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Subject: Fwd: Consultation on a Regulated Asset Base (RAB) Model for Nuclear
Date: 14 October 2019 20:13:41
Attachments: [Response to Consultation on a Regulated Asset Base Bill Parker.docx](#)

Hello

Further to my Sizewell C stage 4 consultation response I thought you may be interested in my response to the related BEIS consultation on RAB for Nuclear.

Best wishes

Bill

----- Forwarded message -----

From: [REDACTED]
Date: Mon, 14 Oct 2019 at 20:02
Subject: Consultation on a Regulated Asset Base (RAB) Model for Nuclear
To: <RABconsultation@beis.gov.uk>

Dear Sir / Madam

Thank you for the opportunity to respond to this consultation on RAB for Nuclear, I have attached my responses to your specific questions that you identified in the consultation. I am particularly concerned about this approach and wish to strongly object. If this approach is taken, then the first and most likely beneficiary would be the development by EDFE at Sizewell C. I live in Suffolk and there are many reasons why this is a disastrous proposal should be abandoned and is probably un-fundable unless an inappropriate methodology is deployed such as RAB. Nuclear power generation has a very poor track record in terms of cost, time and failure to have a robust and agreed solution to nuclear waste. This will be exacerbated by the use of high burn technologies as proposed by EDFE. It is very high risk approach with the tax payer or the consumer (one and the same) ultimately underwriting the costs. RAB is a good solution for investing in many other infrastructure projects but not for nuclear.

Yours faithfully

Bill Parker

Question 1: Have we identified a model which could raise capital to build a new nuclear power station and deliver value for money for consumers and taxpayers?

A: The model as described is flawed and inappropriate for new nuclear build for a range of issues that include:

1. UK Government National Policy Statement EN6 is now out of date and so the need for new nuclear is not proven, therefore the opportunities for additional investment should be seen in the light of the rapid developments of other renewable generation and storage technologies. A rational and long term review of energy policy should be undertaken before further investment in mega single source power generation is undertaken.
2. The nuclear industry has been promoting its self as a low carbon option. However recent research¹ has highlighted that when full carbon costs are identified for construction, operation and decommissioning nuclear has a significant carbon foot print and therefore should be discounted in future low carbon energy policy.
3. The comparisons given with the Thames Tideway Tunnel in the consultation prospectus is not appropriate. The TTT is a benign and relatively low risk investment where as the record for nuclear power is:
 - a. High cost and high financial risk. Recent announcements by EDFE highlight that the Hinkley Point site costs have increased yet again and delivery has been put back further. The other examples in both France and Finland of other prototypes of this nuclear design are hugely over budget and are yet to be in production. Therefore the risk for funding this will sit in this model with the consumer without limits.
 - b. There is little clarity on decommissioning and where the risk falls. In view of the use of EDF's EPR use high-burn technology for their reactors at Hinkley C and proposed Sizewell C. This means that the uranium rods stay in the reactor longer and are burned at a much higher temperature than in earlier conventional reactors (hence the requirement for 2 million litres of fresh cooling water every day). This makes the nuclear waste significantly hotter and more radioactive and toxic than conventional spent fuel. The cost and who pays for this or even if it is possible to safely manage is at best unclear but more likely to be unanswerable. Therefore it is inappropriate to generate such a risk to the community and environment or consumers who will have to pay for it.
 - c. The consultation states: *'In order to raise the amount of finance required, Government would need to provide a GSP offering protection to investors for specified low probability but high impact risks that the private sector would not be able to bear – either at all or at an efficient price (as was the case for TTT). The GSP would also protect consumers from exposure to these risks'*. It is important to note that funds for the government to provide GSP will come in some form or other from tax payers. i.e. consumers therefore it is a fallacy that consumers are protected. In developments that such high risk (from all perspectives) and the governments stated aim *'offers value for money for consumers and is consistent with the Government's policy of no public subsidy for new nuclear'*². The RAB model and GSP are clearly public subsidy and contradict the governments own strategy.

¹ Add ref

² HM Govt. Nuclear Industrial Strategy -The UK's Nuclear Future 2013

Question 2: Do you have any comments on the components of the Economic Regulatory Regime as described?

A: As identified above this model benefits the private developer and the risk is with the public. Whilst the scale of investment required is disproportionate to the benefit, the issues of decommissioning and management of high burn waste technology is unresolved and therefore hugely risky from all perspectives. Therefore the description is inadequate as the scale of both the cost and risk is unknown. It is financially imprudent therefore to take this risk with consumers / tax payers money.

Question 3: Do you have views on how consumer interests are protected under the proposed approach? What else should be considered to protect consumer interests?

A: Consumers are only one stakeholder that should be considered. Consumers along with host communities and wider society as a whole, is not protected through this mechanism and therefore it should be scrapped for nuclear.

If consumers do not have the opportunity not to pay this surcharge it is in effect as a new tax and therefore should be clearly classified as such. Therefore how can consumers be protected by this model, it does not protect consumer interests of low cost, low carbon, safe and accessible energy.

Consumers are increasingly actively choosing 'green energy' supply options much of which is based on ethical considerations. As I understand it the RAB model will be applied to all consumers therefore there is no choice, every consumer will be an active contributor to nuclear power. How can this then be seen to protect consumer interests? – it doesn't, unless consumers can opt out of paying RAB. I anticipate if this was to occur then insufficient sums would be generated and therefore the scheme would fail.

Question 4: Do you agree that consumer risk sharing could be value for money for consumers if it achieves a lower expected overall cost for consumers compared to a Contract for Difference model?

A: Consumers do not share the risk, it is a one sided argument as they either through RAB or as tax payers they have in reality no protection. Through this model private enterprise benefits are maximised and risks minimised whereas public risk is in effect unlimited. The cost of energy for consumers cannot under this model be minimised, therefore how can it represent any form of value for money?

Question 5: Do you have views on the potential way to design the revenue stream for a nuclear RAB model that we describe, and are there alternative models we should consider?

A: Scrapping nuclear and its risks (financial, societal and ecological) and invest in more benign and genuinely low carbon energy sources. Consumers may well welcome this if explained clearly to them.

Question 6: Do you have views on our proposed approach to assessing a new nuclear project under a nuclear RAB model and determining whether it is value for money for consumers and taxpayers?

Consultation on a Regulated Asset Base (RAB) Model for Nuclear – Response from Bill Parker

A: The assessment process must take due consideration of the risks and unknowns. This industry in particular has a track record of promising and failing to deliver solutions. Nuclear power development should not even be considered for this type of RAB model.

Bill Parker (13/10/19)

From: SizewellC
To: [REDACTED]
Cc: SizewellC
Subject: RE: Consultation on a Regulated Asset Base (RAB) Model for Nuclear
Date: 14 November 2019 13:07:43

Dear Mr Parker

Planning Act 2008 (as amended)

Proposed application by NNB Nuclear Generation (SZC) Limited (EDF Energy2) for an Order Granting Development Consent for a new nuclear power station development at Sizewell in Suffolk (Sizewell C)

I am writing regarding your correspondence sent to the Planning Inspectorate (the Inspectorate) dated 14 October 2019 in relation to the above proposals.

The proposed application is at the Pre-application stage of the Planning Act 2008 process. Further information about the process can be found in the link below to the National Infrastructure Planning website: <https://infrastructure.planninginspectorate.gov.uk/application-process/the-process/>. The Applicant is expecting to submit the application in Q1 2020.

As the application has not yet been formally submitted to the Inspectorate your first point of contact should be the Applicant and we would encourage you to contact them directly by email to - Sizewell@edfconsultation.info. It is important that the Applicant is made aware of your comments at the Pre-application stage of the process to enable them to consider these points before finalising their proposals and submitting the application to the Inspectorate. Please note the Applicant's Stage 4 Consultation closed on 27 September 2019.

The Inspectorate is unable to consider your comments at this time however please note that, should the application be received and accepted by the Inspectorate for Examination, the National Infrastructure Planning website will be updated accordingly and you may submit comments to us at that time: <https://infrastructure.planninginspectorate.gov.uk/projects/eastern/sizewell-c-new-nuclear-power-station/>

If you have concerns about the Applicant's pre-application consultation you should contact the Applicant in the first instance to enable them to address the issues (info@sizewellc.co.uk).

If you have contacted the Applicant but you are not satisfied that the Applicant has, or will, take account of your comments you can make your comments to the relevant local authority. The local authority can consider them as part of their Adequacy of Consultation Representation submission to the Planning Inspectorate (on behalf of the Secretary of State) at the application stage of the process. Further information about Community Consultation can be found here: <https://infrastructure.planninginspectorate.gov.uk/wp-content/uploads/projects/General/General-Advice-00632-1-170702%20s47%20Community%20Consultation%20FAQ.pdf>

The Planning Inspectorate has published a series of Advice Notes about the Planning Act 2008 process. 'Advice Note Eight: Overview of the nationally significant infrastructure planning process for members of the public and others' can be found here: <https://infrastructure.planninginspectorate.gov.uk/legislation-and-advice/advice-notes/>

I hope you find this information to be helpful.

Yours sincerely

Dean Alford
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The Planning Inspectorate, Temple Quay House, Temple Quay, Bristol BS1
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Helpline: 0303 444 5000

Web: <https://infrastructure.planninginspectorate.gov.uk/> (National Infrastructure Planning)

Web: www.gov.uk/government/organisations/planning-inspectorate (The Planning Inspectorate)

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