

Nuclear Energy (Financing) Bill

AMENDMENTS
TO BE MOVED
IN GRAND COMMITTEE

Clause 2

LORD FOSTER OF BATH
LORD TEVERSON

Page 2, line 14, leave out from “project” to end and insert “will result in value for money, as evidenced by the publication of the Value for Money assessments conducted to date.”

Member’s explanatory statement

This amendment would require the Secretary of State to provide stronger evidence that the project will result in value for money through publication of such assessments carried out to date.

LORD OATES
LORD TEVERSON

Page 2, line 14, at end insert “and has laid a report before Parliament setting out the reasons for that opinion, including—

- (i) an estimate of the electricity price payable to the company over the period during which the nuclear energy generation project is generating electricity, and the modelling, assumptions and all relevant material underlying such an estimate;
- (ii) an estimate of the regulated asset base payable by consumers in each year until the nuclear project is generating electricity, including the modelling, assumptions and all relevant material underlying such an estimate;
- (iii) an estimate of the costs of decommissioning the project, how such costs will be met, and the modelling, assumptions and all relevant material underlying such an estimate.”

Member’s explanatory statement

This amendment would require the Secretary of State to publish a report setting out the reasons for their opinion that designating the nuclear company is likely to result in value for money.

Page 2, line 14, at end insert –

“(c) the Secretary of State is of the opinion that the United Kingdom’s generation capacity will include sufficient backup capability should the nuclear energy generation project suffer significant outages or be unable to generate electricity entirely, and has laid before Parliament a report setting out the reasons for that opinion.”

Member’s explanatory statement

This amendment would establish an additional designation criterion requiring the Secretary of State to be of the opinion that the United Kingdom’s generation capacity will include sufficient backup capability should the nuclear energy generation project suffer significant outages or be unable to generate electricity entirely.

LORD FOSTER OF BATH
LORD TEVERSON

Page 2, line 15, at end insert –

“(5) In this section “sufficiently advanced” has the meaning given to it by guidance published by the Department for Business, Energy and Industrial Strategy.”

Member’s explanatory statement

This amendment would require BEIS to define “sufficiently advanced” in guidance.

Clause 3

LORD OATES

Page 2, line 26, at end insert –

“(c) publish an independent assessment of the impact on consumer energy bills.”

Member’s explanatory statement

This amendment would require the Secretary of State to publish an independent assessment of the impact on consumer bills of the RAB before designating a nuclear company under section 2(1).

LORD FOSTER OF BATH

Page 2, line 36, at end insert –

“(fa) the relevant upper tier local authority covering the site for the nuclear project;”

Member’s explanatory statement

This amendment would require the Secretary of State to consult the relevant upper tier local authority before designating a nuclear company under section 2(1).

Page 3, line 8, at end insert –

“(e) detail of any public funding agreed as part of the project development and the services being provided for this funding.”

Member's explanatory statement

This amendment aims to provide additional transparency about taxpayers' money allocated to a project before a Final Investment Decision has been taken.

Clause 4

LORD FOSTER OF BATH

Page 4, line 5, at end insert –

“(fa) the relevant upper tier local authority covering the site for the nuclear project,”

Member's explanatory statement

This amendment would require the Secretary of State to consult the relevant upper tier local authority under this section.

Clause 6

LORD FOSTER OF BATH

Page 5, line 19, leave out paragraph (e)

Member's explanatory statement

This amendment is intended to probe the meaning of “appropriate incentives” in this paragraph.

Page 5, line 21, at end insert –

“(4A) The Secretary of State must lay a report before Parliament in respect of each project in relation to which a nuclear company has been designated under section 2(1) before exercising the power under section 6(1), which must include –

- (a) the expected overall capital cost of the prospective project,
- (b) the expected up-front cost of the prospective project,
- (c) the general terms of the project for the sale of electricity onto the grid, including –
 - (i) a statement of whether the Government has offered the nuclear company a minimum floor price mechanism for the sale of electricity onto the National Grid,
 - (ii) the minimum floor price mechanism included in any arrangement including any inflationary or baseline indices, and
 - (iii) the duration in years of any such arrangement under sub-paragraph (ii),
- (d) completed value for money assessments for the project, and
- (e) how decommissioning costs of the project will be met, including in the event of insolvency of the nuclear energy company, setting out any role for –
 - (i) revenue collection contracts, including any percentage specifically dedicated to decommissioning costs,
 - (ii) protection of decommissioning payments for time of need,
 - (iii) insurances, and
 - (iv) consumer risk.”

Member's explanatory statement

In respect of new nuclear projects, this amendment would require the Secretary of State to lay before Parliament a report on the up-front and overall expected cost of the project, details of any agreement reached on terms for the sale of electricity onto the National Grid and how decommissioning costs will be met, including in the event of the nuclear company becoming insolvent.

After Clause 6

LORD FOSTER OF BATH

Insert the following new Clause—

“Independent assessment of the impact on consumer bills of a project

- (1) In respect of each project in relation to which a nuclear company has been designated under section 2(1), before exercising the power under section 6(1), the Secretary of State must commission an impact assessment by an independent agency or company of the implications of the project for domestic consumer bills and publish its report.
- (2) The report under subsection (1) must be approved by the House of Commons before any agreement that would lead to licence modifications becoming contractually binding.”

Member's explanatory statement

This new Clause would require an independent impact assessment to be conducted and approved by the House of Commons before licence modifications were permitted.

Clause 8

LORD FOSTER OF BATH

Page 7, line 34, at end insert—

“(ga) the relevant upper tier local authority covering the site for the nuclear project,”

Member's explanatory statement

This amendment would require the Secretary of State to consult the relevant upper tier local authority under this section.

Page 8, line 11, leave out from “power” to “they” and insert “before”

Member's explanatory statement

This amendment would require the Secretary of State to publish a report on licence modifications before such changes are made.

Clause 13

LORD OATES

Page 11, line 27, at end insert—

“(A1) The primary duty of the Secretary of State is to publish all material relevant to—

Clause 13 - continued

- (a) costs that may be incurred by the taxpayer arising from any provision of this Act,
- (b) the determination of the regulated asset base charge that may be levied on consumers under the powers in this Act, and
- (c) the cost to consumers of electricity produced by the project.”

Member’s explanatory statement

This amendment would place a primary duty on the Secretary of State to publish all material relevant to (a) costs that might be incurred by the taxpayer arising from any provision of the Act; (b) the determination of the regulated asset base charge that may be levied on consumers under the powers of this Act; and (c) the cost to consumers of electricity produced by the project.

Page 11, line 28, at beginning insert “In exceptional circumstances,”

Member’s explanatory statement

This amendment makes provisions about the exclusion of sensitive material.

Page 11, line 35, after “to” insert “seriously”

Member’s explanatory statement

This amendment makes provisions about the exclusion of sensitive material.

Clause 19

LORD OATES
LORD TEVERSON

Page 16, line 12, at end insert –

- “(4A) Revenue regulations must make provision to prevent electricity suppliers from recovering the costs of paying a revenue collection counterparty from customers claiming Universal Credit.”

Member’s explanatory statement

This amendment would mean that electricity bill payers who qualify for Universal Credit would not be liable for levies on their bills that pay into the RAB revenue collection fund.

Clause 32

LORD FOSTER OF BATH

Page 24, line 30, at end insert –

- “(7) Prior to a transfer falling within section 32(3), the Secretary of State must lay a report before Parliament.
- (8) The report under subsection (7) must set out –
 - (a) the liabilities associated with the nuclear company;
 - (b) any estimated costs of getting the plant operational again if it has been temporarily shut down;
 - (c) the estimated lifespan of the nuclear power station; and

Clause 32 - continued

- (d) decommissioning costs and confirmation of any funding provided by the nuclear company for this purpose.”

Member’s explanatory statement

This amendment would require the Secretary of State to publish a report on the matters listed prior to any transfers falling within Clause 32(3).

Clause 36

LORD FOSTER OF BATH

Page 28, line 34, at end insert –

- “(ga) the relevant upper tier local authority covering the site for the nuclear project,”

Member’s explanatory statement

This amendment would require the Secretary of State to consult the relevant upper tier local authority under this section.

After Clause 41

LORD FOSTER OF BATH

Insert the following new Clause –

“Report on proposed payments to a nuclear administrator or relevant licensee nuclear company

- (1) Prior to making payments for the purpose described in section 41(2)(c), the Secretary of State must prepare and publish a report on the proposed payment and must lay a copy of the report before Parliament.
- (2) Before the payment is made, the report under subsection (1) must be approved by the House of Commons.”

Member’s explanatory statement

This new Clause would require any payments under Clause 41(2)(c) to be approved by the House of Commons before being made.

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