

# Energy paper launches consultations

We waited a long time for an energy policy. The energy paper released yesterday still leaves open how we will expand capacity to allow for an industrial recovery and cut our dependence on imported electricity.

Whilst we read that new nuclear is a good answer in the press, what the paper says is

“No decision has yet been taken to proceed with Sizewell C” and the government is working on “creating an up to £385 million Advanced Nuclear fund to support the development of small modular reactors”

There is the suggestion the whole of this Parliament will be spent negotiating and planning a possible new nuclear power station with no guarantee it will be built. They also hope for modest grants to companies who might be able to commercialise smaller nuclear generation plants in due course.

The paper suggests a doubling of electricity capacity in total, but this seems to rely on the pledge already made to take offshore wind power up to 40GW. There is no satisfactory account of what the stand by or back up power will be, given the unreliability of wind power and the clear indication there might not be new nuclear after all.

The only new policy which kicks in from 1 January 2021 is a UK Emissions trading system to replace the EU with the promise that it will be tougher, implying dearer power.

We need a greater sense of urgency and some investments soon to secure the extra capacity this country already needs. We also need better policies for cheaper power for industry, in order to win back lost market share in making and growing things. The affordability package is targetted on retail consumers alone.