

27 May 2024

Statement from Nick Cater from the Menzies Research Centre:

I'm disappointed that you should jump to the conclusion that my trip has been funded by the nuclear or fossil fuel industry.

For the record, every last cent has come from my own bank account, from my train fare to Sydney Airport to my 60-euro cab fare from Rauma to Olkilouto,.

I have received no expenses from any third party for this trip, nor have I sought any. The visit was entirely my own initiative.

The facts I have reported are correct. The figure on the cost of Olkilouto 3 come from face-to-face interviews with senior executives of TVO, the Finnish consortium who commissioned the reactor. I'm not sure where your figure comes from, but the great benefit of going to the expense of travelling here is that you **don't** have to rely on Google.

The weaknesses of the **CSIRO's** GenCost methodology are now generally well known in the public domain.

The fundamental problem is its reliance on the levelised cost of energy (LCOE), which is a project-level metric that is easy to manipulate to deliver a desired outcome. It does not scale up to reflect the complexity of **Australia's** electricity markets.

A far better guide is an international comparison of retail electricity prices which, unlike LCOE, incorporate whole-of-system costs.

The pattern is consistent, as I reported in The Weekend Australian on Saturday. European countries that have embraced nuclear, like Sweden, Finland, France, Slovakia and Hungary for example, enjoy cheaper electricity prices than those that have not. The only exceptions to this rule are countries like Norway and Switzerland which have an abundance of hydroelectricity.

I should note one thing in **CSIRO's** favour. It has reacted to the criticism and is beginning to take a more considered approach towards costing nuclear. I note that **CSIRO's** lowest estimate of capital costs for a 1 GW nuclear reactor - \$8.6 billion – is in the same ballpark at the \$9.7 billion I quoted for Olkilouto 3.

As for the other authority you cite, the Clean Energy Council, I have little to say except to point out that is the peak body for the renewable energy sector and has recently launched a multi-billion-dollar advertising campaign rubbishing nuclear. It is hardly surprising that they are out to destroy their competitor. But it would be naïve to imagine that **they're** assertions about nuclear are unbiased or trustworthy, any more than you would treat Pepsi as an authority on Coke.

I hope I have misread the accusatory tone of your email, and that Media **Watch's** intention is to rise above the politics of this debate and examine the facts, as I have

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attempted to do by travelling to Europe to see first-hand what is happening on the ground.

Regards

Nick