Welsh Affairs Committee

Oral evidence: Nuclear energy in Wales, HC 240

Wednesday 25 January 2023

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Watch the meeting

Members present: Stephen Crabb (Chair); Simon Baynes; Virginia Crosbie; Wayne David; Ben Lake; Beth Winter.

Questions 152 - 178

Witnesses

I: Ivan Baldwin, Business Development Director, Bechtel; Rory O'Neill, UK Director of Government Affairs and Public Relations, Westinghouse.

Examination of witnesses

Witnesses: Ivan Baldwin and Rory O'Neill.

Q152 **Chair:** Good morning. Welcome to this meeting of the Welsh Affairs Committee, where we are continuing our inquiry into nuclear power in Wales. I am delighted that we are joined this morning by Ivan Baldwin, who is UK and European business development director at Bechtel, and Rory O'Neill, UK director of government affairs and public relations at Westinghouse. We will have a second panel in about 45 minutes' time, where we will look in more detail at small modular reactors. For this session we are exploring proposals for gigawatt, large-scale nuclear at the Wylfa site in north Wales.

At the very top of this meeting, I should put on record my thanks to both Bechtel and Westinghouse for helping to facilitate the recent Committee visit that we did to the Vogtle nuclear power project in Georgia. Other members can speak for themselves, but I found it a fascinating and very useful visit to see large-scale nuclear being built there and how that might apply to the north Wales context.

Can I start the discussion by asking you a very top-level question? We will get into more of the detail later with some of the questions. Very broadly, what we saw in Georgia was a big-scale project happening with a renewal of the nuclear fleet. How far away are we from that happening here in north Wales and in the UK? How big is the gap between where we are at and where we need to be to see a construction project of that scale happening in north Wales? Is it a political barrier? Is it financing? Is it regulatory? Where is the gap and the blockage?

Ivan Baldwin: Could we also express our gratitude for the Committee taking the time out to come and visit us in Georgia?

That is a big question. If we look at it in outline, we have a number of policies now that are starting to take the UK towards having nuclear as a considerable part of its energy mix and of the power mix here. As part of the British energy security strategy, we saw a target of 24 GW of new nuclear by 2050, and that is to complement renewable power as well, so you have the baseload brought by nuclear to complement renewable power. We have that overarching demand signal into the mix.

We—in the royal "we" sense—had a roundtable in No. 10 going back to March 2022, which lit the fuse, as it were, in terms of what needed to be done moving forward to deliver on that 24 GW, which led to the set-up of a shadow group called GB Nuclear that pulled recommendations together. I believe that different Committees have heard evidence from that organisation.

That is pretty public about what has been shared so far in terms of recommendations on a combination of both large and small technologies moving forward. It is well regarded that Wylfa B or Wylfa Newydd, whichever way you term it, is seen as a very attractive place to build a new nuclear power station, in particular a gigawatt scale, because of the geology, the environmental conditions and the social licence, etc. Many consider it to be the best site in the UK, if not beyond.

A lot of those factors are in place and where we are at now is asking how we implement that programme. How does the UK implement that programme? How does it prioritise—and I really think it should—Wylfa as a site, for many of the reasons that have already been outlined, and take that forward? An investment was made by previous developers, Hitachi and Horizon. It was a significant investment and went through the four-year development consent order process, which makes that an almost ready-to-go opportunity there.

The big blocker in terms of where we are at now is how to get GB Nuclear on to the road. Can the Government get behind it? Does it help place a demand signal into the market to demonstrate that the Government are behind that policy? That would mean that organisations like Bechtel and Westinghouse—a constructor and major project delivery organisation in the case of Bechtel, and one of the world's leading, if not the world's leading, nuclear technology providers in the case of Westinghouse—can then bring in those investors and make that project happen. There is a way to go but the early signs are good if GB Nuclear is taken forward.

Q153 **Chair:** It sounds to me, from what you are saying, Mr Baldwin, that there is still a question mark over the political will. I will ask Mr O'Neill for his comments on it. Am I hearing that correctly?

Rory O'Neill: First of all, thank you to the Chair, members and staff for having us in today. The answer to your question is that we are both close and far away. We have a technology that is approved in the UK. It has been through the generic design assessment, and we should not walk past that challenge. That took us 10 years and tens of millions of pounds to do. That puts us in a very advantageous position. We have a fantastic site at Wylfa. We have a community that is familiar with nuclear and that has benefited from nuclear investment on the island for decades.

What we do not currently have is the necessary clarity from Government about how we get from where we are today to where we need to be very soon. If we think about what the challenge means, looking at the British energy security strategy, it effectively means a tripling of nuclear capacity in the UK. That means you are going to need both big reactors and small reactors, and that the UK Government need to give the market and potential investors the clarity that they will need to make significant investment decisions.

That will involve supporting those decisions at the front end. How do we go from where we are today with the technology that is approved in general terms, that has already been built elsewhere around the world, that is already operating elsewhere around the world and that is smashing production records? How do we make sure that that technology is suitable for the site, for instance? At Vogtle, for instance, you would have seen the cooling towers. That is not necessary at Wylfa because it is right on the sea. You need to make sure that it is technically a good fit and then that you are doing what you need to in terms of best levering the opportunity and building certainty around its delivery. By that, I mean that you need to look at what you need to do around skills, what the local skills opportunities are, what is there already and what you need to grow. Similarly, for the supply chain, what do we have in the UK and

more broadly? What do we need to grow?

All of that demands clarity from Government—more clarity would be helpful, I would suggest—and momentum. Perhaps momentum has been lost a little. It has been a little stop-start. We had the future nuclear enabling fund, which was the programme support mechanism. That is now a technology development programme, which is great, and it is now Great British Nuclear. Excellent, let us get on with it.

Q154 **Virginia Crosbie:** I would like to place on record my thanks to you and your team, as well as the clerks here, for an excellent visit to the site. It is definitely one of my highlights as a Member of Parliament.

Both Bechtel and Westinghouse have stated that you are hoping to have nuclear and electricity up and running on Anglesey by 2035. That is actually not that far away. Could you kindly talk us through that timescale, how we can get to 2035 and what needs to happen?

Ivan Baldwin: Yes, we are in 2023. It is amazing how quickly the time ticks by to 2050. We are less than 10,000 days away from 2050 where we have made these targets. There is a cracking statement by somebody far more intelligent than I, a scientist, who was asked about what that looks like globally. He said it means the world's biggest offshore wind farm going online every day for the next 10,000 days. That puts net zero into perspective here.

In terms of our project and getting back to the question that has been posed, for the actual construction of a nuclear power station, in particular when you are talking about an nth of a kind technology, which is what the AP1000 is, you are looking at a period of about six years. That is quite different to what we hear elsewhere.

A lot of the time effort is in the developmental process. Typically, the DCO—development consent order—is a four-year process. The four-year development process has already been gone through for the previous project, much of which is similar to the new project. You are still looking at two nuclear reactors with a power station that has a marine offload facility and that has all of the infrastructure associated with it. It is very similar. The process as exists today is about a four-year process.

There are six years of construction. What we baked in up front was a two-year piece for what is described as front-end engineering and design. That was a feed process that we put in a White Paper to Government back in 2021. That described how you would get that project on the road and, to pick up on some of Rory's points, how to maximise the skills benefit in the local area. Skills are going to be incredibly important, both for the delivery and for maximising the economic value. How do we pull the UK supply chain together? What you are looking at here is a significant UK supply chain that could be part of a major exporting piece, which I am sure we will come on to at some point later on in the evidence today.

That is how it comes together. You have the feed, the DCO and then the construction period. That takes us to the 2035 piece.

Q155 **Virginia Crosbie:** In terms of getting access to the land, obviously that is owned by Hitachi. They have talked of a figure of £200 million. They

want to be very involved in who gets access to that land and who develops the sites. How would you get access? How would you propose to get access to that?

Ivan Baldwin: Yes, you are absolutely right to point out the investment that has been made by Hitachi to date. It has made a significant investment there, much of which could be really beneficial to future projects moving forward. As you point out there, it is no secret that Hitachi has been actively engaging with the UK Government as to what the next steps for that site could be. We have heard evidence recently from Simon Bowen from GB Nuclear, at a separate Committee, talking about how GB Nuclear will potentially take a forward-leaning role in terms of accessing those sites. Many of the sites in the UK are actually not in UK ownership, so that is one of the roles that we would anticipate being fulfilled by GBN.

Q156 **Wayne David:** Thank you, again, for your hospitality during the Vogtle visit, which was extremely useful. When we were in the States, we heard a great deal about the Inflation Reduction Act and how that was providing a boost to the nuclear industry and Medicare. There has been some speculation that it is having an impact on global investments as well. Does it potentially or actually have any impact on the UK at all?

Rory O'Neill: The Vogtle development predates the IRA, so I do not think it directly impacts on it. But it has built the confidence and clarity that I was talking about earlier in the United States around Government support for nuclear, which is really important with regard to entities, technology and construction companies, in terms of where they put their effort, as well as to investors.

It has come at the same time as what I would characterise almost as a nuclear enlightenment. We had the renaissance and now we are in the enlightenment phase. It is almost inarguable to recognise that nuclear has significant climate change fighting benefits. It is a low-carbon technology, it is reliable, and it is baseload. What has happened more recently, in the last year or so, following the Russian invasion of Ukraine, is a recognition of the importance of energy security. Nuclear has an important role and significant benefits in that camp as well.

When you put the climate change advantages of nuclear alongside the energy security advantages of nuclear, you start to see significant interest around the world, not just in the United States. We have seen significant activity this week in Ukraine, which is looking at nine reactors. They have signed off their next stage of their feed study. They are in the middle of a war, and they understand the importance of making progress and pushing on this front. The same is true for Poland, the Czech Republic and other countries around the world. The growth, with regard to both the opportunity and the challenge of getting it delivered here, is significant, and it will have impact. It is a global market with global players.

Q157 **Beth Winter:** Bore da—good morning. I am looking at the regulatory requirements to build nuclear energy. Do you have any concerns regarding the ability to obtain a development consent order at Wylfa, given what happened at Hitachi where it was rejected?

Ivan Baldwin: As I outlined earlier, the development consent order process that Horizon went through on the previous project was four years, which was a considerable investment both by Horizon and by the actual regulator themselves. The report, which is publicly available, is over 900 pages and has a raft of recommendations, the majority of which were supported by the regulator. There were two key areas that actually were not supported.

We see that as more of a springboard for the project because, as I was saying before, the alternative proposition that we are putting forward remains a two-nuclear-reactor power station within the same footprint that was put forward by the previous development. A lot of that work is relevant to the new projects. A lot of de-risking has already taken place. That investment that has already been made is, from our perspective, a positive and gives us the heads-up on where the key issues are that we need to resolve to take the project forward.

Q158 **Beth Winter:** Are you saying you do not see any issue with obtaining a development consent order?

Rory O'Neill: We certainly will not prejudge it, but I agree with Ivan that it gives us a clear understanding of the issues that need to be focused on, and it is a bit of a springboard for us.

Q159 **Beth Winter:** How long does it take? You said for Hitachi it was four years.

Rory O'Neill: It took four years.

Beth Winter: That is a long time.

Rory O'Neill: I agree.

Q160 **Beth Winter:** I see that the planning inspector's report recommended that the Secretary of State for BEIS should withhold consent, citing concerns about the ability to meet biodiversity standards for the United Nations. What action has been taken to address those concerns?

Ivan Baldwin: You are absolutely right. The two things that were picked up were biodiversity, as you mentioned, and concerns around retaining the Welsh language. They are, as I say, issues that can be addressed because they are known four years ahead of time as opposed to going through that four-year process. In the work we have done so far as a constructor and technology company, we have focused on the delivery of the power station, based on all of the learning from Project Vogtle, which is the same technology, and bringing that over to there. That is where the focus has been so far, as opposed to the regulatory process, so it is very much about how we take the learning of project delivery and the learning of construction, and—as Rory pointed out, the AP1000 is already approved in the UK—looking at the deployment of the technology here.

Q161 **Beth Winter:** It is quite significant that the Planning Inspectorate has made that judgment.

Rory O'Neill: On the previous proposal.

Beth Winter: Yes.

Rory O'Neill: Yes, it is significant, and we need to take account of it.

Q162 **Beth Winter:** You need a developer as well in terms of developing the site. I understand only two EDF-related companies hold licences currently. What approach are you taking to secure a nuclear site licence?

Ivan Baldwin: Taking us back to the 2020 space when the Horizon project, as was, was ceased, what we were bringing forward—and we have had strong engagement from Government—is how we would bring a new project to that space. Again, we are a construction, engineering and technology organisation. The obvious gap in that is the utility and the site licence company. Our approach, and the plan that we put forward to the UK, picking up on previous points that Rory made about demand signals, is to bring that customer, the EDF equivalent, to this party, which needs a real demand signal. That is the organisation that deals with the site licence and that essentially becomes the utility—the sort of customer for the project moving forward. It is for that reason that we need that demand signal to bring that party to the table.

Q163 **Beth Winter:** Is that going to happen?

Ivan Baldwin: It is subject to the demand signal. The engagement that we have had with the market has been very positive. Rory mentioned the future nuclear enabling fund, which was a fund designed by Government last year. When that was first introduced to the market, it was introduced as a fund for projects, if memory serves me correctly, that could deliver by 2035. At that point, there was no shortage of interest. There were real serious players that could come and join that team to be that utility site licence company that would be a part of it moving forward. Again, that changed in terms of the future nuclear enabling fund. It became "products by 2050" versus "projects by 2035". To get those folks in place, you need that demand signal.

In direct answer to the question, we are confident that it would happen should the demand signal be there from Government.

Q164 **Beth Winter:** It is quite uncertain, then. There is a lot of uncertainty at the moment.

Ivan Baldwin: With the developmental projects, there is uncertainty, for sure.

Q165 **Beth Winter:** In terms of progress and finding a utility developer for your reactor, there are difficulties. Are you hoping that the UK Government will set up Great British Nuclear as a developer? What are those options if they do not do that?

Rory O'Neill: When we look at delivery of nuclear around the world, it is generally delivered by Governments. There are good reasons for that. These are significant projects that take a long time to deliver. When you look at the cost implications of nuclear, most of it is up front and most of it is capital cost, and Governments have the pockets and the long-term certainty to be able to deliver that.

Great British Nuclear, which is currently being defined with regard to the scope, needs to do one of two things. It either needs to make it very clear that the UK Government are going to be the developer, or it needs to enable the initial activity that sends the right signals to those potential developers in the market that the UK Government are serious about

nuclear in the UK.

I will go back to what I said to the previous question. There is a significant growth in interest in nuclear around the world. There are many countries looking at nuclear and taking it forward as we speak. There are good reasons for that from an energy security perspective and from a climate change perspective, but also from a business perspective. Utilities are interested in nuclear. If the UK does what other countries have done around the world and sends the right signals, with regard to either being an initial developer itself or providing the clarity, certainty and momentum that these projects need, we are confident that those utilities will come forward.

Q166 **Beth Winter:** You feel that the UK Government need to step up and make a commitment to secure investment and support for the scheme.

Rory O'Neill: The UK Government need to continue to make those commitments. They have already made some really important ones.

Q167 **Beth Winter:** Listening to you both, it seems very much an unknown in terms of the future. The experience to date, looking at other reactors and other examples, is that nuclear power overruns significantly in terms of time and the cost is massively overspent. The comments that you are making to me seem to be quite fluid, to put it politely. There are no definites here. With the climate crisis that is upon us now, it just seems to be a bit of an unknown, to be very honest with you. I am not hearing any confidence.

Rory O'Neill: I might be misunderstanding the question, but you appear to be asking me to comment on behalf of utilities and developers, which I cannot do. I am a technology company. It is up to them to come forward and for them to say. I cannot speak on their behalf. I am sorry if that feels like I am being fluid. I hope I am not.

The reality is that, as you do these projects, you learn. We need to think about the nth of a kind implications. We have AP1000s built around the world right now, and you saw a couple under construction recently. We have other countries all around the world. As we do these things, it becomes easier and simpler, and that is to the benefit of the United Kingdom, which is in a fantastic position because AP1000s—other technologies are available—are now under construction and are operating. Those construction and delivery challenges are better understood. We have the confidence, and we would hope the utilities would have the confidence, that we can deliver those around the budget and the time that they are expected.

We need to bear in mind that, when you talk about something like an AP1000, you are potentially talking about an operating lifetime of anywhere up to 100 years or even potentially beyond. The initial challenges at the start pale into insignificance when you look at the return on investment you get from a climate change and energy security perspective over perhaps a century.

Chair: I am keen that we make progress. Is this question relevant and quick?

Q168 **Wayne David:** Yes, and it is extremely important. There has been

speculation in the press over the last week or so about Great British Nuclear. You are not saying this, but a number of experts are saying that the Government really have to make their decision pretty quickly. How long can you hang about for? What is your timescale? When do you require the Government to make a decision before you say, "Thank you, but goodbye"?

Rory O'Neill: We are in a competitive marketplace today and I mentioned previously the significant number of other countries around Europe and, indeed, around the world that are looking at nuclear now and making those kinds of Government decisions and Government investments. I do not think we will ever be at a stage where we will say, "That is the end of it, goodbye," but we need to focus our priority in the markets where we have the clarity, as do utilities, and that is what we will do.

I will not lose sight of the fact that the United Kingdom is a very significant place for Westinghouse. We have nearly 1,000 employees in the United Kingdom. It is not just about reactors for us. We make fuel for the reactors around the world. You will be hearing later from our SMR colleagues. I wish them every success in taking forward their technology because we are looking forward to making the fuel for them. We support the decommissioning market in the United Kingdom as well. We support the mission of the Nuclear Decommissioning Authority.

It is an important place for us. It is not a place we would ever walk away from. But, from a priority perspective, going back to what I said earlier, we need momentum, we need clarity and we need pace.

Q169 **Simon Baynes:** Thank you both very much for coming before us. Given the lack of time, my question focuses on support for the industry, which we have largely covered, in all honesty. The way I see it is that, politically, it is only recently that you have had a commitment from a UK Government to build nuclear. For decades that has not been the case and that goes across party. It is not a particularly party political point of view. It is clear that the big change came with the March meeting that you mentioned with the then Prime Minister in No. 10, which was the critical point. We are now looking at when these commitments will be clarified, which we all hope will be before too long. There is not much point in dancing around the issue of where the political support is because it is there now.

I have one quick question because we should then move on to financing new nuclear. How important is a programme of nuclear from the UK Government that outlines which technologies are intended to be built and where? It just a minor question because we are running out of time.

Rory O'Neill: I would take issue with that: it is a really important question. We have a range of sites in the United Kingdom. Some of those sites are a better fit for larger reactors, and some for smaller reactors. Having a siting strategy will be an important part of Great British Nuclear's work. The market and the technology companies having clarity about which technologies are going to be used and where those technologies are going to be used is really important.

As a small point on the back of that, it is fairly obvious which

technologies are potentially in play in the United Kingdom. If your technology has already been built elsewhere around the world, is smashing production records and is licensed in the United Kingdom, you do not necessarily need to go through a long-winded exercise of selecting the next technology. You would say, "There are three or four obvious technologies where our focus needs to be. Let's accelerate the supply pace."

Ivan Baldwin: I would echo all of Rory's comments there. I have been in the industry since 2012, and 2022 was the first time we started to see really meaningful demand signals. Getting a 24 GW target is the first time that we have seen that high-level target that starts to say to the market that this is what it could be. You then take that one step forward, as Rory has said: at which sites would you deploy? Then the investors and the utilities, etc. can really see this as a place to deploy and engage. It is critical.

Q170 **Chair:** Moving on to financing, is the intention, Mr Baldwin, that the plant would be built through the regulated asset base model?

Ivan Baldwin: I will echo some of the points that have already been made by GB Nuclear in this space. There are two aspects to the nuclear development. The first aspect is the piece that has been really challenging, which is why we have only seen foreign state actors being in a position to take a project to the final investment decision. That is the preconstruction piece, which is the so-called valley of death. That is why the state actors have been able to get to that point.

A GB Nuclear type of model, with a level of up-front investment and with that demonstration of the Government leaning in, can get us to that FID point. It is potentially enough of a market signal to bring in investors alongside the Government. We are seeing something similar playing out now with Sizewell C.

Post that investment decision, into the construction phase, which again is a high-risk environment from an investor point of view, the regulated asset base, which is a way of investors getting a return on investment through that construction space, is definitely one of the tools. I am not a financial expert but, while there are other tools available, the RAB could definitely be one of them.

Q171 **Chair:** That is really helpful. When you talk about demand signals, leaning in and other phrases that you have used this morning, you are essentially saying that it is not just targets and a stable policy environment; it is Government cash as well.

Ivan Baldwin: It is. They are an investor.

Q172 **Chair:** Is the model that the UK Government should essentially become an equity holder right up front to help get through the valley of death, as you described it?

Ivan Baldwin: It is echoed through evidence that we are seeing with GB Nuclear and what we are seeing playing out at Sizewell C. A nuclear reactor, such as the two AP1000s in our case, would provide clean power to the whole of Wales. From a Wales perspective, this is a national asset, and that could be clean power for 80-plus years.

You look at that and you think, "Would there be an anticipation that you would see a Government taking an investor role in such a critical piece of infrastructure that is going to deliver energy security and net zero?" Playing an investor role seems to be what is reflective of GBN's approach, of what is happening at Sizewell and of our experience in other markets around the world.

Q173 **Chair:** That is really helpful, thank you. In any of the discussions that you have been involved with, with Government and other advisers, are any figures mentioned as to what the Government investment should look like? Sizewell C was £700 million. Is it a similar order of magnitude for Wylfa B?

Rory O'Neill: No. What we are talking about here is building confidence in the market and in delivery. It is the critical up-front enabling activities such as the front-end study, which allows us to understand the skills challenge and the supply chain opportunity. You are talking about tens, not hundreds, of millions of pounds. It is a different order of magnitude.

Q174 **Chair:** That is very helpful. When we took evidence from EDF and we asked about cost overruns, it replied back to us and indicated that the adaptations required for Hinkley C explained away the cost overruns. Have you given much thought to what adaptations would be required for the AP1000 in north Wales and whether that would lead to cost projections not being met?

Rory O'Neill: I am going to talk specifically about the AP1000 because it is a Westinghouse technology and we are very proud of it. You need to put it into context. An AP1000, in terms of the nuclear island, which is the sensitive bit that you tend to have the challenges with, is about a quarter of the size of other gigawatt technologies, so your challenge is a quarter as big. If you like SMRs, you should love the AP1000. It does everything that everyone likes about an SMR. It is small, it is modular, and it has all the advantages. It has overcome a lot of the challenges that SMRs have yet to face. It is designed, it is licensed, it is operating, it is constructing and it is smashing production records.

What you need to do is to make sure that that is a good fit for the specific site. A good example there would be the cooling chimneys or the cooling towers. That is a classic example where you need to make sure that the technology is a good fit for the site. We tend to think about new nuclear in the United Kingdom as if, every time we are doing something new, we are effectively building a new airport. We are not building an airport. What we have is a new aeroplane, and we need to make sure that that aeroplane works for that particular airport, Wylfa being the airport. It is a licensed nuclear site and has been for decades. This is a new technology operating elsewhere around the world. We just need to make sure the two fit together.

Q175 **Wayne David:** Mr O'Neill, you mentioned that you wanted to see the Government being clear about what support they can provide. You also mentioned support in terms of ensuring that the infrastructure is in place to provide skills, training and so on. What commitment are you prepared to give as a company that you will use local labour and skilled labour as much as possible, that you will not revert to importing people from

abroad or other parts of the UK, but that your emphasis is on the locality? What commitments will you give?

Rory O'Neill: There are two things to say on that. First of all, there is a subtext to the question that we do not have that skills base in the United Kingdom right now. We are actually relatively well placed. As well as the Areva and EPR developments, we have had several decades of significant investment from the UK Government into the Nuclear Decommissioning Authority's national mission. Some of the largest and most complex nuclear construction projects in the world are taking place in the United Kingdom at places like Sellafield. We have great skills in the United Kingdom already.

Secondly, in order to build confidence and certainty in delivery, you need to strike the right balance between that confidence that we have an existing supply chain elsewhere and the benefits of localisation. Ivan can talk about this because this is a hot issue for him. Striking that balance is the kind of thing you need to do within the feed study. The feed study allows you to understand the gap and gives you the confidence that you need within the next timeframe of developing your development consent order to build that capability. The commitment is a priority for us. It has been an important part of our ability to secure partnership working in places like Poland and the Czech Republic. That commitment to developing that capability on the ground is a part of the mission.

You also want to give some thought to what you do when you have those reactors up and running. Two AP1000s power Wales. What is the opportunity for Wylfa and the location to having all that clean, reliable, dependable power there to be used? It is not necessarily just about the grid; it is also about what other opportunities there are around things like hydrogen and smelters. You need to think about how you do that, and it is in this run-up to it that you can do that and drive that local benefit.

Ivan Baldwin: From a Bechtel point of view, we are an engineering construction company. We are in our 125th year. We build projects all over the world. One thing is for sure: you do not take 10,000 people around the world to deliver these projects. These projects have to be delivered within that local environment. It is what I would consider to be one of the upshots of nuclear over the other available technologies in the market. The jobs have to be in-region. They have to be in place. If you look at renewables as an example, lots of stuff is built in China or other places and it is shipped in, and the jobs are few. Nuclear is jobs rich.

Probably more important—and I am saying this as someone who lives in west Cumbria in a nuclear community—are the careers for young people who can look beyond three, four, five or 10-year horizons and see a real career for themselves with a high-paying job. That is the way we should look at this in terms of future careers.

Q176 **Virginia Crosbie:** We have Prime Minister's questions coming up at 12 pm. I will be bobbing on nuclear. What is the one thing you want us to ask the Prime Minister?

Rory O'Neill: What a great question.

Wayne David: Relevant to this debate.

Rory O'Neill: I would not swap chairs with you for a second. I would hope that you have heard consistently that what the market and technology companies need is clarity. I would urge the Government to quickly bring forward Great British Nuclear with a clear scope and appropriate levels of funding to deliver that scope.

Ivan Baldwin: Taking it a level of detail down, I fully agree with Rory. In terms of this project, it is key now to get out early. Committing to the feed that we mentioned before that allows for material progress to be made in the next 18 months helps us preserve that schedule. If 2035 and a clean grid is important—we have heard that a number of times—this project is critical to making that happen.

Then there is also the social licence, which is talked about a lot. I do not need to talk about your community on your behalf, Virginia, but the people I talk to have been taken to the mountain on a number of occasions, and that is not something that can last forever. We cannot expect that community to wait forever.

Q177 **Chair:** On that point about committing to the feed, Mr Baldwin, that means committing to the feed study, which you have referred to as perhaps costing tens of millions, just for clarity.

Ivan Baldwin: Yes.

Q178 **Chair:** If we get to the spring Budget in March and we have not had an announcement about Great British Nuclear and the level of detail that Mr Baldwin has just referred to, that will be a huge missed opportunity, won't it?

Rory O'Neill: It would be a missed opportunity because it will mean that we would lose hard-won momentum.

Chair: We have brought this panel in to land on time and on budget. Thank you very much for you time, and thank you again for the visit to the plant in Georgia. That was very useful.