

Annex F: Response form for the consultation document on a Fixed Unit Price methodology and updated cost estimates

You may respond to this consultation by email or by post.

Please note that if you accessing this document electronically you will only be able to enter text in the response fields.

Respondent Details	
Name:	Ruth Balogh
Organisation:	West Cumbria & North Lakes Friends of the Earth
Address:	
Town/ City:	
County/ Postcode:	
Telephone:	
E-mail:	
Fax:	

Please return by 18th June 2010 to:

Fixed Unit Price methodology and updated
cost estimates consultation
Office for Nuclear Development
Department of Energy and Climate Change
Area 3D
3 Whitehall Place
London
SW1A 2AW

You can also submit this form by email:
decomguidance@decc.gsi.gov.uk

Tick this box if you are requesting non-disclosure of your response. ☐

No.	Question
Chapter 3: The methodology to determine a Fixed Unit Price	
1	Do you agree or disagree that prospective operators of new nuclear power stations should be given the option to defer the setting of their Fixed Unit Price? If so, do you agree that this deferral should be limited to 10 years after the nuclear power station has commenced operation? Do you have any comments on the way the Government proposes to determine an expected Fixed Unit Price as the basis for an operator's interim provision in the event that they choose to defer the setting of their Fixed Unit Price?
Response	<p>We disagree very strongly indeed.</p> <p>There must be no public subsidy for nuclear reactors, and this proposal would effectively make this a reality, as the taxpayer would be in the position of providing additional funds should they become liable.</p> <p>Deferring to 10 years does not protect the taxpayer from subsidising nuclear power since it is impossible to predict what other cost increases will apply within this period. The only way to ensure no public subsidy is for the industry to bear the actual costs when they actually arise.</p> <p>Attempting to get an accurate estimate via the mechanism of eFUP is likely to fail - in line with previous attempts. We cannot assume the methodology will be correct as there are too many uncertain elements. Therefore the likelihood that this proposal will lead to taxpayer subsidy for nuclear power is very high, and once again, the only way to protect the taxpayer is for the industry to apy the actual costs when they actually occur.</p>
2	Do you agree or disagree with the proposal that the Schedule for the Government to take title to and liability for an operator's waste should be set in relation to the predicted end of the decommissioning of the nuclear power station? Do you have any comments on the way the Government proposes to recoup the additional costs it will incur in this case?
Response	<p>We disagree.</p> <p>Operators should remain financialy and legally liable for the watse that is produced and for the spent fuel produced.</p> <p>Government taking title to an liabiity for waste and spent fuel further opens the door to taxpayer subsity of nuclear power.</p>
3	Do you agree or disagree that the proposed methodology to determine a Fixed Unit Price strikes the right balance in protecting the taxpayer, by taking a prudent and conservative approach to cost estimation, while facilitating new nuclear build by providing certainty to operators? What are

No.	Question
	your reasons?
Response	<p>We disagree with the proposed methodology. There are too many uncertainties.</p> <p>Facilitating new nuclear build should not include hidden public subsidy of an unknown nature stretching into the future. What is envisaged here is the taxpayer accepting the risk that estimates made now will remain valid many years hence. This is as unacceptable as it is unrealistic.</p>
4	Do you agree or disagree with the proposed approach to determining an operator's contribution to the fixed costs of constructing a Geological Disposal Facility? What are your reasons?
Response	<p>We disagree.</p> <p>There are far too many assumptions about the feasibility of siting a GDF somewhere in the UK - and in particular in West Cumbria which is the only current candidate being discussed at local government level - though the views of the people of West Cumbria have yet to be canvassed.</p> <p>Here in West Cumbria we had a Public inquiry in the mid 1990s into a proposed rock characterisation facility for deep geological disposal. the inspector's report rejecting the Nirex appeal against the County council's refusal of planning permission consistently termed Nirex's approach 'over-optimistic'. The same is true of these proposals which seem to assume that West Cumbrians will 'volunteer' not only to have one GDF - an unproven concept - but also a second. We do not even know what the waste inventory will be for the first proposed GDF. We do not know how the people of West Cumbria will react to the idea of a GDF. We do not even know how the design concept will deal with important modelling issues such as the behaviour of gas and the requirements for some gases to escape and other to be contained. These are just a few examples of the many assumptions that are being made here.</p> <p>Even if a GDF becomes a real possibility, the operators should pay for the actual costs, including the costs of developing a design concept.</p>
5	Do you agree or disagree with the proposal that the units to be used for the Fixed Unit Price are pence per kWh for spent fuel and cubic metres of packaged volume for intermediate level waste? What are your reasons?
Response	We disagree insofar as we can have an opinion at all. The consultation fails to make it clear how operators would make up any shortfall should the price of electricity fall.

No.	Question
Chapter 5: Updated estimates of the costs for decommissioning, waste management and waste disposal	
6	Do the updated cost estimates represent a credible range of estimates of the likely costs for decommissioning, waste management and waste disposal for a new nuclear power station?
Response	No. There are too many unknowns in this model.

Please select the category below which best describes who you are responding on behalf of.

- ☐ Business representative organisation/trade body
- ☐ Central Government
- ☐ Charity or social enterprise
- ☐ Individual
- ☐ Large business (over 250 staff)
- ☐ Legal representative
- ☐ Local Government
- ☐ Medium business (50 to 250 staff)
- ☐ Small business (10 to 49 staff)
- ☐ Micro business (up to 9 staff)
- ☐ Trade union or staff association
- ☐ Other (please describe):

Thank you for taking the time to let us have your views. The Government does not intend to acknowledge receipt of individual responses unless you tick the box. ☐

Department of Energy and Climate Change
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