

The **PYLON THREAT HASN'T GONE AWAY!** Having stalled for a year, Moorside now has a new backer. Changes in the technology to be used will force a redesign of the site and a review of how the plant will be connected. PWP is monitoring developments and the implications for National Grid's North West Coast Connections project, as a number of issues are yet to be resolved.

MOORSIDE UPDATE



The Moorside project was officially put under review in May 2017 when Toshiba, sole owner of NuGen, suffered financial problems. A new investor was needed to secure the future of the proposed power station after the Toshiba subsidiary, Westinghouse Electric Company, filed for bankruptcy protection.

At the same time National Grid (NG) announced that it was 'pausing work' on its North West Coast Connections (NWCC) project.

In December 2017 NuGen confirmed that the South Korean utility company Kepco (Korea Electric Power Corporation) was the 'preferred bidder' to construct the plant.

We understand that in April 2018 Kepco and Toshiba reached an agreement for Kepco to acquire NuGen.

INTRODUCING KEPCO



Established in 1961, Kepco is the largest electric utility in South Korea. The company has a track record of successful nuclear installations at home and abroad, using its own APR1400 reactors.

Kepco will seek to use the APR1400 reactor for Moorside in place of the UK-approved AP1000 produced by Westinghouse.

NEXT STEPS

- Kepco to obtain permission from the Korean government to enter the UK and acquire NuGen
- NuGen to agree a funding model with the UK government. **This could be a hurdle.** The government was heavily criticised for the financial deal it struck with the company behind the similar Hinkley Point C project: the revenue guaranteed per megawatt-hour of power was said to be well above market prices. A different financial arrangement will most probably be needed for Moorside.
- Kepco to obtain Generic Design Assessment (GDA) approval from the Office of Nuclear Regulation to use its APR1400 reactors in the UK.

DIFFERENT REACTORS



Moorside was originally designed for use with three AP1000 reactors. These will not now be used.

Kepco's own design of reactor is less compact. It is unlikely that there will be room for three APR1400 reactors without the site being significantly expanded.

Discussions are taking place about the number of new reactors to be used: one, two or three being considered. Whatever the decision, it is certain that the whole Moorside site will need to be redesigned.

PROJECT DELAYS



Delays are inevitable. It will take at least three years for Kepco to achieve design approval for its reactors.

The necessary redesign of the site will also set the project back by an unknown time factor. A Development Consent Order is unlikely to be submitted for several years.

IMPLICATIONS FOR NWCC



The need to redesign the power station site and uncertainty over the number of new reactors means that NG will need to review the North West Coast Connections project.

The company has considered alternative routes and technologies for the southern element of the connection. In May 2017 NG stated that if a single reactor were to be installed the northern double circuit alone would suffice. This could also be the case with a twin-reactor design, although this is more doubtful.

WORLD HERITAGE



In July 2017 Unesco awarded the Lake District World Heritage Site status.

This should afford the National Park and its setting greater protection from inappropriate developments.