



Department for
Energy Security
& Net Zero

Rt Hon Claire Coutinho MP
Secretary of State

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Rt Hon Greg Clark MP
Chair of the Science, Innovation and Technology Committee
House of Commons
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8th May 2024

Dear Greg,

URENCO ENRICHMENT GRANT AWARD

In the Nuclear Roadmap we announced £300 million funding to deliver high-assay low enriched uranium (HALEU) production capability in the UK as part of HM Treasury's Green Industries Growth Accelerator (GIGA) £1.1 billion funding package.

In your capacity as chair of the Science, Innovation and Technology Committee I wanted to reach out to inform you that we have now successfully made our first award in this programme to Urenco. Urenco will be the recipient of an £196m grant award to develop a UK based HALEU enrichment facility and are expected to deliver the first operational plant in the early 2030s.

This funding will allow the UK to build on its status as a world leader in the production of nuclear fuels and ensure the North-West continue to benefit from the jobs and economic opportunities resulting from the concentration of highly skilled nuclear industries in the region. Furthermore, this grant will work towards our goal of expanding the UK's nuclear capabilities – vital to meeting global net zero targets. HALEU will be crucial in delivering the next generation of civil nuclear reactors in the UK as this is the advanced fuel required. The Government's Future Nuclear Enabling Fund 'FNEF' has just made its first award to X-energy and Cavendish Nuclear to further develop their plans for Advance Modular Reactors (AMRs) in the UK.

We see this funding as a crucial step in developing our nuclear fuel capability which will support the development of our future nuclear fleet by being the first country in Europe to launch a HALEU nuclear fuel programme. This move will allow the UK to supply not just our own reactors but the world with specialist nuclear fuel, finally offering an alternative to Russia, as currently the only commercial producer, to our international partners.

I look forward to continuing our engagement as the programme develops.

Yours sincerely,

RT HON CLAIRE COUTINHO MP
Secretary of State for Energy Security & Net Zero