

Response from Shutdown Sizewell Campaign

Hergen Haye's statement at the DECC Meeting of 21 February 2011, that "the Government will take on spent fuel for a fixed price – provided the risks are covered", is meaningless. Until such time as the transfer of spent fuel occurred and its fate was assured, the risks could not possibly be covered. To pretend anything else is not governance; it is specious but irresponsible adventuring.

The attempt to conceal this adventuring within technical equations, and to warn people attending that meeting to study and understand those devices, is dishonest. No amount of formulae can make speculation respectable; it can only persuade us that the Government has painted itself into a corner.

It is idle to talk, as Richard Marriott did, of the risks of costs falling to the public being remote, when there is no realistic way of assessing what those risks are or what "remote" means. That the so-called methodology contains a calculation of a Risk Fee strongly suggests that it will not be too remote to make a charge for it, which is paradoxical. His admission that the consultation document was "not easy to read" seemed strangely oblivious to the possibility that this might be because it failed to convince.

The presumption that operators will be able to reduce costs by building a fleet of new stations is unreliably hollow, given Thatcher's failure to build nine out of ten proposed stations in far more prosperous times than these. The presumption that by 2040 the upfront costs of constructing a depository, and of putting waste in it, will be known is optimistic, in view of the history of delays connected to the nuclear industry.

It seemed to us that operators were sincere in saying that the Government's forecasts were so unrealistic that operators might go and build elsewhere than in the UK. There are only three of them. Their fears about the external factors, such as where and when the spent fuel would eventually go, are altogether reasonable. Since the Government has made no plan B, the collapse of new build might now be a major disaster, so a plan B that involves real encouragement of benign energy generation is urgently required, whatever becomes of these arcane formulaic tricks. No reliance must be put on the tricks themselves.

The urbane and sophisticated surroundings of the Conference Centre and the arid theorising in the meeting contrasted starkly with the plight of the current Sizewell nuclear station, lapped by the sea, and of the proposed intermediate nuclear waste stores, threatened by coastal

erosion long before any further destination for the waste may be expected. There is no benefit in talking about quinquennial reviews if there is nowhere to shift the stuff to should it be necessary, and unless the original plan catered for such a possibility.

We understand that if operators have to close a site down early because of coastal erosion, it will be their fault and for them to pay, for not having factored in the necessary engineering. Yet it seems to be the Government that is forcing them to take that risk by not having a depository reliably in place, yet binding the operators into conditions dependent upon it being in place. Must a responsible operator initially build an intermediate store that is fit for longer than the expected time for which it will be needed, in case the Government fails to deliver a GDF, and if so, who pays for it?

If the Government has to close down stations early for political reasons, or because terrorists have discovered how to blow up reactors remotely (learning from stuxnet), Government has to pay. Yet there is no way of forecasting this, or of financing it. We didn't raise the issue of the costs of risks, but now it's here, let us look at it properly.

The anomaly - that the operators cannot operate if heavily bound by Government, yet that Government needs to be appearing to bind the operators in order to satisfy promises to the public, makes nonsense of any Waste Transfer Pricing Methodology. It ceases to be a method and inevitably becomes spin, and a gamble with the future.

The economics of making local intermediate spent fuel stores at each site safe enough, compared with the economics of having a central intermediate store with encapsulation there, are so unfavourable that it would be impossible to forecast anything until a central store had been planned. Since at present a central store would seem to be likely to be at the same site as the deep repository, it cannot be planned until the repository is planned. So there is a stalemate, in which no forecasting of any value can be done.

Unless the proposed and guessed "cap" by a miracle proves in retrospect to be exactly equitable, either the operators will make money on it or they will be screwed by it. This is unethical, and it is no way to play with taxpayers' money either. The price for transfer and disposal cannot be fixed until transfer and disposal takes place. It will be so long before disposal will be known to have taken place successfully, that operators cannot possibly wait until then to be paid. So the system quite simply cannot work. There is no reason why it should work either; Government cannot invent a system for its own convenience and simply expect it to work. So the assumption that there must be a way of getting it to work by formulae and tricks is invalid.

Only a Government that is too scared to lead its people into using much less electricity, and to face up to a future that depends upon aspirations of quality and not upon material quantity, would ever resort to this sort of dishonest trickery.

You will see that we disagree with each of your consultation questions, both for specific reasons and because the so-called methodology is based upon unprincipled speculation.

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