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100% Renewables in the South-West is Possible

The Stop Hinkley Campaign has called on the new Government to raise its ambitions on energy policy and transform the South-West England economy.

"First the new Government needs to recognise that nuclear power is a dead duck. Then it should jump on the local energy revolution bandwagon and draw up plans for a 100% renewable energy system for the South-West by 2050", said campaign spokesperson Allan Jeffery. "Such a programme would deliver more jobs, and cheaper energy, at a lower cost and without all the local disruption which Hinkley implies. What are we waiting for?"

In recent weeks we have learnt that:

- The future of the Hinkley Point C Project is hanging in the balance after details emerged about problems at a similar nuclear plant being built at Flamanville in Normandy. Anomalies have been found in the bottom and lid of the reactor pressure vessel which mean weaknesses in the vital metal structure protecting the outside world from the highly radioactive reactor core. A similar forging technique may have been used for the reactor vessels for Hinkley Point C. (1)
- The two Chinese companies considering investing in Hinkley Point C have serious concerns about the European Pressurised water Reactor (EPR) design, and the financial health of the French company Areva which designed the reactor. (2)
- Areva is now in such a bad state (with a €4.8bn loss in 2014) that it looks as if it might have to withdraw as a co-investor in the Hinkley project. (3)
- Luxembourg (4) is to join Austria (5) in filing a complaint against the UK's proposed subsidies for Hinkley Point C.
- A German electricity supply company Greenpeace Energy has also decided to take legal action against the Hinkley subsidies. A number of municipal energy utilities, such as Stadtwerke Schwäbisch Hall, are considering joining the lawsuit. About 7% of electricity generated in Britain would be highly subsidised nuclear electricity if Hinkley goes ahead thus distorting the European electricity market. (6)
- EDF Energy and the UK Government have a list of problems to sort out which is daunting before the project can go-ahead. For instance they need permission from the European Commission for the financial arrangements to transfer title to the nuclear waste from EDF to the Government in future. EDF's £10bn loan facility from the Government also needs to be finalised. (7)

• On top of this the Government is seeking European Commission approval to hold a "golden share" in EDF's £24.5bn Hinkley Point C nuclear power station, which could have the effect of strengthening pending legal challenges against the plant's construction. (8)

Meanwhile the huge renewable resources available in the South-West are becoming clearer. We have some of the world's best renewable energy resources, capable of boosting our rural economy and ensuring our energy security. All that is holding us back from the renewable revolution is a failure of political will.

- Regen South West points out that if the Government puts in place the policies needed to meet 15% of the South West's energy requirements (N.B. Energy, not just electricity, i.e. including heat and transport) this will deliver £10bn of investment and 24,000 jobs. The UK is committed, under EU rules, to meeting a 15% target for energy by 2020.
- At current rates of growth the South-West will only produce just over 14TWh (terawatt hours or billion kWh) of renewable energy whereas it needs to produce 19TWh to meet the 15% target.
- At currents rates of growth the number of jobs will be 16,000 by 2020, whereas it could be 34,000. (9)
- The South West region has the renewable energy resources to meet more than 100% of its total <u>energy</u> needs, including replacement of liquid fuels and electrifying railways. We should aim to do this by 2050. According to a recent report by The Resilience Centre the South West has the potential to generate an estimated 68TWh of energy made up of 43TWh of electricity energy, and 25TWh of thermal energy. This equates to just over 100% of total future energy needs for South West assuming a 40% powering down due to energy efficiency measures by 2050. (10)
- A programme to deliver a 100% renewable energy target would create 122,000 jobs. The capital cost of delivering such a programme would be £59,484m, including £8,784m on Smart Grid energy storage. This is 72% of equivalent nuclear costs for delivering the same amount of energy.

"The new Government has a choice – go-ahead with the financial millstone of nuclear power with consumers paying for decades to come with much of the expenditure flowing out of the region, or develop a sustainable energy programme which will boost local jobs and the local economy. We urge them to choose the latter," said Jeffery

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Notes

- (1) Reuters 17th April 2015 <u>http://uk.reuters.com/article/2015/04/17/areva-nuclear-idUKL5N0XE11320150417</u>
- (2) Times 7th February 2015 http://www.thetimes.co.uk/tto/business/industries/utilities/article4346816.ece
- (3) Telegraph 5th March 2015 <u>http://www.telegraph.co.uk/finance/newsbysector/energy/11453149/EDF-</u> <u>Areva-investment-not-existential-for-Hinkley-Point.html</u>
- (4) Luxemburger Wort 29th April 2015 <u>http://www.wort.lu/en/politics/hinkley-point-c-luxembourg-to-file-complaint-against-uk-nuclear-power-subsidies-5540aa250c88b46a8ce584ac</u>
- (5) Argus Media <u>http://www.argusmedia.com/News/Article?id=1030825</u>
- (6) Becker Buttner-Held 12th March 2015 <u>http://www.beckerbuettnerheld.de/en/article/state-aid-for-hinkley-point-nuclear-power-plant-bbh-to-prepare-a-lawsuit-against-the-eu-commission/</u> and Ecologist 5th March 2015 <u>http://www.theecologist.org/News/news_round_up/2780807/greenpeace_energy_to_launch_legal_chal_lenge_to_uk_nuclear_subsidies.html</u>

- (7) Ecologist 11th March 2015 <u>http://www.theecologist.org/blogs_and_comments/Blogs/2787780/the_end_is_nigh_last_rites_for_hin</u> <u>kley_c.html</u>
- (8) Independent 5th March 2015 <u>http://www.independent.co.uk/news/business/news/governments-golden-share-request-could-stall-construction-of-hinkley-c-nuclear-plant-10086821.html</u>
- (9) RegenSW Manifesto http://www.regensw.co.uk/wp-content/uploads/2015/04/Manifesto 2015.pdf
- (10) The Power to Transform the South West, Resilience Centre and European Greens April 2015 http://mollymep.org.uk/wp-content/uploads/The-power-to-transform-the-South-West_FINAL1.pdf