

Press Release

15 September 2016

UK government gives final go-ahead to Hinkley Point C



On 15 September, the UK government gave its final approval to the construction of two EPR reactors at Hinkley Point C (HPC) in the south-west of England. FORATOM strongly welcomes the final go ahead given to the project, which is an important milestone for the future of nuclear energy in Europe. Such new nuclear investments will play an important role in decarbonising the EU's electricity generating sector by 2050, while at the same

time boosting the economy and securing the electricity supply.

Last July, EDF Energy made a final investment decision regarding the HPC project, but shortly afterwards the new government announced it would take some time to review the project and today reached its decision. The resulting revised agreement with EDF confirms the original deal, but gives the government the power to intervene should EDF, before or after completion of construction, decide to sell its stake.

Moreover the government adopted a new legal framework which introduces “a consistent approach to considering the national security implications of all significant investments in critical infrastructure, including nuclear energy”. Several other nuclear new build projects are currently being developed in the UK. “*Britain needs to upgrade its supplies of energy, and we have always been clear that nuclear is an important part of ensuring our future low-carbon energy security.*” Greg Clark, Secretary of State for Business, Energy and Industrial Strategy, said.

“The approval by the UK government of the HPC project sends a positive signal for future nuclear investments all across Europe. As acknowledged by the European Commission (EC), the current EU Single Electricity Market fails to provide a sufficient market signal to investors in low-carbon energies. The ‘contracts for difference’ (CfD) investment model that underpins the HPC deal, along with the one used in Finland, provide effective market mechanisms that address this failure. I urge the EC to propose a new Energy Market Design that facilitates investments in all low-carbon energy sources, renewables and nuclear, in order to shape Europe’s low-carbon economy.” Jean-Pol Poncelet, FORATOM Director General, said.

For further information, please read the press releases of [the UK government](#), [EDF](#) and [EDF Energy](#).

Notes to the Editor: The 129 nuclear reactors currently operating in Europe generate 27 % of the EU's total electricity and half of its low-carbon electricity.