

THE NUCLEAR INDUSTRY AND BUSINESS GROWTH OPPORTUNITIES: CURRENT TRENDS

Business within the nuclear industry is notoriously fraught with a series of many and varied challenges, from manufacturing standards to regulatory hurdles and long-term framework-based relationships. However, considerable opportunities exist both domestically and internationally, and each organisation needs a robust medium and long-term strategy and plan if it intends to pursue these opportunities effectively.

In the UK, the HMG Energy White Paper, due for publication around July 2019, is expected to continue to support the case for new nuclear, both the large conventional plants and the modular variety. However, widespread concerns remain over the funding model for long-lived infrastructure projects, and a resolution over the current impasse related to government funding is urgently required in order to provide a stable platform for business growth. Perhaps the increased groundswell of opinion to tackle greenhouse gas emissions will turn out to be the trigger.

The UK Nuclear Decommissioning Authority (NDA) is undergoing further change as Magnox Ltd becomes a wholly owned subsidiary. The NDA has declared its intention to reduce the cost of decommissioning, suggesting that the collaborative sharing of expertise and knowhow across the NDA estate will bring major cost and programme benefits. Furthermore, the confrontational approach to contract award and monitoring processes will be under review, fostering a partnership relationship with the supply-chain. This concept was in evidence at the recent Sellafield Ltd Directors Forum event, where the major framework holders were encouraged to talk openly with the Supply Chain companies about forthcoming business opportunities.

International opportunities also exist globally, with many nations now looking seriously at large nuclear to meet their political obligations, as well as providing power generation, district heating and water desalination. Additionally, the demolition of old plants and the rehabilitation of existing nuclear sites present major opportunities. Whilst there are many press announcements about 'new' opportunities, the pursuit of international business requires careful thought and planning. It is not for the faint-hearted, with resources and a 2-year Executive commitment arguably the minimum obligation.

To begin that long journey, early discussion with technical legal and regulatory experts is a prerequisite in order to help define the appropriate long-term strategy and key business objectives.

About the Author

John Ireland is an internationally experienced energy specialist and senior business executive skilled in the development, negotiation, and management of businesses and technically complex contracts within both the Government and private sectors. John has grown complex businesses in Asia and the Middle East, and assisted international organisations to develop business in and from the UK through joint ventures and partnerships.

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