

Edgar Filing: BRITISH ENERGY GROUP PLC - Form 6-K

BRITISH ENERGY GROUP PLC  
Form 6-K  
September 15, 2005

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16 of  
the Securities Exchange Act of 1934

September 15, 2005

BRITISH ENERGY GROUP PLC  
(Registrant's name)

Systems House  
Alba Campus  
Livingston  
EH54 7EG

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F..X.. Form 40-F.....

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ..... No ..X..

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

Exhibit Index

The following document (bearing the exhibit number listed below) is furnished herewith and is made a part of this Report pursuant to the General Instructions for Form 6-K:

| Exhibit | Description   |
|---------|---|
| No. 1   | RNS Announcement, re: Corporate Update dated 15 September, 2005 |

British Energy Group plc

15 September 2005

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### Life Extension of Dungeness B Power Station

The Company announces that it has completed the necessary technical and economic evaluation, as well as requisite external reviews, and has decided to extend Dungeness B's accounting life for 10 years to 2018. The decision extends the expected life of Dungeness B for accounting purposes to 35 years in line with a number of the Company's other power stations.

Bill Coley, Chief Executive Officer said:

"This decision is based on a comprehensive technical and economic evaluation of Dungeness and is important in supporting the UK's security of electricity supply and climate change goals for the reduction of CO2 emissions."

The decision with respect to Dungeness B is not indicative of the potential for life extensions at the Company's other nuclear power stations which are subject to separate technical and economic evaluation, currently expected to be completed a minimum of 3 years before the scheduled closure date of each respective station.

The Company expects total Group investment in plant projects, major repairs and strategic spares to be GBP230m to GBP250m for the financial year 2005/06 and GBP200m to GBP250m for 2006/07. This includes the cost of work during those years with respect to the extension to Dungeness B's life. To enable this station to operate for the full ten years it is planned to spend an incremental GBP25m in total for the three years from 2007/08. This is in addition to expected normal investment spend.

### Contacts:

|               |                                    |               |
|---------------|------------------------------------|---------------|
| John Searles  | British Energy, Investor Relations | 01506 408 715 |
| Andrew Dowler | Financial Dynamics, Media          | 020 7831 3113 |

Website: [www.british-energy.com](http://www.british-energy.com)

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Notes:

Under the terms of the Nuclear Liabilities Funding Agreement ("NLFA"), the Company is required to notify the Nuclear Liabilities Fund Limited ("NLF") and the Nuclear Decommissioning Authority ("NDA") in advance of any potential change to the scheduled closure date of a power station.

Under the terms of the NLFA, the eventual costs of decommissioning British Energy's nuclear power stations will be met from the NLF. The Company requires the NDA's approval to any change to defer the scheduled closure date if the change would result in an increase in the costs of discharging liabilities. However, the NDA is required to approve the change if any economic benefit to the Secretary of State or NLF exceeds the additional cost of discharging liabilities. The Company has provided a programme of works to the NDA to extend the original scheduled closure date. The NDA has confirmed that the economic benefit offsets the additional liabilities.

The decision to extend the operating life of Dungeness B does not require a decision by the Nuclear Installations Inspectorate, which performs separate periodic reviews of the Company's power stations throughout their operating lives.

### Station Lifetimes

| Station         | Scheduled Closure Date | Current Lifetime | Life extension already Declared |
|-----------------|------------------------|------------------|---------------------------------|
| Dungeness B     | 2018                   | 35 years         | 10 years                        |
| Hinkley Point B | 2011                   | 35 years         | 10 years                        |
| Hunterston B    | 2011                   | 35 years         | 10 years                        |
| Hartlepool      | 2014                   | 30 years         | 5 years                         |
| Heysham 1       | 2014                   | 30 years         | 5 years                         |
| Heysham 2       | 2023                   | 35 years         | 10 years                        |
| Torness         | 2023                   | 35 years         | 10 years                        |
| Sizewell B      | 2035                   | 40 years         | 0 years                         |

### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

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Date: September 15, 2005

BRITISH ENERGY GROUP PLC

By: \_\_\_\_\_John Searles\_\_\_\_\_

Name: John Searles

Title: Director - Investor Relations