



For immediate release
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Campaign continues - Hinkley Point C announcements a false dawn

The Stop Hinkley Campaign today declared the campaign against the proposals to build a new nuclear station at Hinkley Point C as far from over. All national newspapers have expressed disquiet about these proposals, and today one described the deal with China as “*sheer folly*”. (1) Stop Hinkley spokesperson Roy Pumfrey said “*there is still every possibility that this reckless plan will be defeated. This will be the eighth time that EDF Energy has announced that a final investment decision is just around the corner.*”.

It is clear, as the *Financial Times* says (2) that this week's statements on Hinkley Point do not amount to the final deal.

“*Jean-Bernard Levy, chairman of EDF, claims that hundreds of workers could be starting work on the construction of two new reactors at the site by the end of the year. But given the number of issues still to be resolved one has to wonder which year he is talking about,*” said Pumfrey. “*Levy's claims were not repeated in the EDF press release, which instead listed a number of conditions we know will take one or more years to fulfil, so if work does resume this year it will only be on a very slow cosmetic basis.*”

Much remains to be negotiated, and many significant hurdles still remain. These include:-

- Flawed steel has been identified on the reactor pressure vessel and lid of an identical nuclear reactor being built in Flamanville in Normandy. This could take 12 – 24 months to resolve and no work could start at Hinkley Point until these safety issues are resolved in France.
- Due to severe financial difficulties and huge levels of debt, the French Government has commenced a restructuring of EDF and Areva NP into a merged company. This will also take some considerable time to achieve, and is a major reason why the UK was so desperate to secure Chinese investment.
- A legal challenge to the European Commission by the Austrian and Luxembourg Governments, and a group of Austrian and German renewable energy companies, over its approval of the UK – EDF state aid deal for Hinkley Point will take at least a year or more to resolve. If the courts find against the Commission the whole financing deal will be placed in jeopardy. Construction cannot seriously begin until the complete financing agreement is in place, and that cannot be signed before all legal challenges have been resolved
- A reliability clause is likely within the contract. This will be linked in to the prior successful EPR operation being constructed at Flamanville-3 in France. This nuclear reactor project is

now years behind schedule and billions over budget in being realised. EDF has asked for a formal three year delay in this project, being it will not be completed until at least 2020, 13 years after construction began.

Meanwhile, the former director of strategy for David Cameron, Steve Hilton, has called the deal with China "*one of the worst national humiliations*". He said we should impose sanctions on China, rather than "*rolling out the red carpet*". (3)

"The EPR Reactor is the Windows 8 of the Energy World. Why would anyone buy that when Windows 10 is already available," said Pumfrey. *Renewable energy is going from strength to strength. Solar photovoltaics could provide the same amount of electricity as Hinkley Point C for half the subsidy cost (4) and onshore wind and solar are both likely to be competitive without subsidy in the next decade (5)."*

"Apart from the archaeological discoveries on site the only successful thing about the Hinkley Point C project is EDF's news management. After yesterday's announcements we now know it won't be ready before 2025 at the earliest; that the Chinese are not willing to invest as much as EDF wanted; so there is a £10bn black hole in the finances and there is still no signed contract with the UK Government. So not really any progress at all – a false dawn." (6)

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Notes to Editor

- (1) Guardian 21st Oct 2015 <http://www.theguardian.com/commentisfree/2015/oct/21/nuclear-power-deal-china-uk>
- (2) FT 21st October 2015 <http://blogs.ft.com/nick-butler/2015/10/21/beyond-hinkley-the-need-for-a-plan-b/>
- (3) Huffington Post 21st October 2015 http://www.huffingtonpost.co.uk/2015/10/21/david-cameron-steve-hilton-chine-visit_n_8345014.html
- (4) Politics.co.uk 20th October 2015 <http://www.politics.co.uk/opinion-formers/solartradeassociation/article/solar-could-provide-as-much-power-as-hinkley-point-c-for-half>
- (5) Guardian 22nd October 2015 <http://www.theguardian.com/environment/2015/oct/22/wind-and-solar-power-likely-to-match-gas-on-cost-by-2020-say-uk-climate-advisers>
- (6) See Dr Dave Toke's Blog 21st October 2015 <http://realfeed-intariffs.blogspot.co.uk/2015/10/hinkley-c-no-progress-in-two-years.html>