



June 2010

## **Tell the Government you won't pay for nuclear power**

A *Consultation on a methodology for determining a Fixed Unit Price for waste disposal and updated cost estimates for nuclear decommissioning, waste management and waste disposal*.<sup>1</sup> is currently being run by the Department of Energy and Climate Change. This was launched just before the election by the last Government, so you may not know much about it.

This briefing explains what the consultation covers, the relevant issues and how you might like to respond to proposals that could see the nuclear industry get massive subsidies if these ideas go unchallenged.

**The consultation closes on Friday 18<sup>th</sup> June. Submissions must be received by then.**

Send your response to: [decomguidance@decc.gsi.gov.uk](mailto:decomguidance@decc.gsi.gov.uk)

You can ask for hard copy of the consultation document by emailing: [decomguidance@decc.gsi.gov.uk](mailto:decomguidance@decc.gsi.gov.uk)

### **What's the consultation about? Giving the nuclear industry a subsidy!**

- The last Government launched a consultation on the issue of a Fixed Unit Price (FUP) to cover the disposal costs of nuclear wastes from new reactors.
- The FUP will, supposedly, cover the cost of disposing of intermediate level waste (ILW) and spent fuel from new nuclear stations. The FUP funds might also have to cover other costs e.g. replacement / refurbishment of any shared facilities for legacy and new build wastes.
- The proposals in the document will impact not only on nuclear waste and spent fuel disposal costs, but will also have ramifications for reactor sites.
- Well respected nuclear economists have already cautioned the FUP effectively represents a subsidy to new build operators<sup>2</sup> as it caps the cost to the operator of nuclear waste disposal and transfers the risk of cost overruns to the taxpayer.

### **What can you do?**

The new Government has said it will not provide a subsidy to any new nuclear operators. This is your opportunity to help get the FUP proposals abandoned. The Government must be made to scrap the consultation, which was part of the 'facilitation' programme for new build put together by the previous Government. You can help change things so the industry is made to bear all the costs of nuclear power generation. It is important that you respond. The end of this briefing gives suggested replies to the questions put in the consultation

### **The industry has lobbied to try to make it easier to get subsidies**

The two significant changes in the consultation document from earlier proposals are that:

- Operators do not have to actually set a FUP *before* construction - this may be deferred for up to 10 years after reactors start operating. Instead they can opt for an 'expected' FUP (eFUP) - which means they pay less of a risk premium up front e.g. the eFUP would be agreed before reactor operations in 2018 but only finally set 10 years later in 2028.
- the Government will take 'title and liability' to the wastes and spent fuel at the end of reactor decommissioning, possibly before a disposal facility is available or, if one is available, before new build wastes can be disposed of.

Documents released through Freedom of Information requests reveal the changes have been lobbied for by

the nuclear industry.<sup>3</sup> It claims without the changes new build may not be economically viable.

### **Why has industry lobbied for these changes?**

#### FUP and eFUP

The proposal to defer a FUP is to give operators more time before a price for disposal is set. In theory, there will be greater certainty on disposal costs in the next 15-20 years, meaning that when the industry does set a price it won't have to pay such a big 'risk premium' to cover unforeseen price hikes.<sup>4</sup>

Instead of a FUP operators will be allowed to defer this matter and prospective investors will be offered an "expected Fixed Unit Price" (eFUP). The eFUP provided by the Government is likely to include a smaller risk premium and therefore be lower than a FUP offered years later. Increases to costs could, however, come much later than when a final FUP is actually set e.g. if a central legacy / new build spent fuel store needed refurbishing (which could be quite possible if disposal is delayed). Such cost increases could come after reactors have been built, operated and decommissioned!

There's no guarantee the cost estimates used as the basis for a FUP decided in two, or even twenty, years time are going to be any more certain than any set now. DECC concedes that estimates for decommissioning and waste management, as well as disposal, have increased substantially since 2007. In fact they have virtually doubled because "important assumptions have been revised". DECC notes:

*"The scope of the costs covered by the 2007 estimate did not include all the aspects of waste management currently anticipated for new nuclear power stations in the UK. In particular the source data on which it was based will not have taken account of the requirement for an extended period of interim storage for spent fuel and ILW prior to disposal in a GDF, nor the costs of encapsulation of spent fuel for disposal."*<sup>5</sup>

The final amount in the funds to cover the FUP will be reliant on accurate predictions of the future performance of the stock market, since funds set aside at the start of reactor operations will need to be invested to make up the full amount needed. Up to 83% of the cash required is expected to come from interest payments.<sup>6</sup>

It has been estimated the commercial price for nuclear waste disposal for each new reactor would be around £1bn - £1.4bn. To cover this, nuclear operators will make payments into a pension-type fund. To reach the necessary level of funding required funds in 2110 will depend on the performance of the stock market over the next century – which is virtually impossible to predict.

#### Early transfer of title and liability of the wastes and spent fuel

The second change proposed is also important, because the 'early' transfer of title and liability of the wastes means the industry gets to hand over the money - and its legal obligations - much sooner than under previous proposals. Originally the industry was to have handed over the funds when it transferred the wastes just before disposal. The consultation notes now that:

*'The Government considers that it is better placed than an operator to manage the risk and proposes that the transfer of title and liability be brought forward (Early Transfer) and the Transfer Date be aligned with the operator's decommissioning timetable.'*

The idea is that the Government take title to nuclear waste and spent fuel earlier, so that it is aligned with the operators decommissioning timetable rather than waiting for the Geological Disposal Facility (GDF) to be available. If the Government were to wait until the GDF is available this would mean the operator would be responsible for the on-site interim storage of waste and spent fuel for several decades after revenues from the nuclear power station had ceased, and potentially for many years after it has been otherwise decommissioned. The Government insists, however, that "operators will meet their full share of waste management costs. The Government would therefore need to be compensated for the waste management costs that it would incur from Early Transfer." (NFLA para. 2.5). Under this arrangement there is clearly a risk being transferred to the taxpayer.

#### **Do we want a fixed unit price at all?**

No, for this to be anything like a fair deal the industry should be made to pay whatever it actually costs to dispose of the waste and spent fuel - *if and when* that happens. Nor should it be allowed to walk away from its responsibilities after reactor decommissioning by handing over the waste disposal funds (and legal duties) to the Nuclear Decommissioning Authority (NDA) to take care of the liabilities.

#### **What else does the consultation discuss?**

The FUP/eFUP is one part of the Funded Decommissioning Programme (FDP) the Government has said

new reactors operators are to have in place *before* construction can begin.<sup>7</sup> In addition to the fixed unit price monies, under the FDP operators will also have to accumulate funds separately to cover some parts of spent fuel and ILW storage as well as transport and encapsulation (packaging prior to disposal). This money, from an independent fund, will be handed over as part of lump sum to Government. As with the FUP, it is assumed the money handed over will be enough to cover any additional costs which arise. As discussed later in this paper, there are uncertainties over encapsulation costs too (see DECC para 32.2. and 5.3.6).

The operator will be required in its FDP to estimate waste management costs and these must be independently verified, periodically reviewed and agreed by the Secretary of State. The operator will continue to be required to make provision for all costs in the independent fund up to the point waste is sent for disposal. With the costs associated with the GDF, the Government is proposing to take on the risks, whereas with encapsulation and interim storage the risks may (or may not) be left with the operator - depending on what is decided in years to come.

Most importantly, the case for the Government and taxpayer taking on any risk for any of the waste and spent fuel management and disposal costs from new build has not been made. It is likely the uncertainties over costs for management and disposal of waste and spent fuel will continue for many decades. Either way, *all* risks should continue to reside with the operator and the Government should regulate to ensure that sufficient funds are set aside for all activities with no chance of any risk being transferred to the taxpayer.

### **Hasn't storage and management been sorted out?**

No, there are several scenarios for what might happen to ILW and spent fuel prior to disposal - all of these have financial and practical implications. The exact designs for spent fuel stores may not, according to the Committee on Radioactive Waste Management, be known until well after reactor operations have started.<sup>8</sup> This makes the reactor application process (which is meant to cover all relevant facilities) even more of a headache for local people, their councils and even national planning organisations.

Although the consultation document refers to different options the storage and disposal of nuclear waste from new build it does not adequately convey the level of uncertainty on these matters. These are:

- Spent fuel may be wet or dry stored (this has longer term management and disposal implications)
- Spent fuel is to be kept on-site at reactors.<sup>9</sup> Or, it could, pending a period of on-site storage be moved to a regional or central store.<sup>10</sup> These stores could be company owned or - more likely - Government owned (and possibly taxpayer subsidised).
- Spent fuel may be stored for only 5 years (pending possible removal to a central storage facility) or 10 years,<sup>11</sup> 12 but possibly up to 50 years, 13 10014 or 160 years (on or off-site).<sup>15</sup>
- Spent fuel will be encapsulated (possibly on site by the operator) or at a central site by the NDA.<sup>16</sup>
- Stores may or may not need to be replaced.<sup>17</sup> Stores on-site may be above ground or underground.<sup>18</sup>
- Even if no GDF has yet been built, or ready to take new build wastes, the Government / NDA will probably take early title and liability to the wastes and spent fuel.<sup>19</sup>
- There may be one or two geological disposal facilities depending on the timing of availability of a repository (i.e. how long it is kept open) and also the amount of waste produced.<sup>20</sup>

Encapsulation is a particularly problematic step in the process - with both the technology and the financing unclear. The consultation notes: "*this uncertainty is considerable, particularly around the costs of encapsulation, and hence the additional risk premium would be large.*"<sup>21</sup> It is envisaged encapsulation will not take place until 2125-2129<sup>22</sup> - some 65-70 years after reactor closure which according to the DECC base case would be in 2060 (assuming forty years of operations, starting in 2020 and ending in 2060).

Greenpeace asked the Commons Energy and Climate Change Committee to examine whether the industry will share encapsulation costs with the NDA in case it potentially constituted an indirect subsidy (as this depends on how costs for encapsulation facilities are allocated).<sup>23</sup> The various time lines and practicalities of managing wastes (on or off-site) and disposing of it could impact significantly on new reactor communities, and possibly the 'host' community for a GDF up to the end of the next century. Much depends on what happens and where e.g. whether a central store and/or encapsulation plant goes ahead and if it is sited near a repository (but that would have to follow a GDF community agreeing to taking new build wastes). If not, longer-term storage and encapsulation will probably continue at reactor sites. Either way, these are issues everyone has to take into account.

The absence of a set plan - despite the indication for some Government preference for certain activities at

reactor sites (e.g. encapsulation) is very much to do to industry lobbying so it can not be held to any commitments.

### **Once title and liability is transferred to the NDA won't the spent fuel and waste be moved?**

No one knows. Transfer of legal responsibility and funds could entail only a paper transfer - it relates to when the reactor is decommissioned. It has been suggested in earlier government consultations that the ILW and spent fuel could remain in store at reactor sites for many decades after the transfer of title and liability to the NDA with the authority taking over operation of stores.

### **How will we know it's a fair deal on funding and waste management agreements?**

You won't. In fact, under the last Government's plan, the public would not have been able to even comment on the FUP proposals as originally this was presented for 'information' only. It has since issued three pre-consultation papers (which few people were aware of). Even the current consultation does not disclose all relevant information. For example, DECC has decided it won't reveal all the relevant financial information on how it has arrived at certain figures.<sup>24</sup> Once the consultation is finalised, and depending on Government processes and decisions, the actual determination of the decommissioning programmes, the issues around financing for storage and packaging of spent fuel, as well as the FUP itself, could all be decided behind closed doors between industry and Government officials! Public and Parliament will have no further say in the matter as it is then left to the Secretary of State to sign-off on the deals - unless the whole consultation and the proposals in it are challenged.

### **How to challenge the proposals - stop the rush for subsidies.**

Below are the consultation questions and suggested responses.

#### **Chapter 3: The methodology to determine a Fixed Unit Price**

*1 Do you agree or disagree that prospective operators of new nuclear power stations should be given the option to defer the setting of their Fixed Unit Price? If so, do you agree that this deferral should be limited to 10 years after the nuclear power station has commenced operation? Do you have any comments on the way the Government proposes to determine an expected Fixed Unit Price as the basis for an operator's interim provision in the event that they choose to defer the setting of their Fixed Unit Price?*

#### **Answer:**

We disagree with the proposals for either an eFUP or FUP. The proposals, put forward by the Labour Government, must be rejected. If the industry wants new build it should be made to pay the full price of waste disposal - up to the time of disposal - whatever the costs. The Government must enact legislation on this.

A FUP is effectively a cap on liabilities which leaves the taxpayer at risk of having to find additional funds. Setting a FUP in the very near future is plainly not acceptable to the industry hence the proposal for an eFUP. The eFUP is meant to allow for greater certainty on disposal - if such certainty can be gained within the proposed ten years after reactor operations commence. Earlier efforts to accurately estimate costs for waste and spent fuel management and disposal have been shown to have failed<sup>25</sup>, yet we are now being asked to assume the methodology is correct for setting a FUP some years hence (and that other costs estimates and methods for arriving at them will also be correct). This is clearly untenable.

Instead of proceeding with this consultation the Government should re-examine waste funding arrangements. Operators should be made to put away the amount of money necessary to deal with the wastes and spent fuel as and when they are created. Operators must put waste funding before paying out dividends to investors. There does not seem to any guarantee against "the investor first, waste fund second" scenario happening again (as was with British Energy when it almost went bankrupt in 2002).<sup>26</sup> Funding cannot be allowed to be dependent on accruing interest to make up the majority of the funds - as is currently proposed.

#### **Question 2**

*Do you agree or disagree with the proposal that the Schedule for the Government to take title to and liability for an operator's waste should be set in relation to the predicted end of the decommissioning of the nuclear power station? Do you have any comments on the way the Government proposes to recoup the additional costs it will incur in this case?*

#### **Answer:**

We disagree. The Government must reject this proposal. Operators must remain financially and legally liable for their waste and spent fuel until such time as it can be disposed of - if and when that happens. That way if

there are additional costs e.g. extended storage, it is the industry that has to pay any extra monies needed. If the Government were to take title and liability to the wastes and spent fuel at the end of reactor decommissioning there is a risk that taxpayers will have to subsidise further care and maintenance of the wastes and stores. The process put forward by the last Government does not all for public or Parliamentary scrutiny to review any of potential cost increases. The continuing lack of transparency by DECC on this, in its decision not to publish cost modelling data (para 5.1.4) is indicative of closed door nature of the discussion around these issues.<sup>27</sup> This is not acceptable. The Government should release all information relating to cost estimates.

The consultation claims that because of the very long timescales involved it considers the Government is better placed than an operator to manage cost risks<sup>28</sup>, so it will take title and liability earlier in line with the operator's decommissioning timetable, rather than in line with the estimated availability of a GDF. This is another way of saying the risk will transfer to the taxpayer. Operators should be made to pay for all costs for waste and spent fuel management which fall outside of FUP funding. There is a risk that shared facilities for legacy and new build (e.g. for spent fuel encapsulation) could also lead to taxpayer subsidies - particularly if the monies for these are paid as a lump sum when title and liability is transferred.

### Question 3

*Do you agree or disagree that the proposed methodology to determine a Fixed Unit Price strikes the right balance in protecting the taxpayer, by taking a prudent and conservative approach to cost estimation, while facilitating new nuclear build by providing certainty to operators? What are your reasons?*

#### Answer:

It is not possible to determine if the proposed methodology to determine a FUP is correct. The consultation did contain all the relevant information to determine whether DECC's calculations are correct. Too many uncertainties remain. This consultation is just one of many actions taken to facilitate new build rather than stopping the process to allow for a full examination of the costs and the uncertainties. It is clear the benefit of this exercise, by the previous government, was to favour potential new build operators over the interests of taxpayers.

As has been noted, the idea of the taxpayer "facilitating new nuclear build" by accepting the risk that cost estimates made now about something which will not happen until 2130, in order to provide "certainty to operators" is verges on the reckless. If utilities are not prepared to accept the risks and the uncertainties associated with all waste management and disposal costs they should opt for other forms of low carbon generation or efficiency measures with lower risks.

*Question 4 Do you agree or disagree with the proposed approach to determining an operator's contribution to the fixed costs of constructing a Geological Disposal Facility? What are your reasons?*

#### Answer:

The consultation makes it clear there are many uncertainties over the GDF. Apart from the issue of the geology of any GDF, there are many other technical, social/political and financial issues around the GDF. For example, the issue of voluntarism for the GDF is barely mentioned in the document, yet there is an overwhelming assumption in the whole cost modelling that there is a community which will accept new build waste and that a second GDF would only be considered in light of a much larger than planned fleet of new reactors.

What if no new build waste is accepted into the 'first' GDF? The issue of the inventory for a repository has not yet been discussed by the current Managing Radioactive Waste Safely Partnership in Cumbria. The result of any discussions, when they do take place, may be that they will not accept new build waste being disposed of with legacy wastes - or may do so only up to a certain point (in terms of volume or time). The actual community asked to host the repository (as opposed to those involved in the Partnership now) may object to taking legacy *and* new build wastes and spent fuel. The consultation makes too many assumptions about the GDF for any decisions now to be at all realistic or guaranteed.

Even if all such matters were resolved - and they may not be for many years - the idea of new build operators paying possibly a relatively lower proportion of the costs, when their wastes could clearly contribute to a significant increase in the GDF costs, is not acceptable. The volume of new build waste in addition to that of legacy waste is estimated at 10%. New build spent fuel could add 50-55% to the volume over that of legacy high level wastes and spent fuel - but there is no mention of the fact the new build waste will contain three-fold the amount of radioactivity of that in all legacy wastes. It is understood that new build operators may not pay towards any benefits package associated with the GDF (this cost will presumably be borne solely by the NDA/taxpayer). This is not reasonable, particularly in light of the additional problems new

build disposal would bring - e.g. a much longer operational period for the GDF itself.

The proposal that new build operators pay only for marginal, incremental costs additional to the whole GDF programme is not equitable. They should be made to pay the full amount, properly costed e.g. proper allocation for the all resources needed for construction, operation and any ongoing care and monitoring. In addition, they should make a contribution towards the estimated £1bn already spend on developing a GDF design. It is understood this is not included in new build waste estimates.

*Question 5 Do you agree or disagree with the proposal that the units to be used for the Fixed Unit Price are pence per kWh for spent fuel and cubic metres of packaged volume for intermediate level waste? What are your reasons?*

**Answer:**

The consultation does not make it clear how operators will make up any shortfall in waste funds, and within what time frame, if there is any decrease in electricity prices. Presumably such matters will be dealt with under the annual or five year reviews of the Funded Decommissioning Programmes. The consultation document does not make this clear. Unfortunately, due to the closed door nature of future deliberations on these matters (between industry, officials and with only 'advice' from the Nuclear Liabilities Financing Assurance Board) public and Parliament will have to take these matters on trust. Given the current all-time low in public confidence in how Government takes care of financial monitoring and budgeting in almost every sector, it is hardly surprising that critical questions are being asked - and will continue to be asked - of the proposed arrangements.

*Question 6 Do the updated cost estimates represent a credible range of estimates of the likely costs for decommissioning, waste management and waste disposal for a new nuclear power station?*

**Answer:**

There are too many unknowns for the Government, industry, public or Parliament to sign off on this issue now. Major issues such as possible reprocessing of spent fuel from new build have been left open for possible future discussion. The implications of such a possible change to spent fuel management, which would have massive financial and environmental impacts, should be part of discussions now before any further steps are taken to allow new build.

- 1 [http://www.decc.gov.uk/en/content/cms/consultations/nuc\\_waste\\_cost/nuc\\_waste\\_cost.aspx](http://www.decc.gov.uk/en/content/cms/consultations/nuc_waste_cost/nuc_waste_cost.aspx)
- 2 Prof Gordon MacKerron [http://www.sussex.ac.uk/sussexenergygroup/documents/decom\\_funding\\_consultation\\_gm.pdf](http://www.sussex.ac.uk/sussexenergygroup/documents/decom_funding_consultation_gm.pdf)  
Ian Jackson - <http://www.neimagazine.com/story.asp?storyCode=2049209>  
Waste cost threat to nuclear plans <http://www.ft.com/cms/s/0/377b929c-fb9e-11dc-8c3e-000077b07658.html>, Jean Eaglesham, Chief Political Correspondent Financial Times: March 27 2008
- 3 EDF ran secret lobbying campaign to reduce nuclear waste disposal levy, Guardian, 2 June 2010  
<http://www.guardian.co.uk/business/2010/jun/02/edf-nuclear-waste-lobbying>
- 4 [http://www.nuclearpolicy.info/docs/nuclearmonitor/NFLA\\_New\\_Nuclear\\_Monitor\\_No21.pdf](http://www.nuclearpolicy.info/docs/nuclearmonitor/NFLA_New_Nuclear_Monitor_No21.pdf)  
We recommend the Nuclear Free Local Authorities briefing on FUP for those who want more information on some of the background
- 5 [http://www.decc.gov.uk/en/content/cms/consultations/nuc\\_waste\\_cost/nuc\\_waste\\_cost.aspx](http://www.decc.gov.uk/en/content/cms/consultations/nuc_waste_cost/nuc_waste_cost.aspx) Para 5.3.20
- 6 The Economics of New Nuclear Build at Sellafield. Presentation by Ian Jackson. Slide Share 7th July 2009  
<http://www.slideshare.net/jacksonconsult/new-nuclear-reactor-buildat-sellafield>
- 7 Two sets of guidance were consulted on in February 2008 - Decommissioning and Waste Management Plan (DWMP) guidance - which will assist operators in setting out and costing the steps involved in decommissioning a new nuclear power station and managing and disposing of hazardous waste and spent fuel. The guidance will include a Base Case, which will set out a way to estimate the potential costs for decommissioning and waste management. Yet, as explained, many of the steps in the waste management plans will not be finalised until a reactor starts operations; Funding Arrangements Plan (FAP) guidance - which will assist operators in setting out acceptable financing proposals to meet the costs identified. It will set out the guiding principles by which the Government would expect to assess the funding proposals submitted by operators as part of their FDP for approval under the provisions in the Energy Act.  
<http://webarchive.nationalarchives.gov.uk/http://www.berr.gov.uk/consultations/page44784.html>
- 8 <http://www.corwm.org.uk/Pages/e%20Bulletins/Forms/DispForm.aspx?ID=49> See para 25-27 CoRWM doc. 2748 Final (2 March 2010) 2748 Final NPS Cons Resp 2 Mar 10 Page 1 of 22 Response from the Committee on Radioactive Waste Management to the Government Consultation on the Draft National Policy Statement for Energy Infrastructure.
- 9 [http://www.decc.gov.uk/en/content/cms/consultations/nuc\\_waste\\_cost/nuc\\_waste\\_cost.aspx](http://www.decc.gov.uk/en/content/cms/consultations/nuc_waste_cost/nuc_waste_cost.aspx) Para 5.3.25
- 10 [http://www.decc.gov.uk/en/content/cms/consultations/nuc\\_waste\\_cost/nuc\\_waste\\_cost.aspx](http://www.decc.gov.uk/en/content/cms/consultations/nuc_waste_cost/nuc_waste_cost.aspx) Paras 5.3.6 and 5.3.28
- 11 <http://www.berr.gov.uk/files/file49349.pdf> Para. 2.13
- 12 <http://www.berr.gov.uk/files/file49231.pdf> Para. 5.43
- 13 Email from NDA to Greenpeace, 9th January 2008.

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- 14 <http://www.berr.gov.uk/files/file44486.pdf> Para. 4.2.42
- 15 <http://data.energyngpsconsultation.decc.gov.uk/documents/npss/EN-6.pdf> Para. 3.8.17
- 16 Footnote 21, page 23, Para 5.3.28  
[http://www.decc.gov.uk/en/content/cms/consultations/nuc\\_waste\\_cost/nuc\\_waste\\_cost.aspx](http://www.decc.gov.uk/en/content/cms/consultations/nuc_waste_cost/nuc_waste_cost.aspx)
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[http://www.decc.gov.uk/en/content/cms/consultations/nuc\\_waste\\_cost/nuc\\_waste\\_cost.aspx](http://www.decc.gov.uk/en/content/cms/consultations/nuc_waste_cost/nuc_waste_cost.aspx) Para 36
- 18 <http://www.berr.gov.ukwww.berr.gov.uk/files/file47137.pdf> Para. F.30
- 19 [http://www.decc.gov.uk/en/content/cms/consultations/nuc\\_waste\\_cost/nuc\\_waste\\_cost.aspx](http://www.decc.gov.uk/en/content/cms/consultations/nuc_waste_cost/nuc_waste_cost.aspx) Para 1.9
- 20 [http://www.decc.gov.uk/en/content/cms/consultations/nuc\\_waste\\_cost/nuc\\_waste\\_cost.aspx](http://www.decc.gov.uk/en/content/cms/consultations/nuc_waste_cost/nuc_waste_cost.aspx) Para 4.3.19
- 21 [http://www.decc.gov.uk/en/content/cms/consultations/nuc\\_waste\\_cost/nuc\\_waste\\_cost.aspx](http://www.decc.gov.uk/en/content/cms/consultations/nuc_waste_cost/nuc_waste_cost.aspx) Para 3.32.28
- 22 [http://www.decc.gov.uk/en/content/cms/consultations/nuc\\_waste\\_cost/nuc\\_waste\\_cost.aspx](http://www.decc.gov.uk/en/content/cms/consultations/nuc_waste_cost/nuc_waste_cost.aspx) Para 5.5.19
- 23 In reply to an FOI request the NDA has stated that: *“The operator of a new build power plant will be responsible for the cost of managing their waste pending disposal, which includes the cost of packaging spent fuel (SF). This does not necessarily mean that the operators will package the SF themselves. They may do so, or they may contract with a 3rd party to encapsulate their SF. In their Funded Decommissioning Programme (FDP) the operator must set out the steps they propose to take to manage their waste and have this plan approved by Secretary of State. These plans will be regularly reviewed and operators can submit modifications to their plans for approval. The Government might need to undertake the necessary steps to package the SF into a disposable form. The costs of encapsulation will be a cost for which the operator will have made provision in their independent Fund and in these circumstances the amounts that operators have budgeted for these costs (set out in their FDP and agreed with the Secretary of State) would pass to the Government when title to and liability for the waste transfers, to cover the costs of performing this.”*
- 24 [http://www.decc.gov.uk/en/content/cms/consultations/nuc\\_waste\\_cost/nuc\\_waste\\_cost.aspx](http://www.decc.gov.uk/en/content/cms/consultations/nuc_waste_cost/nuc_waste_cost.aspx) Para 5.14
- 25 [http://www.decc.gov.uk/en/content/cms/consultations/nuc\\_waste\\_cost/nuc\\_waste\\_cost.aspx](http://www.decc.gov.uk/en/content/cms/consultations/nuc_waste_cost/nuc_waste_cost.aspx) Paras 5.3.20 - 5.3.21
- 26 [http://www.nao.org.uk/publications/0506/restructuring\\_of\\_british\\_energy.aspx](http://www.nao.org.uk/publications/0506/restructuring_of_british_energy.aspx) Page 52
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[http://www.decc.gov.uk/en/content/cms/consultations/nuc\\_waste\\_cost/nuc\\_waste\\_cost.aspx](http://www.decc.gov.uk/en/content/cms/consultations/nuc_waste_cost/nuc_waste_cost.aspx) Para 5.1.4
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[http://www.decc.gov.uk/en/content/cms/consultations/nuc\\_waste\\_cost/nuc\\_waste\\_cost.aspx](http://www.decc.gov.uk/en/content/cms/consultations/nuc_waste_cost/nuc_waste_cost.aspx) Para 1.10