



7 March 2006

Professor John Henry Gittus. F R Eng. D Sc. D Tech.
The Rectory
19 Butter Street
ALCESTER
B 49 5 AL
Warwickshire
UK

Dear Professor Gittus

**LETTER OF APPOINTMENT No.C55652
FOR THE PROVISION OF CONSULTANCY SERVICES
CONSTITUTED BY THIS LETTER AND ATTACHMENTS**

The AUSTRALIAN NUCLEAR SCIENCE AND TECHNOLOGY ORGANISATION ("ANSTO") established under the Australian Nuclear Science and Technology Organisation Act 1987 is prepared to accept your proposal of to provide Consultancy Services in relation to preparation and presentation of a report on "Economic Comparison for Introducing Nuclear Power to Australia", on the terms and conditions set out below and attached to this letter.

1 CONSULTANCY SERVICES

1.1 The Consultancy Services to be provided are described in the email document dated 18 July 2005, between yourself and Dr Ron Cameron (ANSTO) and summarised below:

- (a) Delivery of the report by email on 20 March 2006, a 100-page Report.
- (b) These will show the monetary value in Australia , per kWe.h, of:
 - The cost of Generating Electricity, from first-of-a-kind and later copies of nuclear and the other types of power station: fossil-fuelled and renewable.
 - The proportion of the electricity that a power station generates that would be used to build another one like it: WWF are always keen to claim (erroneously as I shall show) that most of the electricity generated by a nuclear power station would be needed to build it.
 - Security of Supply,
 - Terrorist Threats
 - Global warming
 - Public Health detriment
 - Accident risk
 - Proliferation risk
 - Decommissioning and Waste Management/Disposal for
 - new nuclear power stations,
 - existing and new coal fired power stations,
 - gas fired power stations,
 - oil fired power stations,
 - wind-generators,
 - hydropower and
 - solar energy.

- (c) In the case of the UK, Japan, Canada and the Republic of South Africa, countries which have given me Contracts to calculate these costs, when these costs are added together, the true holistic cost of generating electricity from nuclear power is shown to be between one half and one quarter (typically one third) that of generating it from coal; etc. Separately and in combination, these cost-figures help one understand the case for nuclear power as part of a mixture of methods of generating electricity.

2 TIMING

- 2.1 The time-frame for delivery of the Consultancy Service, including a written report, will be 20 March 2006.

3 SPECIFIED PERSONNEL

- 3.1 The Consultant agrees that the work required under this agreement will be undertaken by Professor John Henry Gittus in accordance with Attachment A, Clause 4.

4 FEES

- 4.1 The fee payable by ANSTO for the Consultancy Services is **(Australian) Twenty Thousand Dollars** (\$AUD 20,000.00) payable, subject to acceptance, 30 days from delivery of the Consultancy Services and a correctly rendered invoice to ANSTO.

5 METHOD OF PAYMENT

- 5.1 Fees and expenses shall be invoiced in arrears, upon completion of the project.
- 5.2 Subject to acceptance of the Consultancy Services by ANSTO, the due date for payment shall be 30 days from delivery of the Consultancy Services and correctly rendered invoice to ANSTO.

6 ANSTO ASSISTANCE

- 6.1 Not Applicable

7 ANSTO REPRESENTATIVE

- 7.1 The person holding, occupying or performing the duties of **Chief of Operations** shall be the ANSTO Representative with responsibility for supervision of the Contract on behalf of ANSTO and has the authority to issue and receive any written notification under the Contract.

8 TERMS AND CONDITIONS OF CONSULTANCY

- 8.1 The attached terms and conditions marked 'Attachment A' and entitled 'GENERAL CONDITIONS FOR CONSULTANCY SERVICES' shall form part of this Contract.

9 ACCEPTANCE

- 9.1 If you agree to provide the Consultancy Services as set out in and attached to this letter your acceptance must be notified by signing, dating and returning the enclosed '**Notification of Acceptance**' to me. Receipt by ANSTO of acceptance in writing of these terms and conditions will constitute the entire agreement for the provision of the Consultancy Services.

Yours sincerely

Dr R Cameron

Chief of Operations

for and on behalf of ANSTO.

Telephone: 61 2 9717 3733

Email: rfc@ansto.gov.au