



8 The Bartons, Yeabridge
South Petherton
Somerset TA13 5LW
admin@stophinkley.org

Rt Hon Greg Clark MP
Secretary of State for Business, Energy and Industrial Strategy,
1 Victoria Street
London
SW1H 0ET

22 July 2016

Dear Mr Clark,

Congratulations on your appointment as Secretary of State for Business, Energy and Industrial Strategy. We understand that you will now take charge of energy policy. We are writing to you to ask you to make the most of this opportunity to stamp your own mark on Government energy policy by ditching proposals for a new nuclear power station at Hinkley Point C (HPC) in Somerset.

Over the last few months HPC has been described as a white elephant; a deal whose flaws have become increasingly apparent; verging on insanity; alarm bells should be ringing deafeningly loudly; too expensive and unproven; will kill British manufacturing; bad for consumers, the taxpayer, business and potentially the environment; beyond any commercial logic; and a total waste of money. (1)

Even the Financial Times has called this project "*a laughing stock*". It is at least eight years behind schedule and billions over budget, and cost estimates seem to rise every month, just as the date for a final investment decision disappears into the future. (2)

A recent devastating report from the Government's spending watchdog – the National Audit Office (NAO) should provide you with a perfect excuse to ditch HPC. The NAO estimates that energy consumers could end up paying £29.7bn in top-up payments rather than £6.1bn estimated in October 2013 when the strike-price for the 35-year contract was originally agreed. The increase is due to the fact that wholesale energy prices are now expected to be much lower. (3) The Government itself estimated this figure could be even higher at £37bn. (4)

In May 2012 Charles Hendry MP, Minister of State, for Energy and Climate Change at the time, told the House of Commons Select Committee that "*We do not have five years. We need to get moving on [building new reactors] now to make up for the failure of investment and new plant over previous decades.*" (5)

The five years is almost up but almost nothing has happened. Renewable energy and energy efficiency projects could be implemented very quickly and much more cheaply. Britain's solar industry said three years ago it could install the same capacity as HPC in 24 months and at comparable cost. (6)

www.stophinkley.org

PATRONS

Raymond Briggs, Julie Christie, Terry Jones, Caroline Lucas MP,
Jonathon Porritt, Molly Scott Cato MEP, Vivienne Westwood and John Williams

Other recent developments include:

- Solar energy has been advancing considerably faster than anyone expected just a few years ago. The American website, Climate Progress, says you'll never believe how cheap solar energy is – in some parts of the world it costs less than 2p/kWh without subsidies. Because the cost of renewable energy has been falling so quickly “*almost everything you know about climate change solutions is probably outdated,*” (7)
- Offshore Wind Farms in the North Sea off the coast of the Netherlands are now expected to cost €87/MWh (£73/MWh) compared with £100/MWh for Hinkley Point C. (8)
- A crash programme to replace all the lights in the UK with LEDs could cut electricity bills, and cut peak electricity demand by about 8GW, a saving of about 15% of all power consumption. (9)
- Tidal Lagoon Power says the lifetime cost to consumers of its proposed Swansea Bay tidal lagoon would be the same as the Hinkley Point C. (10)
- Research by Forum for the Future, *Farmers Weekly* and Nottingham Trent University estimates that it would be relatively simple to get 20 GW onto the grid from farm-based solar and wind and some anaerobic digestion by 2020. (11)
- Domestic energy efficiency alone could save 40TWh/yr by 2030 and help eliminate fuel poverty into the bargain. (12)
- There are around 100 TWh of electricity savings detailed in a report for the Government by McKinsey for which there are currently no plans to capture. (13)
- Plans for alternatives to HPC have been published by Molly Scott Cato, the Green MEP for South West England (14); the Intergenerational Foundation (15); the E3G Think Tank (16); and Green Hedge – a leading developer and operator of low carbon electricity generation and storage projects. (17) The Green Hedge plan says transforming weather-dependent solar and wind into a stable generator is possible with energy storage and backup gas generators.
- Writing on *The Independent* website Keith Barnham, Emeritus Professor of Physics at Imperial College, says six bio-electricity technologies, all capable of continuous power operation, could provide ten times 3.2 GW before 2025. (18)

Ditching EDF's plans for HPC would provide us with a wonderful opportunity to turn Somerset into a sustainable energy hub for England. We urge you to get on with it as soon as possible.

Yours faithfully,

Stop Hinkley Co-ordinating Team

- (1) See <http://www.stophinkley.org/PressReleases/pr160415.pdf> for a full list
- (2) FT 18th July 2016 <http://blogs.ft.com/nick-butler/2016/07/18/energy-policy-under-a-new-government-a-chance-to-think-again/>
- (3) Guardian 13th July 2016 <https://www.theguardian.com/business/nils-pratley-on-finance/2016/jul/13/poundlands-bid-decision-is-fine-but-please-dont-use-brexite-as-the-excuse>
- (4) Business Green 8th July 2016 <http://www.businessgreen.com/bg/news/2464269/hinkley-cost-estimate-rises-to-gbp37bn>
- (5) See page Ev 17 “Building New Nuclear: the Challenges Ahead”, Energy and Climate Change Committee, Volume 1, 4th March 2013
<http://www.publications.parliament.uk/pa/cm201213/cmselect/cmenergy/117/117.pdf>
- (6) Click Green 24th October 2013 <http://reskin-cg.class-media.co.uk/opinion/opinion/123982-renewable-energy-boss-tells-pm-solar-power-could-match-hinkley-in-2-years.html>
- (7) Climate Progress 18th July 2016 <http://thinkprogress.org/climate/2016/07/18/3797907/solar-energy-miracle-charts/>
- (8) Renew Economy 7th July 2016 <http://reneweconomy.com.au/2016/dong-energy-build-700-mw-offshore-wind-farms-e72-70mwh-22550> See also Climate News Network 18th July 2016 <http://climatenewsnetwork.net/offshore-wind-powers-ahead-in-europe/>
- (9) Ecologist 8th June 2016
http://www.theecologist.org/blogs_and_comments/commentators/2987760/the_urgent_case_for_an_mass_s_witch_to_led_lighting.html
- (10) ReNews 11th July 2016 <http://renews.biz/103387/lagoon-cost-same-as-hinkley>
- (11) Farm Power: Exploring the size of the prize, Forum for the Future, November 2014
http://www.forumforthefuture.org/sites/default/files/Farm%20Power_Size%20of%20the%20Prize%20report_Nov-2014.pdf
- (12) Energy Efficiency: Fighting to keep Bills Down Permanently, ACE November 2011
<http://ukace.org/wp-content/uploads/2013/11/ACE-November-2013-Energy-efficiency-fighting-to-keep-bills-down-permanently.pdf> (See table 16, page 54)
- (13) McKinsey, 2012 Capturing the full electricity efficiency potential of the U.K Draft report.
<http://www.decc.gov.uk/assets/decc/11/cutting-emissions/5776-capturing-the-full-electricity-efficiency-potential.pdf>
- (14) The Power to Transform the South West, http://mollymep.org.uk/wp-content/uploads/The-power-to-transform-the-South-West_FINAL1.pdf
- (15) Toxic Times Capsule by Andrew Simms, Intergenerational Foundation, April 2016
<http://www.newweather.org/wp-content/uploads/2016/04/Toxic-Time-Capsule.pdf>
- (16) Guardian 18th Mar 2016 <http://www.theguardian.com/environment/damian-carrington-blog/2016/mar/18/five-ways-to-power-the-uk-that-are-far-better-than-hinkley-point>
- (17) Regen SW 22nd April 2016 <https://www.regensw.co.uk/blog/2016/04/hinkley-point-through-the-looking-glass/>
- (18) Independent 11th May 2016 <http://www.independent.co.uk/voices/the-government-should-scrap-its-costly-hinkley-point-deal-and-accept-renewables-can-keep-the-lights-a7021196.html>