

# TASC Bulletin 5



Together Against Sizewell C

January 2016

**EDF financial troubles continue** Serious financial problems at EDF headquarters in Paris are now becoming routine items for world money journalists and the world nuclear industry. Reuters press agency and World Nuclear News both report that EDF is having to open its books in advance of a shareholder meeting next month. Not only have they had to borrow money to pay shareholders (the French Government and a few others) a dividend, they are facing huge future costs for uprating safety standards after the Fukushima disaster in Japan. They have a big gap between the future estimates of waste storage, EDF saying it will cost €20bn and France's official nuclear waste agency saying €36bn. Then they still have to absorb ailing Areva who make the very expensive and not yet completed European Pressurised Water Reactor planned for Hinkley and Sizewell. To put it all in perspective, EDF UK have been coining it at about £1.5 bn a year gross profit. Hinkley will cost EDF at least £12bn (and China £6bn and the UK at least another £2bn). It's fair to guess that the UK profits have been going back to Paris not least because the £ is worth a lot extra to €shareholders. But even if all of the UK profit were retained here for Hinkley, it would take over 10 years to save up to pay for just Hinkley's two EPRs. The bad overall EDF financial news means it is extremely unlikely independent investors will come forwards, and as world energy prices keep falling, even the falsely high strike price for electricity isn't enough for them to risk good capital.

**The big – but maybe not big enough – EDF sell-off** The Financial Times sister paper Les Echos in Paris announced in the New year that EDF is to sell off half of its stake in France's national electricity grid and lots of other investments. Going are assets in Hungary and Austria, \$2 bn in the USA, and the big news, a 29% share in their UK nuclear reactor fleet which is valued at a mere £9bn, producing about £2.7bn. The total sell-off, to be completed by 2018 may raise about £8bn. The news was explained by EDF's overall debt figure in Paris of £27 bn. The report also reveals that some of this money is for Hinkley, but it can't be used twice so has to be assessed alongside the first story above. Meanwhile December's other news was that half of the £24 bn Hinkley investment (note the higher figure again) will go to overseas suppliers, and as much as 40% of these will be French. (Guardian 6.12.15).

**National Audit Office (UK Government) downgrades Hinkley infrastructure project** The

Government is so short of money (austerity/public debt etc) that an NAO report on priorities for national infrastructure spending has downgraded Hinkley to "amber/red" on a 5 colour scale starting with green and yellow. This comes just before the new Infrastructure Commission under former Labour minister Lord Adonis starts his own review work. If you ask why is Hinkley a matter for public finance downgrading if it is private, well the truth will out: official statistics now count the guarantees and strike price subsidy as 'public support' which at the end of the day will be down to the Treasury, even though they want us to pay for it through a consumer levy. That's the rub for them: a consumer levy is just a tax by another name. And the estimated cost of Hinkley? Well, the 2015 figure for "whole UK cost" is £14,286 million. In 2012 it was £21 million – not billion, just £21 million. The murk and smoke and mirrors have really gone berserk....By comparison, the whole HS2 railway programme is now to cost £43bn.

Apologies for all this financial stuff, but it paints a very different picture to the one coming from Sizewell EDF's public relations office. This suggests everything is hunky-dory and on track. It begs a big question about local politicians: do they know the truth about EDF finances? If so, why are they cheerfully spending our money on new road plans for Sizewell C? Suffolk County Council £450,000, Suffolk Coastal DC £50,000! Did we say spending, or should we have said wasting?

**Granite or blue clay?** An interesting aside is that France's proposed geological nuclear waste depository will be in a 15 square km blue clay belt north east of Paris. The UK's proposal remains in Lake District granite. There is some blue clay in the UK, some around North Norfolk/the Wash.

**Both roads campaigns, for B1122 and 4 Villages are rebranded** The two local roads campaigns have gone in for rebranding, while maintaining they are not anti-nuclear, which we in TASC find rather odd and not at all necessary. There is a perfectly sensible set of arguments, on traditional planning grounds, to say that more nuclear and very big nuclear at Sizewell is just not good for Suffolk. So much has changed: nature is more extensive in the huge Coastal AONB, nature is much more precarious, environmental laws are necessarily tougher, tourism has developed to being a core industry, a lot more housing causes overdevelopment strains, property prices depend on nature and landscape, not nuclear plants and, crucially, new energy technologies and old nuclear problems and risks make nuclear quite unnecessary, if it ever was.

Anyhow, lecture over, the Four Villages bypass campaign is now to be called the Energy Gateway and our local politicians are spending yet more money on another transport study. The B1122 campaign group have produced a new leaflet with a

demand for traffic engineers to find a new relief road direct from the A12 to Sizewell, south of Saxmundham and Leiston. This relaunches an old idea from Sizewell B days, then called the D2 road. There is to be a new local questionnaire: we suggest that if there are questions that can be answered to tell the truth about the traffic havoc coming, fill in the answers and write "No to Sizewell C " or something like that on the form. These campaigns are living in a phantasy world of national and local tax payers funding huge sums of money for EDF's benefit. They should recognise the realities and come off the fence (it must have been painful enough already to produce the rebrandings !) There is also a piece of political trickery mixed up in it all: under the well known Grampian planning doctrine, big developers like EDF are supposed to do their own funding of access routes and do them in good time to minimise social disruption. But if the road plans can be dressed up as in the public interest, and be charged to gullible taxpayers, the Grampian rule might not apply so directly. EDF could then start up without doing real access road work except bits needed 'directly' like from the existing B1122 to the employee camp and the construction yard. Many thoughts will emerge as the rebrandings come under the microscope of public opinion. One thought is what would anyone do with a new A12 relief road afterwards? Can't really see tourists flocking to visit the new Sizewell C reactors, especially if the wildlife has been trashed all around it.....

Meanwhile, the roads issues about Sizewell C are being played out amid campaigns for other (*to be made much worse by Sizewell C*) traffic problems in east Suffolk. The Saxmundham overdevelopment has led to a call for a big roundabout on the A12 access roads. Despite the dangers, Councillors say this won't have priority. Then there are the business lobbies for a new bridge over the Orwell inside Ipswich, a northern relief road between the A14 and A12. "No More A14 delays" lobby group says investment would bring £362m extra annual income to the area. A hugely costly 3<sup>rd</sup> crossing for Lowerstof is also being pushed. Sizewell C in context looks very different....

**Emergency services.** The blue light services resource issue is breaking into public debate alongside continuing pressure from TASC supporters about totally inadequate, uncertain and paper exercise assurances about what would happen with a major incident at Sizewell. Fire brigade cuts and new mini emergency vehicles and shortages of retained firemen and women mean Sizewell ought to boost its own fire services. There is a public consultation ongoing. Police cuts impact too while hospital and ambulance services are already at full stretch. French experience (EDF nuclear plant near Bordeaux) poses another problem: though sea defences had been updated some time ago, coastal flooding stopped outside emergency services even getting to a fire in the plant. Local coastwatch and border control experts are now starting to campaign about the lack of resources on Suffolk coast to deal with smugglers and the awful possibility of

terrorism. Thanks to the extensive report in the 'Anglian' (Monday 11<sup>th</sup> January). The Sizewell dimension of these emergency issues is being pursued through the Sizewell (B) Stakeholder Group, and is becoming a focus for serious TASC examination. SSG co-optee Pete Wilkinson said the SSG is toothless and walked out of the December meeting. Lord Deben, ex Tory Minister, says Britain needs a unified coast protection organisation to cope with flooding from climate change, while PM Cameron is coming under increased political pressure with 10% cuts in flood defence spending (excepting a 2013/4 one-off payment). Hinkley has suffered from what the National Audit Office calls "undelivered" flood defences (Guardian 12.15 Damian Carrington). The emergency debate is centring on total lack of credibility of paper modelling exercises and the need for a real life exercise to test local authorities and ONR (Office of Nuclear Regulation) assurance that everything is OK. This current issue connects to equal and longstanding concerns about overall community protection and evacuation. If Sizewell B becomes Sizewell C & D plus all of the waste stored on site, wouldn't there be 4 to 5 times the current risk levels? No-one has ever claimed bigger nuclear is safer: the exact opposite is more like the truth.

**Property prices truth emerges** Hidden away on Dec 30<sup>th</sup>, the 'Anglian' did a two page spread on property prices titled "Uncertainties over Sizewell C are a blight on property prices". Local estate agents, as they would, denied any problem, but amongst the worried is a former MP having problems selling a farmhouse on the B1122 route. And just think, if this is the effect of 'uncertainty' blight, what would be the effect of real construction and traffic blight for 10,15 and maybe even 20 years?

**AONB takes Section 106 planning money from EDF for waste store** As the new waste store nears completion, perhaps the strangest story of the season is that the AONB with Sizewell at its heart has taken money off EDF for, well, what? Section 106 money is supposed to compensate public authorities for developer costs. A small annual grant for a number of years and a six figure sum hopefully will not be enough to buy future silence from the AONB which is supposed to do its basic duty of protecting the Area of Outstanding Natural Beauty. Since the AONB's detailed management plan for the next few years hardly even mentions EDF at Sizewell, what does one expect?

**EDF pays "independent" Royal Town Planning Institute consultancy to advise towns and villages...** Well, more money slushing around as EDF pays the RTPI's Planning Aid service to advise on how to make voices heard on the coming Phase 2 consultation. All legal, of course, since developers are supposed to pay all the bills, but it's still a funny old world, isn't it? (Anglian Dec 28).

**Aarhus Convention now to be "fixed" by Government** The international legal convention providing help to the public to challenge government on disputed environmental decisions is to be watered down by the government. The key bit about increasing the costs limit is likely to be challenged. What are they frightened about?

**Bulletin available on- [tasizewellc.org.uk](http://tasizewellc.org.uk)**

**JOIN TASC?** Details to : TASC C/O  
Wood Farm, Westward Ho, Leiston, Suffolk IP164HT