order.*)

This Order specifies the payments to be made to the North of Scotland Hydro-Electric Board towards reimbursement of the deficit and interest thereon incurred by the Board during the year ended 31st March 1981 in supplying electricity to the aluminium reduction plant of the British Aluminium Company Limited at Invergordon, and towards reimbursement of the capital contributions paid by the Board to the South of Scotland Electricity Board during the year ended 31st March 1981 to maintain entitlement to that part of the generating capacity of Hunterston "B" nuclear power station assigned to the Board for the purpose of supplying electricity to the Invergordon aluminium reduction plant, and interest thereon.

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