



New Nuclear Build

A view from a corporate financier

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Introduction

- The problem with power
- The Energy Review
- What does the future hold?
- Financier's expectations for risk and return
- The challenge for Government

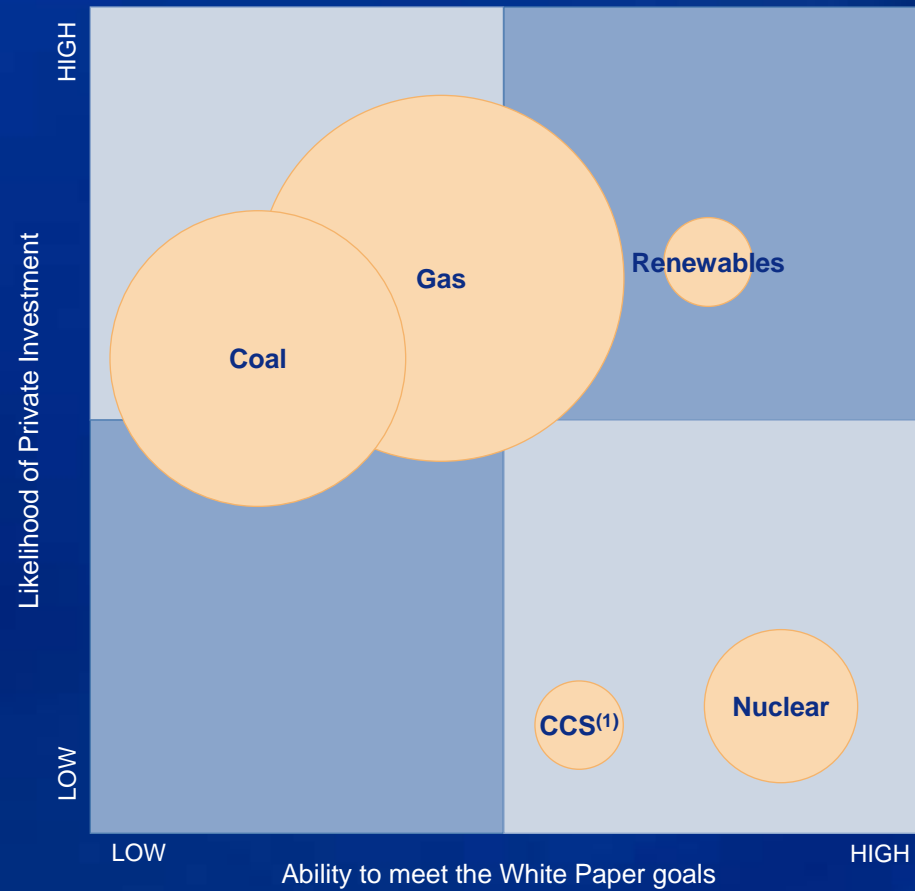
The problem with power

- Fuel source
- Storage – gas & power
- Transmission
- Technology
- Cost

The Energy Review

- Reducing carbon emissions
- Security of supply
- Competitive markets
- Fuel poverty

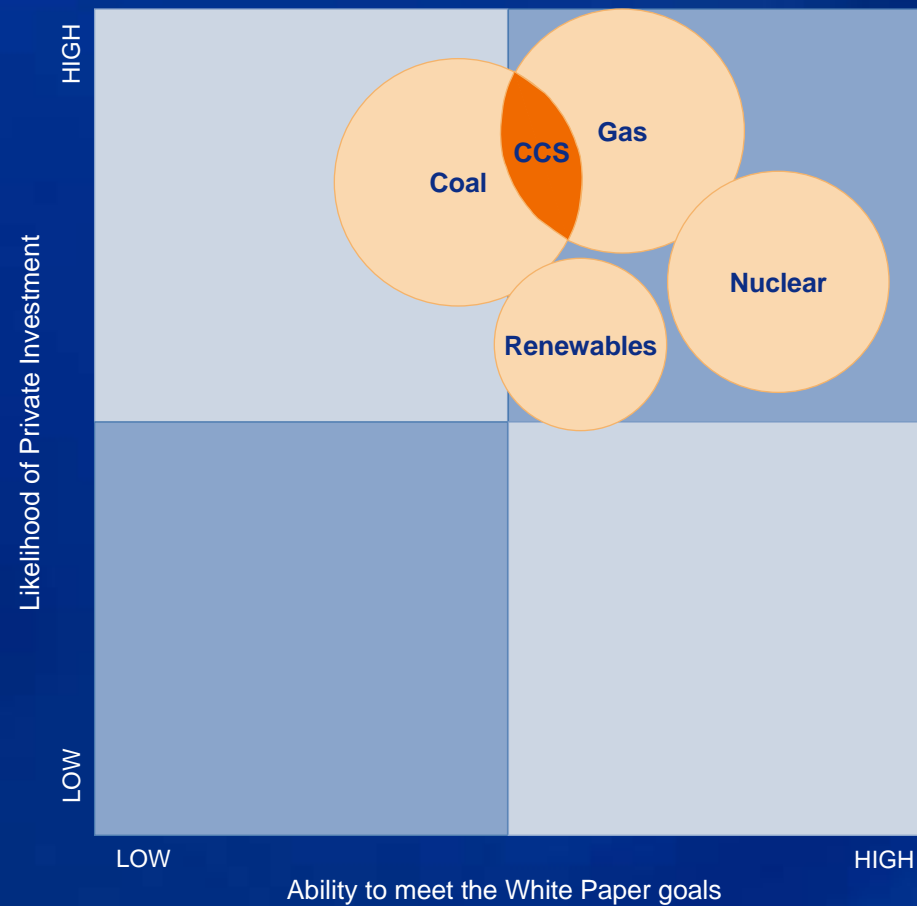
Generation Matrix 2005



1) Carbon Capture and Sequestration

2) Size of circle represents scale of contribution to electricity generation mix

Generation Matrix 2020



(1) Carbon Capture and Sequestration

(2) Size of circle represents potential contribution to electricity generation mix in 2020

Risk & return

- Market – power & carbon price
- Regulation – planning & licensing
- Environmental – waste disposal
- Technical – whose technology?
- Human resource
- Capital rationing

The challenge for Government

- Commitment
- Clarity
- Consistency
- Cost
- The “Marginal Smartie”



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