



For Immediate Release

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Saudi Arabia set to bankroll Hinkley

The Stop Hinkley Campaign has reacted with shock at the news that Saudi Arabia may bankroll the proposed new reactors at Hinkley Point C.

The Times reports today (1) that the Saudi Electric company, which is 81% owned by the Saudi Government, (2) is interested in investing in EDF Energy's Hinkley project "after the French company balked at the demands of its Chinese partners".

"EDF Energy has had more partners than Elizabeth Taylor" said Stop Hinkley spokesperson Roy Pumfrey, "and now it looks as though it may have lost another one".

EDF had hoped that the state-backed China General Nuclear and China National Nuclear Corporation would take a 40% stake in the £24.5 billion Hinkley nuclear project. But the Chinese are demanding that Chinese manufacturers are handed a big slice of the contracts for the project and that EDF hands over another site, at Bradwell in Essex, where they can build their own reactor to their own design.

According to *The Times* EDF has rejected these conditions and begun talks with Saudi Electric about it taking at least a 10% in the scheme, depending on how much the Chinese are still willing to invest. The Chinese companies' late demand for a share of the supply contracts has thrown the talks into disarray. EDF is planning to use its existing supply chain in France for the project instead, telling British companies hoping to win contracts to team up with French suppliers.

In February 2013 Centrica pulled out of a deal with EDF Energy which gave the British Company an option to take a 20% stake in the Hinkley project citing an increase in project costs and a lengthening of the timetable as the reason. (3)

In September 2011, another British utility company, SSE pulled out of the NuGen consortium which is planning to build new reactors near Sellafield in Cumbria. (4) This was followed in March 2012 by two other Big Six utilities, EoN and RWE nPower pulling out from the Horizon consortium which is planning new reactors at Oldbury in Gloucestershire and Wylfa on Anglesey. (5) Then in November 2013 another Big Six company, Scottish Power owner Iberdrola agreed to sell its stake in the NuGen consortium. (6)

"EDF Energy is the last remaining Big Six utility willing to invest in nuclear. But despite the huge subsidies the UK Government is forcing consumers to stump up it is not willing to go it alone. The

French mostly State-owned company is reduced to going down the list of undemocratic regimes to find someone willing to risk funds in this dodgy venture”, said Pumfrey

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Stop Hinkley Spokesperson Roy Pumfrey is available on 07886 028 910

Notes to Editors: Cambridge nuclear engineer, Tony Roulstone, recently described the type of reactor planned for Hinkley as ‘unconstructable’, and said Areva, the French company that owns the EPR design, is no longer actively selling power stations of this type. In those countries still looking to expand nuclear power, such as Saudi Arabia, China and Turkey, Areva is now pushing an alternative reactor. In China, where several EPRs are currently being constructed, the authorities have indicated that they will not use the design for future power plants. In other words, the Hinkley design is already regarded as a failure by those with most knowledge of it. (7)

- (1) French give Saudis nuclear option for Hinkley Point Plan, The Times 18th November 2014
<http://www.thetimes.co.uk/tto/business/industries/utilities/article4270475.ece>
- (2) See <http://www.se.com.sa/nr/rdonlyres/e8d64f54-e02b-43d8-8fd6-17d1fd6ffbae/789/secippprogrampresntation.pdf>
- (3) Telegraph 4th February 2013
<http://www.telegraph.co.uk/finance/newsbysector/energy/9846895/Centrica-exit-threatens-UK-nuclear-plans.html>
- (4) Reuters 23rd September 2011 <http://www.reuters.com/article/2011/09/23/us-britain-nuclear-see-idUSTRE78M60S20110923>
- (5) Independent 29th March 2014 <http://www.reuters.com/article/2011/09/23/us-britain-nuclear-see-idUSTRE78M60S20110923>
- (6) Wall Street Journal 19th November 2014
<http://online.wsj.com/news/articles/SB10001424052702304439804579208853157712072>
- (7) Carbon Commentary 22nd Oct 2014 <http://www.carboncommentary.com/2014/10/22/cambridge-nuclear-engineer-casts-doubt-on-whether-hinkley-point-epr-nuclear-plant-can-be-constructed/>