

Energy policy is collapsing

Posted on **January 22,2019** by **admin**

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[DSC_4304](#) [http://www.illamp.co.uk/wp-content/uploads/2018/10/DSC_4304-1300.jpg](#) The government's energy policy is collapsing. With Brexit not much attention has been paid to what has happened over the last week. It looks like Hitachi has pulled the plug on new nuclear at Wylfa and therefore at Oldbury. These two stations were expected to supply 7% each of the UK electricity. This leaves a considerable hole to be plugged and follows on from Toshiba pulling out the Cumbria project. The deal collapsed due to the UK government asking for a strike price of £7.5/MWh. This is considerably less than Hinkley Point C at £9.25/MWh. Hitachi didn't think it was economic at this price to build either reactor. They have written off a truly mind boggling £2 billion for this station alone? The government has put (almost) all its eggs in the nuclear basket. They have cut onshore wind, tidal/wave and are abolishing the FIT. The green new deal (admittedly a disaster) was abolished and has not been replaced. BEIS openly admit nuclear cannot compete with wind/solar and yet have done almost everything they can to destroy them (this continues apace with proposed standing charges on grid connected microgen and alterations to the export regime). There are a whole heap of interconnectors under construction but both brexit and the size of the hole lead me to think these will not be enough. Energy policy is collapsing, the government needs to rethink on the abolition of the FIT, allow onshore wind through the planning system and invest in tidal and wave. And come up with a proper energy efficiency scheme. I have changed my mind on these sources thinking it would be too expansive for too long, but the collapse in the cost of offshore wind generation makes me think that these could undergo very rapid cost reductions as well. Neil

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