



Defence Committee

Chairman, Rt Hon Tobias Ellwood

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Rt Hon Ben Wallace MP, Secretary of State for Defence (by email)

18 October 2021

Dear Secretary of State,

I am sure that you will have already seen the reports in the press about the potential sale of GE Steam Power to EDF Energy. The Committee is concerned that the sale may negatively affect the UK's submarine fleet.

The Committee has been informed that the potential sale would include a GE site in Rugby that manufactures turbines for the Astute and Dreadnought programmes. The Committee is concerned that this would result in a change in foreign ownership of intellectual property related to one of the UK's most important national security projects. The Committee is also concerned that the change in ownership could increase the chance of the Rugby site closing and capacity for MoD classified work being transferred from the UK.

What conversations has the MoD had with GE and BAE about the potential impact of the proposed sale on the Astute and Dreadnought programs? Although the UK has a close and valued security relationship with France, intelligence sharing between the two countries is not equivalent to the unprecedented collaboration we have with the US: what assessment have you made of the potential impact of any transfer from US to French ownership?

When GE proposed closing the Rugby site in 2019, this Committee was informed that a deed poll put in place in 2011 when GE acquired the site required that operations be maintained "except in so far as the Ministry of Defence has separately agreed otherwise in writing". In your Department's view, would this acquisition breach the terms of the deed poll? Has the MoD made any preparations to intervene under the deed poll now or if EDF were to announce any closures or changes at the plant?

The Committee will also be writing to GE and BAE to seek their views on this issue.

*Yours sincerely,
P.P. Jonathan Edwards*

**Rt Hon. Tobias Ellwood MP
Chair of the Defence Committee**