

Energy Fair

Chris Huhne MP
Secretary of State for Energy and Climate Change
DECC
3 Whitehall Place
London
SW1A 2AW.

26th May 2010

Dear Chris Huhne,

Here, as promised in my recent email to you, is a printed copy of the *Nuclear Subsidies* report from the Energy Fair group.¹

As I mentioned, I would have preferred the LibCon Coalition to rule out any new nuclear power stations in the UK, but I'm somewhat reassured by the commitment that any new nuclear power stations should "receive no public subsidy" ("The Coalition: our programme for government", page 17).

As you will know, existing nuclear installations in the UK enjoy a range of subsidies. The main ones are described in some detail in the *Nuclear Subsidies* report:

- *Limitations on liabilities*: the operators of nuclear plants pay much less than the full cost of insuring against a Chernobyl-style accident or worse.
- *Underwriting of commercial risks*: operators of nuclear plants cannot be allowed to fail.
- *Protection against terrorist attacks*: at least some of the cost of protection against terrorist attacks is born by the Government.
- *Short-to-medium-term cost of disposing of nuclear waste*: operators of nuclear plants are not paying the full cost of disposing of nuclear waste.
- *Long-term cost of disposing of nuclear waste*: much of the long-term cost of disposing of nuclear waste will be paid by people who are not yet born.
- *Underwriting the cost of decommissioning nuclear plants*: the Government bears the risk of cost over-runs in decommissioning nuclear plants.
- *Institutional support for nuclear power*: the Government is providing various forms of institutional support for the nuclear industry.

Please would you confirm that these subsidies for existing nuclear installations will *not* be provided for any new nuclear plants in the UK.

Dr Gerry Wolff PhD CEng

Energy Fair

¹ An electronic copy, with live links, may be downloaded from <http://www.mng.org.uk/nsubsidies.pdf>.

Contact: Dr Gerry Wolff PhD CEng, Energy Fair, 18 Penlon, Menai Bridge, Anglesey, LL59 5LR.
E-mail: nuclearsubsidies@gmail.com, Phone: +44 (0) 1248 712962, Web:
www.energyfair.org.uk.