

Nuclear Energy (Financing) Bill

AMENDMENTS
TO BE MOVED
IN GRAND COMMITTEE

Clause 1

LORD MCNICOL OF WEST KILBRIDE

Page 1, line 15, at end insert—

“(6) “Owned by a foreign power” means owned by a company controlled by a foreign state and operating for investment purposes.”

Member’s explanatory statement

This amendment provides a definition of foreign ownership and is linked to a further amendment to Clause 2 in the name of Lord McNicol of West Kilbride.

Clause 2

LORD MCNICOL OF WEST KILBRIDE

Page 2, line 14, at end insert—

- “(c) the nuclear company is not owned, wholly or in part, by a foreign power, and
- (d) the fuel rods for the company’s reactor are supplied by a company based in the United Kingdom.”

Member’s explanatory statement

This amendment prevents the Secretary of State from designating a nuclear company owned or part-owned by the agents of a foreign power and ensures that the fuelling of the designated company’s reactor is provided by a UK based company.

Page 2, line 14, at end insert—

- “(c) the Secretary of State is of the opinion that—
 - (i) the nuclear company is able to complete the project, or
 - (ii) arrangements are in place should the nuclear company be unable to complete the project.”

Member's explanatory statement

This amendment would prevent the Secretary of State designating a company to undertake a nuclear energy generation project unless they are of the opinion that the company will be able to complete the project, or suitable contingency plans are in place.

Clause 3

LORD MCNICOL OF WEST KILBRIDE

Page 3, line 8, at end insert –

- “(5A) Where conditions are imposed under subsection (5)(c), these may include duties on the nuclear company to –
- (a) promote equality, diversity and inclusion principles during the lifetime of the nuclear project;
 - (b) pursue good industrial relations during the lifetime of the nuclear project;
 - (c) publish details of contracts entered into by the designated nuclear company, where these contracts relate to the construction and operation of the nuclear project;
 - (d) collect data relating to the quantity and value of domestically produced goods and fuel utilised during the construction and operation of the nuclear project, and to publish such data annually.”

Member's explanatory statement

This amendment specifies a variety of conditions which the Secretary of State may wish to impose on a nuclear company as part of the designation process. The conditions listed reflect some of the terms agreed between GMB and EDF as part of the Hinckley C project.

Clause 6

LORD MCNICOL OF WEST KILBRIDE

Page 5, line 3, at end insert –

- “(2A) Prior to exercising the power under subsection (1), the Secretary of State must lay before both Houses of Parliament a statement setting out how, in the opinion of the Secretary of State, the proposed use of the power will facilitate investment in the –
- (a) design,
 - (b) construction, and
 - (c) commissioning,
- of nuclear energy generation projects.”

Member's explanatory statement

This amendment would make the exercising of the power under subsection (1) conditional on the Secretary of State laying a statement on the proposed use of the power before both Houses of Parliament.

Clause 7

LORD MCNICOL OF WEST KILBRIDE

Page 7, line 8, at end insert –

“(3A) When exercising the power in subsection (1), the Secretary of State must –

- (a) not cause the excess of expenditure being incurred over the allowable revenue cap to lead to further charges upon revenue collection contracts, and
- (b) lay before both Houses of Parliament a statement setting out how the adjustment to the company’s allowed revenue will be made without relying on revenue collection contracts.”

Member’s explanatory statement

This amendment would require the Secretary of State, when exercising the power under subsection (1), to take steps to prevent further charges being imposed upon revenue collection contracts, and to lay a statement before both Houses of Parliament on the steps taken.

Clause 19

LORD MCNICOL OF WEST KILBRIDE

As an amendment to Lord Oates’ amendment at Clause 19, page 16, line 12, published on HL Bill 89(a)

After “Universal Credit” insert “, or any legacy benefits specified in the regulations”

Member’s explanatory statement

This amendment would extend the scope of the amendment tabled by Lord Oates to make clear that costs may not be recovered from customers who claim certain legacy benefits.

Clause 32

LORD MCNICOL OF WEST KILBRIDE

Page 24, line 28, at end insert –

“(5A) If the Secretary of State is of the opinion that a relevant licensee nuclear company cannot be rescued as a going concern, or that a transfer of the undertaking to a wholly owned subsidiary will not result in the establishment of a going concern, the Secretary of State must, as soon as practicable –

- (a) undertake an assessment of the merits of establishing a Government-owned company into which the assets, liabilities and undertakings of the relevant licensee nuclear company may be transferred in order to allow electricity supply to be commenced or continued, and
- (b) lay the outcome of the assessment before both Houses of Parliament.”

Member’s explanatory statement

Where the Secretary of State is of the opinion that a failed company cannot be rescued as a going concern or successfully have its assets transferred to a subsidiary, this amendment would require the Government to assess the case for establishing a state-owned company to continue operations.

Nuclear Energy (Financing) Bill

AMENDMENTS
TO BE MOVED
IN GRAND COMMITTEE

28 February 2022
