

From: [Stop Sizewell C](#)
To: [SizewellC](#)
Cc: [REDACTED]
Subject: Re: Issue Specific Hearings - IP 20026489
Date: 05 August 2021 10:52:40

Thank you Jake,

Please find a combined submission below.

EDF's latest financial report contains some important updates on the company's expectations regarding the project.

1. Confirmation (following Mike Lavelle's verbal statement) that the FID date is now envisaged to be late 2022 or 2023. This has implications for EDF's implementation plan, and for the project's ability to meet the government's 2035 target of 78% reduction in CO2 emissions.
2. The Applicant is seeking additional funding from the government up to FID, possibly either linked to China General Nuclear's withdrawal or a general statement on EDF's poor finances. We were previously given to understand that the cost of applications were met by developers. What would be the source of these funds? Taxpayers? Consumers? No RAB legislation has been yet proposed, let alone any that allow development costs to be applied which is even more controversial than the basic premise of RAB. Would HMT allow consumers to pay tariffs on the development of projects that do not ultimately proceed?
3. Repetition that it is not clear EDF's objectives for third party investors and/or the conditions for EDF to take an FID are currently assured.
4. The decision of the Secretary of State is expected mid 2022. The previous report said April 2022, suggesting EDF expects the planning process to be delayed by 2 - 3 months.
5. Repetition that the £20 billion cost mentioned in the DCO is "illustrative and non-binding"

<https://www.edf.fr/sites/default/files/contrib/groupe-edf/espaces-dedies/espace-finance-fr/informations-financieres/informations-reglementees/resultats-financiers---semestriel/2021/pdf/resultats-semestriels-2021-annexes-20210729.pdf>

Page 8 - (DeepL translate)

The indicative FID date is now envisaged to be **late 2022 or 2023**. **Additional funding up to FID is under discussion with the UK government**. **EDF's objective at the FID date is to become a very minority shareholder** with correspondingly limited rights and to deconsolidate the project from the Group's financial statements (including Group's financial statements (including in the calculation of economic debt by the rating agencies)

- EDF's objective is for third party investors to enter the project at the latest by the date of the FID. It is therefore essential for the project to obtain the appropriate risk-sharing mechanism and financing structure. **At this stage, it is not clear that the Group will achieve this objective**
- EDF's ability to take a FID on Sizewell C may be depend on the operational control of the Hinkley Point C project, the definition of an appropriate regulatory and financing framework, the the existence of sufficient investors and financiers interested in the project.. **None of these three conditions is currently assured**
- Failure to obtain the appropriate regulatory and financing framework could lead the Group to take a decision under less than optimal decision under less than optimal conditions or not to make the investment decision.

The decision of the Secretary of State is expected by mid-2022. The DCO mentions **an illustrative and non-binding construction cost**, incorporating a very ambitious cost reduction target to reflect the objective that Sizewell should be as much of a replication of Hinkley Point C, **even if it has to incorporate specificities, such as for example, the characteristics of the site.**"