

Nuclear Free Local Authorities Secretariat

c/o Manchester City Council, Town Hall, Manchester, M60 3NY, UK

Tel: 0161 234 3244 Fax: 0161 274 7397

Chair: Councillor George Regan Secretary: Sean Morris



Emma Sawyer,
Senior Committee Assistant
Regional Committees
House of Commons
7 Millbank
London SW1P 3JA

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Dear Emma Sawyer,

NORTH WEST PARLIAMENTARY SELECT COMMITTEE INQUIRY ON THE FUTURE OF THE NUCLEAR INDUSTRY IN THE NORTH WEST

I provide a submission from the Nuclear Free Local Authorities (NFLA) Steering Committee to the North West Parliamentary Select Committee's 'Inquiry on the Future of the Nuclear Industry' in the North West. The Nuclear Free Local Authorities are made up of 70 councils from across the UK and Ireland. Its terms of reference can be found on the NFLA website <http://www.nuclearpolicy.info>.

The NFLA response concentrates on the effect of expanding the nuclear industry on the North West, including the impact on the economy, jobs, skills, local and regional business and the environment. It also notes issues around the opportunity costs of new nuclear build and the continuing issues of dealing with the North West's radioactive waste legacy.

1. Introduction

The Draft National Policy Statement for Nuclear Power (Nuclear NPS) (EN-6) includes proposals for ten new nuclear power stations in the UK, four of which are in the North West Region - Sellafield, Braystones and Kirksanton in Cumbria and Heysham in Lancashire. Consideration needs to be given to the potential detrimental impacts on the economy of just one English region developing four large energy infrastructure projects over the next fifteen years, particular in Cumbria where three of the four projects are proposed.

Replacing nuclear reactors will save only around **4%** of the UK's carbon emissions. Therefore, the NFLA believes there is a real need to be absolutely sure that promoting new nuclear reactors is not going to negatively impact on the ability to deal with the other **96%** of emissions. Investing in new reactors could well divert investment from other low carbon technologies and energy efficiency measures. Whilst the Government argues it is taking action to reduce carbon emissions on many different fronts - including ensuring a diverse low carbon energy mix and investing in energy efficiency, the NFLA argues that building new reactors has a high opportunity cost - the cost of forgoing the alternative outcomes that could have been purchased with the same money. The economy of the North West would be able to achieve far more if money spent on new nuclear reactors were instead spent on energy efficiency and renewables.

It is also necessary to bear in mind that the nuclear waste produced by new reactors will also have to be managed. Cumbria is likely to be called upon to play a large role in this whether or not it expresses a willingness to do so.

2. A “type-cast” economy

The UK Government has stated that a new reactor programme could create 9,000 construction and 1,000 operational jobs per station. (1) Former Government Minister John Hutton told the UNITE conference on 28 March 2008 that up to 100,000 new skilled jobs could be created by a new nuclear programme. (2) The NFLA would suggest this figure is rather over-stated as it is based on a scenario which involves the construction of twenty new reactors – up to 32GW, double what has been proposed in the current consultation.

The NFLA would argue that further clarity is required concerning these job numbers. EDF, one of the companies likely to be involved in new-build, has said its plans for the UK “could create approximately 350 direct permanent jobs and over 2,000 temporary jobs during the peak construction period” for each power station. However, EDF has also said its station currently under construction in Finland currently employs “around 600 (construction) people work at the site, with up to 3,000 during peak times”. (3)

As a capital intensive industry, nuclear power is not a very efficient way of creating jobs. It produces around 75 jobs per year per TWh of power, whereas wind power produces 918 – 2,400 per year per TWh. And due to technological changes, any new nuclear power stations would employ fewer people than existing plants. (4)

Investment in renewables and energy efficiency would create **seven** times more green jobs over the next ten years than would be lost in the coal and nuclear sectors in Europe, according to a report published by Greenpeace and the European Renewable Energy Council (EREC), and backed by a number of trade unions. (5a)

Peter Bradford, a former member of the Nuclear Regulatory Commission, argues that nuclear power could actually kill jobs. The capital markets are not swimming in credit. The NFLA would argue that if billions of pounds are spent for nuclear construction it may well suck up money that might be otherwise be available for, say, wind projects that could create far more jobs per pound spent. (5b)

It could be argued building nuclear reactors in west Cumbria could also prevent any possibility of diversifying the local economy, especially if the area also volunteers to host a nuclear waste repository. Many new businesses would be reluctant to move into an area which is so heavily focused on promoting the nuclear industry. It may also detract from the promotion of other industries, such as those connected to food and agriculture or tourism, which require an area that has a reputation for having a clean environment.

A large influx of workers during the construction phase of a new reactor or geological disposal site project would put a strain on local services and facilities. Short duration, capital intensive construction projects have been shown to seriously distort the local labour market. Often the bulk of those employed are from outside the local area. After the project is completed many migrant workers remain in the area compounding local employment problems. (6)

3. Opportunity Costs of New Nuclear Build

The NFLA believes that tackling climate change is an urgent priority, so the UK Government needs to spend its limited resources as effectively as possible. In other words it is imperative to maximize the carbon reductions that can be achieved with every pound spent. Investing in expensive nuclear power is not particularly cost effective. Energy

efficiency can be up to seven times more cost effective. So investment in new reactors effectively worsens climate change because each pound spent is buying so much less of a 'solution' than if it were spent it on energy efficiency measures. (7)

The proponents of nuclear power argue that, because climate change is serious we need to promote renewables, energy efficiency *and* nuclear power. This suggests the Government has infinite sources of finance to spend on large numbers of energy projects, which is clearly not the case, and particularly so given the extent of the public finances and a worldwide economic recession. A scarcity of resources means anything that is spent on nuclear power will not be available to be spent on other energy projects.

Nuclear power is likely to divert attention and resources from renewables and energy efficiency projects which could be carried out in the North West and be a much more cost effective way of creating jobs and reducing carbon emissions.

Paragraph 2.5.1 of the National Nuclear Policy Statement (NPS) explains the Government's policy on nuclear energy. It states that nuclear power should be free to contribute as much as possible towards meeting the need for 25 GW of new non-renewable capacity. It makes no attempt though (and nor does EN-1) to explain, for example, why decisions on the provision of this extra 25GW of new capacity cannot be left to the utilities and the marketplace to decide, or why offshore wind or small-scale renewables could not be left to provide as much as this as possible. Given that both EDF and Eon have been asking the Government to set a maximum contribution for renewables – at around the 30% level proposed in the Renewable Energy Strategy - so as not to constrain nuclear (8) - it would be sensible for the Government to state clearly that its priority is for electricity to be generated by sustainable renewable methods which do not generate waste – radioactive or otherwise.

4. The role of local authorities in the North West Region

The failure of the Copenhagen Conference to come up with a legally binding set of climate targets means all public agencies must redouble its attempts to open up new fronts at the local and grassroots levels to reduce carbon emissions. The trailblazing work of a few local councils, such as Kirklees and Manchester, is beginning to show how grassroots campaigns can be turned into effective action.

The Government's view that demand management opportunities will not be sufficient to affect the need for bulk generation and new large energy infrastructure (EN-1 para 3.3.19) is particularly disappointing in this regard. A groundswell of actions by individual communities led by local authorities will need all the financial support they can get from national government. If the Government is focussed on getting new nuclear reactors built to the exclusion of building a local decentralised energy system, then it will be difficult for local authorities to continue this exciting leadership role.

In the Government's 2003 Energy White Paper it promised local authorities a "step change" in policies and programmes to deliver energy efficiency. (9) The 2003 White Paper included a commitment to encourage local authorities to take the lead, acting as catalysts for change. Some local authorities have indeed been carrying out some innovative climate change strategies, but without more central government support these schemes will never be ambitious enough or at the scale required to meet carbon abatement targets. The UK is still waiting for the step change in energy efficiency which was promised six years ago. (10)

Furthermore, the Government's Low Carbon Transition Plan (11) expects 30% of UK electricity to come from renewables by 2020 and 10% from nuclear and coal with carbon capture. But only 2 of the 30% would be from small-scale renewables - whereas the solar PV industry alone expects to provide 12% across Europe. The difference between 2% and 12% alone would be enough to save the UK having to replace its nuclear reactors. (12)

The Government's proposed Feed-in Tariff, or 'Clean Energy Cashback' scheme has been set at a rate that is inappropriately low. Alan Simpson MP, who advised the Government on Feed-in Tariffs, says the UK Government should aim to get much more than 2% of electricity from micro-generation. "If they were five times as ambitious, it would only cost the average family another £2 a year". But, according to The Guardian, the nuclear industry has been lobbying against support for renewables because it undermines the case for new nuclear stations. (13)

The Government's target is to reduce carbon emissions by 80% by 2050. It also has a target of eradicating fuel poverty by 2010. Yet, according to Ofgem, renewing infrastructure and meeting carbon targets is likely to require an investment of up to £200 billion meaning increases in domestic energy bills of 14% to 25% by 2020. (14) Clearly, without a large domestic energy efficiency programme it will be impossible to meet both climate change and fuel poverty commitments.

A policy which can cut emissions from the domestic sector by 80% by 2050 will require every house to have excellent insulation as well as some form of Low and Zero Carbon Technology – micro-generation and community heating schemes. This means carrying out installations in all of the UK's 25 million dwellings over the next 40 years or 625,000 dwellings every year between now and 2050. (15)

Local authorities will have to play a major role in implementing these policies, but beyond a few trailblazing authorities, an insufficient amount of effort is going into this area.

The Local Government Association (LGA) agrees that local government is pivotal to delivering the step-change in CO₂ emissions reductions required. (16) The scope for local authority action is significant. Through delivery of services such as transport, planning and housing as well as through their influence on all sectors of the community, local authorities can make reductions in emissions from corporate activities and through stimulating savings in the wider community. Such action can help to deliver joint social, economic and environmental aims and link together initiatives to maximise their impact.

5. Nuclear Waste

Probably the most contentious point made in the Nuclear NPS concerns nuclear waste. The Government says its preliminary conclusion is that it is satisfied effective arrangements will exist to manage and dispose of the waste produced by new reactors. "*As a result the IPC need not consider this question.*" (para 3.8.20) Consequently the need to store spent nuclear fuel at the reactor sites for up to 160 years is not even going to be examined by the new Infrastructure Planning Commission.

The Government's confidence that it will find a suitable site in a community which has expressed a willingness to host a site is misplaced. The three Cumbrian authorities looking into whether or not to volunteer will not finish the first round of consultation until 31st March 2010, and will not look at the radioactive waste inventory until later in 2010. The full extent of the new reactor programme is still unknown and may require a second deep geological

disposal facility. Cumbria may yet decide against hosting a deep geological disposal facility, or it may decide it is only willing to host a facility for legacy waste.

However, the Government has explicitly stated it is prepared to “*explore other approaches*” i.e. override a Community’s wishes – if the voluntarism approach to disposal does not work. (17) This completely undermines the voluntary approach and suggests that Cumbria could be forced to accept waste whether it wants to or not.

The issue of dealing with nuclear waste already created is far from resolved. The Government cannot, therefore, assume that waste produced by new reactors can be safely disposed of - along with legacy waste -in a deep geological disposal facility. Thus, the assumption that adequate arrangements for the long term management of radioactive waste from new reactors will exist when required is highly questionable.

Under the Planning Act 2008 the Nuclear NPS consultation is the last chance to challenge the principle that new nuclear reactors should be built at the four proposed sites in the North West, and that these reactors should be permitted to generate spent nuclear waste fuel which may be stored on the sites for up to 160 years.

The Justification consultation quotes the ICRP Publication 77 which states that “*Waste management and disposal operations are an integral part of the practice generating the waste. It is wrong to regard them as a free standing practice that needs its own justification.*” (18)

In other words, the disposal of spent fuel and nuclear waste from new reactors may well be subject to **no further public scrutiny** after 22nd February 2010. It looks likely that, as things stand at the moment, the IPC will be simply told that the strategic question of whether nuclear waste should be disposed of in a geological repository has already been decided and that any planning application for a geological disposal facility only needs to be examined with regard to local planning issues. There will effectively be no Nirex Inquiry Part 2.

In other words, Cumbria could be forced to accept a geological disposal facility against its will without even so much as a public inquiry.

6. Conclusion

In its submission to the North West Parliamentary Select Committee the NFLA has sought to show that there are major unresolved issues and concerns over a nuclear new build programme. Other renewable energy alternatives, energy efficiency and micro-generation may all be significantly curtailed in favour of nuclear power. The NFLA hopes the Committee will consider these issues and make appropriate recommendations to the Government.

If you have any queries on this submission please contact the NFLA Secretary, Sean Morris on 0161 234 3244 or s.morris4@manchester.gov.uk.

Yours sincerely,



Bailie George Regan
Chair, UK and Ireland Nuclear Free Local Authorities

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