

FORATOM urges higher profile for nuclear in forthcoming energy White Paper

Brussels, 8 March 2006: FORATOM (the trade association representing the European nuclear industry) gave a favourable but measured response today to the publishing of the European Commission's energy Green Paper, *Secure, Competitive and Sustainable Energy for Europe*. FORATOM welcomed the Green Paper's call for a transparent, objective and non-ideological debate on all energy options and supported the view of EU Energy Commissioner, Andris Piebalgs, that political consensus must be reached if the strategy is to work. However, while generally supportive of the Green Paper's strategic direction and its emphasis on including all power sources in the energy debate, FORATOM expressed its disappointment that the document had failed to highlight the crucial contribution that nuclear energy makes - as a source of secure, affordable and environmentally friendly energy - towards meeting the EU's energy goals. FORATOM also urged that nuclear energy be given a higher profile in the forthcoming energy White Paper.

The European Commission's much-awaited Green Paper, *Secure, Competitive and Sustainable Energy for Europe*, which was presented at a press conference chaired by EU President José Manuel Barroso and Commissioner Piebalgs, represents the first time that a strategic EU energy review has been officially put in writing. One of the major objectives of EU energy policy, according to President Barroso, is to achieve 50% of energy production in the Community from secure, low-carbon energy sources within 20 years. The policy is built upon the three pillars of the EU's energy policy, namely security of supply, competitiveness and protection of the environment. It provides a blueprint for action that focuses on meeting the following major policy priorities: reducing the Community's dependence upon energy imports, diversifying the energy mix, creating strategic energy partnerships, combating climate change, seeking innovative solutions and protecting the internal market.

Mapping out the next steps in the political process, the Green Paper recommends that each Spring European Council should carry out a strategic EU energy review to ensure that the EU continues to speak with one voice at the international negotiating table. The "High Competitive Group" that was recently set up by the European Commission under the leadership of four EU Commissioners (enterprise and industry, competition, energy and environment) will study the Green Paper and present its conclusions at the European Summit.

Responding to Green Paper on behalf of the nuclear industry, Dr. Peter Haug, Director General of FORATOM, was quick to point out that an inclusive debate that assesses the merits of all energy sources was the way forward: "This strategic document acknowledges that all energy sources can contribute to ensuring sufficient generation capacity to meet demand, and this is a welcome development. We also welcome the Green Paper's statement that nuclear energy *'represents at present the EU's largest source of largely carbon-free energy in Europe.* 'However, to fairly reflect the unique contribution that nuclear energy makes to meeting the EU's energy objectives, the Green Paper should have referred more directly to the central role that it plays in the debate about Europe's

future energy needs. For example, nuclear energy provides – in countries like France, Germany or Sweden – more than 50% of the base-load generation of electricity.”

As far as security of supply, competitiveness and environmental protection are concerned, the three pillars that define the EU’s new energy policy direction, nuclear energy is without doubt a high-performance option. Firstly, Europe has never before produced so much nuclear electricity. With most nuclear plants operating continuously with a capacity factor of 90%, the nuclear sector provides an excellent source of reliable and secure base-load power. Secondly, the industry’s high capacity factor, coupled with the fact that prices for nuclear generated electricity are generally very stable and predictable compared to other generating sources, makes nuclear power very competitive. Finally, as a non-CO₂ emitting source of power, nuclear energy also helps to combat climate change. Public opinion continues to shift subtly in favour of retaining - and in some cases even expanding - the use of nuclear energy. For the first time, a significant number of European citizens are now making the connection between nuclear energy, security of supply and climate change.

In conclusion, Dr. Haug added: “This Green Paper is a step in the right direction. But it doesn’t go far enough. When the lights go on in Europe, half of them are nuclear-powered. Some countries like the Netherlands, Belgium and Germany are already openly questioning the validity of their nuclear phase-out policies. Others, like Bulgaria, Finland, France and Romania are expanding their nuclear sector. Poland has decided to go nuclear for the first time. Consequently, the nuclear industry will play a proactive role in the debate about the EU’s energy future. We are confident that during the forthcoming Finnish Presidency of the EU, when the energy White Paper is due to be published, the nuclear option will rise to the top of the debating agenda – where it really belongs.”

For further information on the nuclear industry’s position with regard to security of supply, competitiveness, the environment and other issues, please contact Mark O’Donovan (Tel.: 02/505 32 26; e-mail: markodonovan@foratom.org) or visit the FORATOM website at: www.foratom.org