

Milestones and Achievements – one year on from the Nuclear White Paper

In January 2008 the Government published the White Paper on the Future of Nuclear Power¹. The White Paper concluded that new nuclear power stations should have a role to play in this country's future energy mix. The White Paper set out the facilitative actions the Government planned to take to reduce regulatory and planning risks associated with investing in new nuclear power stations. 2008 was a year which saw considerable achievement of nuclear policy both on the facilitative actions set out in the Nuclear White Paper and more widely. The OND is committed to carrying forward this momentum of progress into 2009. To set the scene for the challenges we will face in 2009, the main accomplishments and developments of 2008 are set out below.

Strategic Siting Assessment (SSA) and the Strategic Environmental Assessment (SEA)

- March 2008 - SEA Scoping report published
- July 2008 - Consultation published on process and criteria for SSA and accompanying environmental study – Closed November 2008
- January 2009 – Published Government response to consultation on process and criteria for SSA. This includes the final SSA criteria, guidance for nominators and invites nominations by the 31st March 2009

Planning Reform

- November 2008 - Planning Bill attained Royal Assent. The Planning Act sets out a new planning regime under which planning applications will be made from 2010. These reforms will improve the speed and efficiency of the planning system for nationally significant infrastructure, including new nuclear power stations.

Justification

- March 2008 - Published guidance and call for applications
- June 2008 - Industry application submitted by the Nuclear Industry Association
- December 2008 - Justification Consultation on the Industry application published. Consultation closes 25th March 2009

¹ <http://www.berr.gov.uk/files/file43006.pdf>

Generic Design Assessment

- March 2008 - Regulators completed 'Step 2' of the process and published preliminary reports.
- June 2008 - Commencement of 'Step 3' which involves a more detailed assessment of the reactor designs.
- December 2008 – Summary Recommendations of Dr. Tim Stone's Nuclear Regulatory Review finalised, published January 2009.

Waste & Decommissioning Funding Arrangements

- February 2008 – Consultation on Funded Decommissioning Programme Guidance for New Nuclear Power Stations published
- September 2008 – The Government Response to the Consultation published
- November 2008 – Energy Bill attained Royal Assent. The Energy Act sets out the process for ensuring that operators of new nuclear power stations pay the full costs of decommissioning and their full share of waste management and disposal costs to minimise the risk of those costs falling to the tax payer.
- Two discussion papers on cost modelling and a methodology to establish a fixed unit price for intermediate level waste and spent fuel issued, with a third due shortly.
- Consultation on fixed unit price methodology and secondary legislation resulting from the Energy Act due in the spring.
- Lady Balfour appointed as Chairman of the Nuclear Liabilities Financing Assurance Board.

There have also been a number of other developments in relation to our nuclear policy in 2008:

Managing Radioactive Waste Safely (MRWS) White Paper

- In June 2008 the MRWS White Paper was published. This set out the UK Government's framework for managing higher activity radioactive waste in the long-term through geological disposal, coupled with safe and secure interim storage and ongoing research and development to support its optimised implementation. It also invites communities to express an interest in opening up without commitment discussions with Government on the possibility of hosting a geological disposal facility at some point in the future.
- At present two local authorities have entered Expressions of Interest (EOI) to Government, these are Copeland Borough and Cumbria County Councils. Allerdale Borough Council is currently considering its position on submitting an EOI.
- The voluntarism process does not have a closure date and officials are ready to engage with communities who seek to find out more about the process.

Other Key Developments

- Investors' Conference – Over 100 potential investors attended in June 2008 to express views and consider what Government and Industry need to do to help make new nuclear a reality.
- The Office for Nuclear Development (OND) was established in September 2008. Its main aims are to facilitate new nuclear build in the UK in line with the Government's broader energy goals and to advise the Secretary of State on the exercise of his regulatory and policy functions in relation to the nuclear industry.
- The Nuclear Development Forum was set up in September 2008 to lock in momentum to secure the long-term future of nuclear power generation in the UK. Its role is to support and advise the OND in its role to build and maintain the UK as the best market in the world for companies to invest in nuclear power. We aim to achieve this by bringing together Government with key industry stakeholders to ensure that there is regular and high level contact between parties on the issues that matter the most to potential investors and operators.
- The Manufacturing Strategy published in September 2008 set out the Government's aim that through the OND they will work with the supply chain and nuclear reactor vendors and operators to create and support a globally competitive supply chain.
- The Government has welcomed the completion on 5th January of EdF's £12.5 billion purchase of British Energy Group plc. The purchase is a significant step in EdF's plans to build four new nuclear reactors in the UK. This deal required close Government involvement and is an important step on the path to new nuclear power becoming a reality.
- Publication of a Programme Integration Plan in January 2009 to give an indicative timeline setting out the key deliverables required to enable the new nuclear build. It sets out at a strategic level how the key parts of the new nuclear programme fit together, including activity being led by DECC, the regulators, National Grid and others.
- Publication of a Consultations Map in January 2009 to make it easier for the public to understand how they can "have their say" in the new nuclear programme. It will explain in simple terms what the key new nuclear consultation and other public facing exercises will be, when they will happen, and how they feed into the wider programme.

But there remain many challenges ahead...

During 2009, there will be a shift from policy development to practical implementation. Whereas in 2008 much of the future rested in Government's hands, during 2009 we will start to hand the baton over to industry. An early indication of this change from policy to practical implementation is the successful British Energy takeover by EdF and the formation of a joint venture between RWE and E.ON and another between Iberdrola and Scottish and Southern Energy to progress new nuclear build in the UK. These are likely to be the first of many other industry developments which we expect will take place over the forthcoming year.