



Department for Energy Security & Net Zero

Rt Hon Ed Miliband MP
Secretary of State

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Bill Esterson MP
Chair of the Energy Security and Net Zero Committee
House of Commons
London
SW1A 0AA

13 April 2026

Dear Bill,

Progress of the Great British Energy – Nuclear (GBE-N) small modular reactor (SMR) programme.

Following the announcement in November last year that Wylfa, on Anglesey in North Wales, will host the UK's first three SMR units, I am very pleased to confirm that GBE-N has now entered into the Technology Partner contract with Rolls-Royce (RR) SMR, which had previously been its preferred bidder. This critical milestone formally concludes the robust SMR Technology Selection Process launched by GBE-N in 2023, and marks the start of an important long-term partnership between GBE-N and RR SMR.

The contract comprises two stages, with the first covering the development of the SMR design to fit the site, and the second stage, which is subject to a future Final Investment Decision, covering the supply of reactor equipment and construction. RR SMR will now commence project design work with GBE-N, which will in turn contract with additional supply chain partners to support delivery of the SMR project.

The contract represents a core component of the overall SMR programme, which has been allocated £2.6 billion to enable all project activities across the Spending Review period, with additional funding to be confirmed at future Spending Reviews.

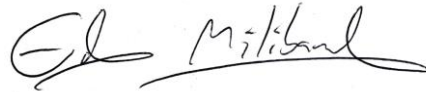
The SMR project is expected to unlock significant benefits for both Wales and the wider UK. In addition to generating at least 1.4GW of low carbon electricity from the mid-2030s, enough to power the equivalent of around three million of today's homes, the project will support around 3,000 jobs on site at peak construction and thousands more across the supply chain. Furthermore, GBE-N's ambition is that 70% of supply chain products are British built across the SMR fleet, including both onsite and offsite activity.

I would also like to inform the Committee that alongside the Technology Partner contract, the National Wealth Fund will provide up to £599 million to RR SMR in the form of a repayable instrument. The company can use the financing to fund up to 50% of its Generic Design activities and other permitted costs.

This form of instrument was offered to all bidders who reached the initial tender phase of the Technology Selection Process, subject to terms being agreed and the eventual award of a Technology Partner contract. The repayable instrument is on commercial terms and will be repaid upon deployments of Rolls-Royce SMR reactor units worldwide, or through a refinancing event.

I am extremely proud to see another critical milestone achieved as we drive forward the UK's golden age of nuclear and enable delivery of the low carbon power required to achieve net zero.

Yours ever,

A handwritten signature in black ink, appearing to read 'Ed Miliband', with a long horizontal flourish extending to the right.

RT HON ED MILIBAND MP
Secretary of State for Energy Security & Net Zero