SECRET

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> PS/SOS (B&L) - M PS/Mr Scott (B&L) - M PS/PUS (B&L) - M PS/Mr Bloomfield Mr Brennan - M Mr Stephens Mr Gilliland Mr Ferneyhough Mr Innes Mr Drummond DED Mr Bell - M Mr McKillop Mr Cherry DED

Mr Fell

CONTINGENCY PLANS TO ENSURE OIL SUPPLIES

The Secretary of State met Mr Donald Scott, Manager of the BP Oil Terminal at Sydenham and Chairmen of the NI Oil Industry Emergency Committee (OIEC), at Stormont Castle on Monday 11 November 1985. Mr Cherry and I were present.

- 2. The Secretary of State said he was speaking to Mr Scott on a strictly confidential basis. He said that it was likely - though not certain - that the British and Irish Governments would sign an agreement in the near future. In that event, the probability was that any opposition to the agreement would be channelled through constitutional avenues (eg by precipitating by-elections, or challenges in the Courts). But there was a possibility that some extremist groups - loyalists, rather than republican - would mount some form of disruptive action in an attempt to imitate the 1974 UWC strike. If such action threatened to disrupt oil supplies, the Government had a contingency plan ready. DED officials would brief Mr Scott on the details. But, in essence, the plan involved:
 - requisitioning by the Secretary of State of the BP terminal under the provisions of the NI Emergency Powers Act. There was no appeal against the decision (and any opprobrium attached to the Government rather than to BP management)
 - seeking to keep the terminal operational. If this could not

brought in to ensure delivery of supplies to designated priority customers.

- 3. Mr Scott said that his assessment was that the workforce, remembering 1974 and 1977, had little enthusiasm for a repeat performance. But the attitude of the TGWU leadership would be a significant influence. He warned that the operational position had changed since 1977 insofar as the terminal depended on decanting oil from ships to storage, a task that was not suited to the Army. He hoped that management grades would stand firm. No steps had been taken to convene a meeting of the OIEC.
- 4. The Secretary of State thanked Mr Scott for coming in and undertook to ensure he received information on relevant developments (Action: DED).
- 5. Following a comment made by Mr Scott to the effect that the Stranraer-Larne ferries were now fuelled at Larne rather than Stranraer, the Secretary of State asked Mr Cherry to ensure that it would be possible for the ferries to revert to Scottish fuelling in the event of serious disruption in Northern Ireland, and to report back. I would be grateful for such a report as soon as possible.

Rec

R P CLEASBY Private Secretary

II November 1985