CURPIDENTIAL



Blind cc: Mr Wolfson

Mr Duguid Mr Walters

10 DOWNING STREET

From the Private Secretary

20 July, 1981

OF 31.7.7

Gas Gathering Pipeline

The Prime Minister has seen your Secretary of State's letter dated 14 July to the Chancellor in which he requests an urgent meeting to take decisions on the Gas Gathering Pipeline; she has also read the Chancellor's letter of 13 July.

The Prime Minister is disappointed that a project of such national importance has apparently reached such an impasse and is eager that a way through be found. Given the complexity of the current situation and the wide difference of views between your Secretary of State and the Chancellor, she has invited the CPRS, as a third party, to clarify the issues involved prior to any discussion. This will involve discussions with your Secretary of State, the Treasury and possibly also Sir Denis Rooke and the current Organising Committee. Given the overall urgency, the intention is to have the CPRS report ready as background for a discussion on Monday, 3 August. I trust your Department will give Mr Ibbs all the assistance he needs in preparing his report.

I am sending a copy of this letter to John Wiggins (HM Treasury), Gerry Spence (CPRS) and David Wright (Cabinet Office).

T. P. LANKESTER

Julian West, Esq Department of Energy

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