

PRESS RELEASE

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Cancelling Hinkley C would save Britain at least £30–£40 billion in energy bills, with renewables switch

New report says nuclear plan passes high costs and economic risk to next generation and calls for new energy system approach

Cancelling the troubled plan for the French state-owned energy company EDF to build the proposed new Hinkley Point C nuclear plants could save Britain at least £30–£40 billion, according to latest research from the Intergenerational Foundation (www.if.org.uk). Real savings would be much higher if other savings from the cost of radioactive waste management, security and a range of subsidies are included.

“Toxic Time Capsule: Why nuclear energy is an intergenerational issue” reveals that the estimated £24.5 billion build cost for Hinkley Point C, will make it “the most expensive building on Earth”. The additional cost of its power for the 35-year contract period, compared to the likely costs of onshore wind and solar, amount to £30–40 billion. If the other currently planned or proposed nuclear reactors are added to the equation on similar terms the bill could increase to between £175 billion and £220 billion. But even this does not include an additional possible £54–£132 billion estimated for waste management costs beyond that accounted for under the operators’ obligation to meet costs, or complex security costs absorbed under the multiple arms of national defence and policing. Neither does it include the hidden subsidy of under-insurance, which would be in the range of £150 and £2,500 billion across the lifespan of Hinkley C, should it follow a similar profile to a study of the German sector.

Angus Hanton, IF Co-Founder, comments, “With 13 nuclear reactors planned or proposed for the UK, the government is tying the hands of our children and grandchildren by handing them a toxic mix of high prices per KWh for electricity generated, high and long-term unknown costs for managing radioactive waste, complex and long-term security requirement costs, and a less secure and vulnerable energy infrastructure. Cheaper, safer and quicker energy options exist, which represent better value-for-money for current taxpayers while also laying the groundwork for a more sustainable and environmentally friendly future for our children and grandchildren.”

The report, written for the Intergenerational Foundation by Andrew Simms, Co-Director of New Weather Institute, questions whether current energy policy is in the interests of current, younger and future generations.

The report argues that a move towards further nuclear energy would increase economic, environmental and security instability rather than decrease it, as proponents of nuclear would have us believe. In less than a decade from 2008, the estimated costs of delivering the new nuclear capacity of Hinkley Point C rose from £5.6 to £24.5 billion before construction has even begun.

2/...

But, over and above questioning the cost of delay in the construction of similar reactors and the lack of confidence over the technology involved, the paper also questions whether current policy-makers have the right to pass such an unknown and escalating additional burden of both cost and risk onto younger and future generations.

“George Osborne recently said that Britain must live within its means to protect future generations,” says Andrew Simms, report author, “But the government’s current plans for new nuclear power will break spending records, and pass both high costs and large, unknown economic risks onto every UK child for generations to come. Readily available, cheaper, safer and quicker renewable energy options would help Britain live both within its economic and environmental means, while also protecting and providing for future generations.”

The report compares the cost of the new nuclear capacity to onshore wind and solar photovoltaic energy (PV) and finds that both renewable technologies offer better value-for-money for taxpayers, and that renewable energy has addressed the oft-used criticism of “intermittency” by blending solar, wind, tidal, and rooftop solar-PV modelling to construct reliable, consistent energy generation.

If the additional limited cost of power from Hinkley Point C compared to onshore wind and solar power was applied to other currently planned or proposed reactors for the UK, the nuclear premium would be between £175 billion and £220 billion. That would represent a bill of between £2,700 and £3,400 for every individual in the UK’s current population. If the cost were applied just to the population below the age of 16 – who have no choice over the policy but will inherit new nuclear’s infrastructure and make up the working population during its operating life – it would be a bill of between £14,200 and £18,000 each.

The report outlines an energy system that could operate in the best interests of all generations and offers a set of new, innovative guiding principles and design criteria for the UK energy system. These give policy-makers a framework to balance the multiple demands made on new generating capacity for energy, security, employment, risk, transition and conviviality, and economic return on investment. The paper concludes that there are better, and cleaner, energy generation options for delivering the most resilient, flexible infrastructure at the highest adaptive capacity – and these are renewable technologies.

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Note to Editors:

For interview enquiries with Angus Hanton (IF Co-Founder) or Andrew Simms (report author) please contact:

liz@if.org.uk

mob: 07971 228823

1. 19% of the UK population is under 16 years of age, ONS (2015), Overview of the UK Population.
2. The £24 billion figure comes from the terms under which the EU approved the financing arrangements: [European Commission - PRESS RELEASES - Press release - State aid: Commission concludes modified UK measures for Hinkley Point nuclear power plant are compatible with EU rules](#)