



Nuclear Free Local Authorities Steering Committee

information

NFLA Media release - for immediate release, 30th October 2012

NFLA comment on Hitachi £700 million deal for new nuclear at Wylfa and Oldbury – there remain better alternatives

The announcement today from Hitachi that it is spending £696 million to take over the Horizon Nuclear Partnership from E-on and RWE, and its plans to construct two to three new nuclear reactors at Wylfa and Oldbury, may be seen as the fillip a troubled nuclear industry needs to restore some confidence in the new build project in England and Wales. However, to the Nuclear Free Local Authorities (NFLA), it raises as much problems as solutions, as even supportive commentators like the Financial Times (FT) have noted (1).

As the FT have noted, the £696 million fee for Wylfa and Oldbury is over double the expected figure for the Horizon Partnership that analysts had expected. This brings forward the obvious question of the reasons behind Hitachi's investment, which may have more to do with the lack of new build in Japan following the Fukushima disaster and the potential benefits of informal public subsidy through electricity bills as contained in the UK Government's electricity market reforms.

Hitachi's decision will also not bring Wylfa and Oldbury quickly up the list for commencing construction, given that it will have to put its own nuclear reactor design through the Office for Nuclear Regulation / Environment Agency rigorous Generic Design Assessment (GDA) process. This could take as long as four years, so construction of any reactor is not likely to be completed until well into the 2020s.

At last week's NFLA Welsh Forum meeting in Cardiff the local pressure group 'People Against Wylfa B' (PAWB) presented the 'Manifesto for Anglesey' on alternative employment on the island in the event of no nuclear new build taking place. Through a combination of jobs in renewable energy and energy efficiency, other indigenous employment and the decommissioning of Wylfa A as much as 3,650 new jobs can be created. This compares to the 1,000 permanent jobs predicted by Hitachi for a Wylfa B (2). PAWB's report has been endorsed by the former Chair of the Welsh Development Authority Sir Roger Jones.

This is also at a time when a new study by Renewable UK shows that, on current projections, renewable energy capacity will overtake nuclear power by 2018. It will power over one in 10 UK homes by 2015. Wind power generation has grown by a quarter since 2010. Renewable energy companies employ 137,000 people directly, with a further 654,500 working in ancillary industries (3). NFLA believe Hitachi are mistaken in seeking to channel so much money into new nuclear build, when it would be much better to spend it on various forms of renewable energy, energy efficiency and community energy schemes.

NFLA Chair, Councillor Brian Goodall said:

"It's hard to follow the commercial sense of this development, and even harder to see any benefit to our environment from it. I can't understand why Hitachi would want to pay so much over the odds in a deal of this nature when so much more benefit could be delivered from investment in new and existing renewables technology."

Ends

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Notes to editors:

- (1) Financial Times, 'Hitachi deal fires up UK nuclear', 30th October 2012
<http://www.ft.com/cms/s/0/800422d6-21dc-11e2-b5d2-00144feabdc0.html#axzz2AnExdqK1>
- (2) People Against Wylfa B, 'Manifesto for Anglesey', October 2012
<http://www.stopwylfa.org/wp/wp-content/uploads/2012/06/Maniffesto.pdf>
- (3) Guardian, 'Renewable energy will overtake nuclear by 2018, research says', 30th October 2012, <http://www.guardian.co.uk/environment/2012/oct/30/renewable-energy-nuclear-power>

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