

NEW NUCLEAR AND RAB FUNDING



GMB position

- The UK is facing a new energy crisis as all but one of our operational nuclear plants are due to come offline by the end of the decade.
- The labour movement has an agreed position: **TUC Congress and Labour Party Conference have recently carried policy in favour of Sizewell C and new nuclear** – nuclear workers now need Labour support in Parliament.
- Investment in nuclear is needed to preserve a balanced energy mix. Intermittent renewables must be complimented by the stable nuclear baseload. **There is no viable route to net zero without new nuclear.**
- The nuclear industry supports more than 60,000 often well-paid and unionised jobs in operations and the supply chain. **Most of these jobs will be lost without new nuclear** and – subject to Parliamentary scrutiny – a Regulated Asset Base funding model should be supported as the best way of delivering investment in Sizewell C.

TUC and Labour Party positions

In September 2021, TUC Congress carried [a motion](#) in support of ‘the construction of new nuclear plants, benefiting communities from Sizewell to West Cumbria, and the development of Small Modular Reactors.’

Labour Party Conference 2021 also resolved ‘to support a just transition toward a low-carbon economy, including ... new nuclear plants, including Sizewell C and Small Modular Reactors’ (Green New Deal 2 – Composite 2).

Nuclear and the road to net zero

Nuclear consistently provided around a fifth of the UK’s electricity generation until recent years.¹ Nuclear is classed as part of the Low Carbon and Renewable Energy Economy (LCREE) by the ONS.

¹ In 2020 the share fell to 14% due to power outages associated with the age of the UK’s nuclear fleet.

Nuclear provides 35 per cent of the UK's clean electricity but 4 of 7 stations will be gone by March 2024, and all but one by 2030. Without urgent investment, emissions will rise and grid instability will increase.

Nuclear jobs

Nuclear currently supports 61,000 jobs across the UK – see the NIA's [jobs map](#) for constituency figures in 2021. At the peak of construction, Sizewell C will support 24,000 jobs directly and its supply chain.

The average full-time salary for workers in 'processing of nuclear fuel' occupations was £55,193 in 2020 – 75 per cent higher than the average for all jobs (ONS, Annual Survey of Hours and Earnings 2020).

Each nuclear job supports a further 1.6 jobs in the wider economy – one of the highest multipliers in the Low Carbon and Renewable Energy Economy.

Nuclear funding – Regulated Asset Base (RAB)

GMB believes that direct funding out of public borrowing or taxation is the best means of funding large infrastructure. However – subject to Parliamentary scrutiny – a RAB scheme should be supported as the mechanism on the table for getting spades in the ground.

Under the RAB system, the nominated Regulator periodically review the value of the infrastructure, and allow promoters to borrow against the value of the RAB up to defined limits (avoiding the fixed long-term subsidy commitments of the strike price model). A portion of costs will also be met through a levy on bills. Variations on this approach are widely used in the utility and rail sectors.

GMB's position is that investment is needed now, and if direct funding is not on the table then a RAB model should be adopted to ensure that vital investments in Sizewell C and other projects can go ahead. A political decision is urgently required on future funding models.

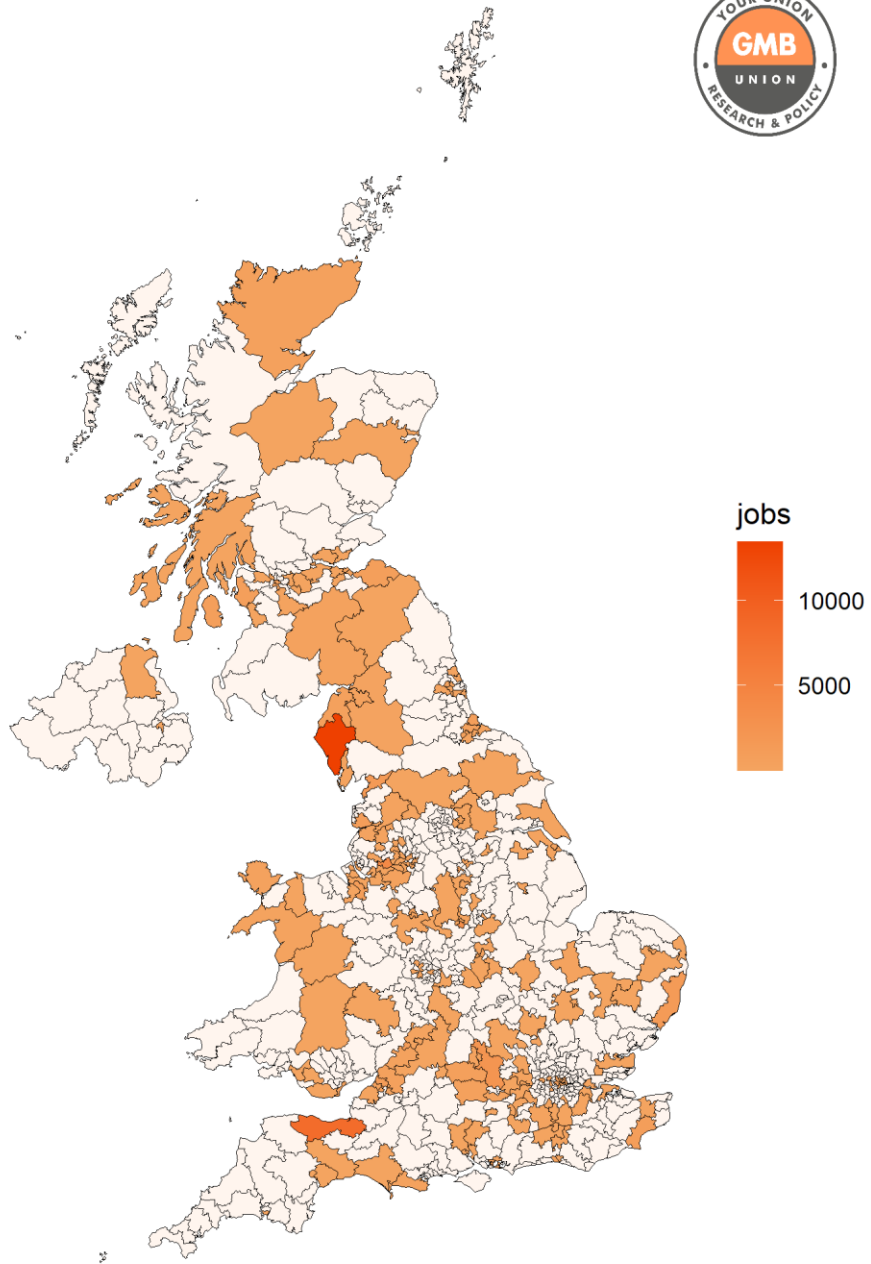
Safety – statistics

All energy sources have a deaths per terawatt-hour estimate. Nuclear's estimate of 0.07 is indistinguishable from wind energy's 0.04 ([source](#)).

Cost – comparable estimates

The International Energy Association has [said](#) that the whole-life costs of nuclear are comparable with renewables, and the Levelized Cost of Electricity is lower for new nuclear than offshore wind.

Number of nuclear supply chain jobs By Westminster Parliamentary constituency



Data source: Nuclear Industry Association Jobs Map UK 2021