



Nuclear Free Local Authorities Steering Committee

information

Media release - for immediate release, 14th May 2010

Nuclear Free Local Authorities urge new Government to withdraw and reconsider new build finance costs consultation

The UK and Ireland Nuclear Free Local Authorities (NFLA) are urging the new UK Energy and Climate Change Minister, Chris Huhne, to withdraw the previous Government's current open consultation on facilitating a costs regime for new nuclear build. The NFLA believes the consultation does not tally with the stated policy of both governing parties of no public subsidies for such an energy programme.

Speaking in yesterday's Sunday Times (1), the Energy Minister noted his opposition to any open and 'stealth' public subsidies to fund a UK new nuclear build programme. Official Conservative policy is also to oppose any public subsidy for a new build programme (2).

The new Government has an early opportunity to put this policy into practice with an existing consultation, opened by the previous Government prior to the general election, which is outlining 'facilitative actions' to provide the funding arrangements for the long-term aspects of a new nuclear reactor programme.

The Government's current consultation on offering the industry a fixed unit price of waste disposal begs more questions than it answers. In a thorough and detailed analysis of the consultation for its member authorities, the NFLA conclude that the proposed policy attempts to provide 'backdoor' public financial support to the nuclear industry and generates unacceptable financial risk to for the taxpayer for generations to come (3).

The 'fixed unit price' for nuclear waste disposal from a new nuclear reactor effectively caps the cost to the operator and transfers the risks of cost overruns – a usual occurrence of the UK nuclear industry – to the UK taxpayer. In other words, a hidden public subsidy for new nuclear build.

NFLA Chair Bailie George Regan commented:

“ The election of the new Government provides an opportunity to reappraise the need for a new nuclear programme. Both governing parties have said firmly there should be no public subsidies for new build. I totally agree. Therefore, Chris Huhne should withdraw this consultation and ask his civil servants to go back to the drawing board and ensure the taxpayer does not end up paying for the nuclear industry, as it has over the past 6 decades. With the public finances as they are, we simply can't afford it, and nor should future generations to come over the next 150 years.”

Ends

Further information

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Notes to Editors:

- (1) Chris Huhne quoted in an interview in The Sunday Times, 16th May 2010, reiterated from an interview on the BBC Today programme, 13th May 2010.
- (2) Conservative Party manifesto, April 2010.
- (3) NFLA New Nuclear Monitor 21, May 2010, is provided with this media release.

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