

E.ON UK, RWE NPOWER JOINT VENTURE SUCCESSFUL IN BIDDING FOR LAND AT WYLFA AND OLDBURY FOR NUCLEAR NEW BUILD

New plans to push ahead with development of strong Joint Venture to deliver at least 6GW of new nuclear build

RWE npower and E.ON UK have confirmed that their nuclear joint venture vehicle has been successful in bidding for land at Wylfa and Oldbury in the Nuclear Decommissioning Authority's site auction which concluded today 29 April.

The companies plan to push ahead with the creation of a strong joint venture which aims to deliver at least 6GW of new nuclear capacity in the UK.

The joint venture has been successful in bidding for land at Oldbury previously owned by the NDA and at Wylfa, previously owned by the NDA and EdF, and which are amongst best sites for nuclear development in the UK.

Andrew Duff, Chief Executive of RWE npower, said: "I'm delighted the joint venture has begun so strongly with the successful acquisition of two of the best available sites for nuclear development. These investments emphasise our commitment to developing secure low-CO2 energy options for the UK. We now expect and look forward to seeing equally strong commitment from the Government to deliver efficient planning and technology licensing processes, effective resourcing of the nuclear regulator, and common standards and reference designs with the EU. This must be set in the context of a predictable, long term, regulatory framework for the energy markets."

Dr Paul Golby, Chief Executive of E.ON UK, said: "This is excellent news, but securing the land is simply the first step on a much longer journey as we look to decarbonise the UK power industry.

"It is absolutely vital that we as a country build new nuclear power stations to generate alongside cleaner fossil fuels and renewables to ensure security of supply while also reducing carbon emissions and keeping our customers' energy bills as low as possible.

"Only by embracing all forms of generation – and giving our customers the tools they need to become more energy efficient – can we hope to achieve those three aims.

"Following last week's announcement by the Government on its way forward on coal and on offshore wind, we are clearly starting to see the roadmap that will take the UK to our low carbon future take shape but it is also clear that much remains to be done."

The joint venture will have a long term focus on consenting, construction and ultimately the operation of new nuclear power stations. The company's first priorities will be to build strong relationships with communities around the sites and to create a first class management team. It will also work closely with the Office for Nuclear Development and regulators to ensure it meets its goal of delivering a secure, low-CO2 energy supply safely and efficiently.

Further detailed technical assessment of Oldbury and Wylfa will now take place. The joint venture retains an open position on the reactor technology for individual sites it acquires and will make a selection based on a thorough assessment of the technical and commercial merits.

The joint venture benefits from the backing of two companies with extensive experience of operating nuclear power stations and the resources and skills to deliver new nuclear plants. E.ON

and RWE have stakes in 20 nuclear power stations around the world. In addition, they already jointly own three nuclear reactors in Germany.

Developing new nuclear power stations requires a substantial investment, and the joint venture, whose name will be announced in the near future, will be able to draw on the stability and balance sheet strength required to support a development programme of this scale.

E.ON UK is one of the UK's leading power and gas companies – generating and distributing electricity, and retailing power and gas. The company is currently building the £500m 1,275MW gas-fired CHP power station in Kent and the 180MW Robin Rigg offshore wind farm in the Solway Firth. It has permission to build a 1,200MW gas-fired power station at Drakelow in Derbyshire and has applied to build a 1,600MW cleaner coal-fired power station at Kingsnorth in Kent. E.ON is also currently building a gas storage facility at Holford in Cheshire. The company is a joint venture partner in the London Array, the world's largest offshore wind farm. Its green development portfolio could, if built, power a million homes and displace the emission of two million tonnes of CO₂ a year.

RWE is already progressing projects representing £xbn of investments in the UK including the new gas fired power stations under construction at Pembroke and Staythorpe, and the potential major offshore wind developments at Gwynt y mor and Greater Gabbard. Nuclear new build would bring the total investment programme to over £15bn over the next ten to fifteen years. This is a clear demonstration of the company's commitment to deliver long term, low carbon, secure energy supplies for the UK.

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