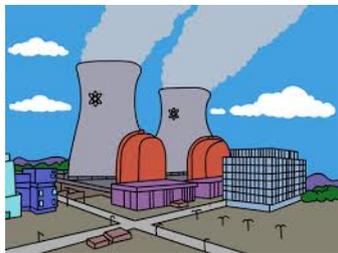


[Why is everyone shouting that the nuclear deal is so expensive?](#) [1]

Written by [Tim Worstall](#) [2] | Wednesday 23 October 2013



I have to admit that I'm not really getting all this screaming about how expensive the nuclear deal is. Just not getting it [at all](#) [3]:

Seven years ago, I collected all the available cost estimates for nuclear power. The US Nuclear Energy Institute suggested a penny a kilowatt hour. The Royal Academy of Engineering confidently predicted 2.3p. The British government announced that in 2020 the price would be between 3 and 4p. The New Economics Foundation guessed that it could be anywhere between 3.4 and 8.3p; 8.3 pence was so far beyond what anyone else forecast that I treated it as scarcely credible. It falls a penny short of the price now agreed by the British government.

And there's any number of people out there shouting that at £92 per MWhr Ed Davey has agreed to pay twice the current price for the electricity that will be generated. Or, as George Monbiot points out above, that 9.2 p or so per kWhr.

Sure, this is indeed more expensive than the current costs of electricity but here's the bit that I'm not getting. These complaints, they're over something that is *vastly cheaper* than all of the other things that are being done with the full agreement of those currently complaining.

This strike price, it's the same as a feed in tariff in its effects. And [here's the list](#) [4] of the feed in tariffs on other technologies. Solar at 14.9 p, Hydro at 21.65 p, wind at 21.65 p again. This nuclear scheme, the one that people are complaining so hard about, is *under half* the cost of wind power. So, either nuclear is amazingly cheap or it's grossly expensive and wind power is twice as bad either way around.

So, as I say, I don't really get it. How can people complain about the costs of this nuclear deal and then go on to support alternative technologies which are twice as expensive?

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