



Nuclear Free Local Authorities Steering Committee

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NFLA media release - for immediate release, 24th October 2013

Hinkley C, better renewable alternatives and the threat to green taxes – the NFLA view

The Nuclear Free Local Authorities (NFLA) has carefully considered the agreement between the UK Government and Electricite de France (EDF) to build a new nuclear power plant at Hinkley Point in Somerset and finds it to be exorbitantly expensive to the UK taxpayer and hard-pressed electricity bill payers. It is also a diversion from more sustainable low carbon alternatives, at a time when there remains no long-term solution to the intractable problems of radioactive waste. (1)

At the time of the Hinkley C announcement, the Chair of the NFLA was being taken on a site visit to see the decommissioning of the Bradwell nuclear reactor in Essex (2). As a result of the visit, the NFLA Chair was made aware of the major issues that still exist in dealing with the existing legacy of civil nuclear power in the UK. The greatest of which are the huge levels of radioactive waste that have already been generated over the last 60 years.

Like many organisations, and large parts of the UK energy media, the NFLA is concerned about a number of aspects of the 'strike price' agreement between the UK Government and EDF. It fundamentally disagrees with the agreement, as it believes new nuclear generation is not the answer to the UK's future energy needs and the creation of a low carbon economy.

In brief, its concerns are as follows:

- The prediction that future energy prices will rise to a 'strike price' of around £92.50 over the next 35 years is just that, a prediction with no adequate evidence that can back it up. This near tripling of the price for nuclear energy is little more than a huge public subsidy to the French and Chinese Governments backing Hinkley Point C.
- Renewable energy providers are getting a much lower 'strike price' over a shorter contract period from the Government. This is plainly unfair as renewable energy is a nascent and rapidly growing low carbon energy source whilst nuclear is a fully mature technology. There is simply not enough public money for both renewables and nuclear energy to be funded in full – this decision shows the Government clearly prefers nuclear.
- The costs of electricity supplied by the nuclear industry are currently rising around the world whilst the costs of renewable energy are falling. This does not look a wise and well thought-through decision on spending public money in a time of austerity.
- Assessments from the Committee on Climate Change emphasise the urgency of the climate change problem. Given the huge cost and time over-runs of EDF's projects in France and Finland it may be as late as 2030 before Hinkley C is generating. That's 17 years wasted, when renewable energy and energy efficiency measures would have a much quicker application, as can be currently seen in Germany, Austria and Scotland.
- To consider building sites that will generate hotter and much more radioactive waste, which will remain on site for around 160 years, is foolhardy when no long-term solution for the storage of existing waste streams exist.
- The Government announced this week that Hinkley Point C would cost £16 billion. As the Daily Telegraph has pointed out, this is already £2 billion higher than the Government was stating to Parliament just a few months ago. What will be the eventual cost to the UK taxpayer? £16 billion is likely to be just the tip of a much larger financial iceberg. (3)
- As radiation levels at Fukushima reach levels last seen a few days after the March 2011 disaster, the NFLA are incredulous that the Government wish to start a new nuclear programme. All of our

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main economic competitors are moving away from nuclear power, why on earth should the UK go down this energy policy cul-de-sac? (4)

- The NFLA remain concerned about the vague statements throughout this agreement, but particularly around the 'funded decommissioning programme' for Hinkley C. Parliament need to be given greater clarity as to who will pay the full costs of decommissioning and radioactive waste management.

In summary, this decision is a huge and completely unnecessary gamble with the UK's energy policy. Rather than bringing about the type of low carbon energy revolution that the NFLA desperately wants to see, it may set it back a generation or more.

As the Prime Minister now threatens to roll back on essential 'green taxes' that are helping those most affected by fuel poverty and the development of innovative energy efficiency and renewable energy projects, the NFLA notes that this deal will actually put an extra £47 on household electricity bills by 2020 and £114 by 2030 on current energy usage projections. (5)

NFLA notes that this agreement could still be derailed by successful legal challenges that have been issued by Greenpeace UK and the Irish National Trust, which are being considered in early December. It also notes that the agreement has to be approved by the European Commission as a legal form of state aid. NFLA is working with Vienna City Council and its newly formed network of 'Cities for a Nuclear Free Europe' to lobby the Commission and the European Parliament to scrutinise every word of this agreement given its importance to the wider development of civil nuclear power across the EU.

Councillor Mark Hackett, Chair of the Nuclear Free Local Authorities (NFLA) said:

"NFLA is extremely disappointed with this deeply flawed and exorbitantly expensive agreement between the Government and EDF to build Hinkley Point C. It is clearly not a good deal for the UK taxpayer or electricity bill payer, diverts essential resources away from energy efficiency and renewable energy and does not address the urgent issues with lowering carbon emissions to mitigate climate change. It's a dog's dinner of an agreement and needs to be actively opposed by all those who want a clean, risk-free, waste-free, low carbon energy future."

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For more information please contact: NFLA Secretary, Sean Morris on 00 44 (0)161 234 3244.

Notes for editors:

- (1) DECC Media Release, 21st October 2013
<https://www.gov.uk/government/news/hinkley-point-c>
- (2) The NFLA Chair and NFLA Secretary attended the NDA Stakeholder Dialogue held close to Colchester, Essex on the 21st and 22nd October.
- (3) Daily Telegraph, 21st October 2013
<http://www.telegraph.co.uk/finance/newsbysector/energy/10392510/Hinkley-Point-good-for-Britain-says-Ed-Davey.html>
- (4) Greenpeace International Fukushima Update 23rd October 2013
<http://www.greenpeace.org/international/en/high/news/Blogs/nuclear-reaction/fukushima-nuclear-crisis-update-for-october-1/blog/47100/>
- (5) Guardian 23rd October 2013
<http://www.theguardian.com/money/2013/oct/23/green-energy-levies-how-much>

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