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Position Paper

A PINC[1]… Why? What? When?

weCARE is an Alliance of European NGOs promoting a sustainable energy mix, with sustainability defined as the right balance between three pillars: (i) environment protection, (ii) economics and (iii) reliability of supply (**C**lean **A**ffordable **R**eliable **E**nergy – we CARE for a sustainable European society).

The last PINC from 2017 being outdated, publishing a new PINC is now necessary and needs to be a priority for the new Commission. Recent years have shown a positive evolution on the nuclear issue at EU level, after decades of negative standing. The role of the Alliance of pronuclear Member States has been critical for this move. The signals given by the Taxonomy, the Reform of the Electricity Market and the NZIA are surely

[1] Programme Indicatif Nucléaire de la Communauté (Euratom), Illustrative Nuclear Programme of the Community – as per the promotional Article 40 of the Euratom Treaty:
*In order **to stimulate** action by persons and undertakings and **to facilitate** coordinated development of their investment in the nuclear field, the Commission shall periodically publish illustrative programmes indicating in particular nuclear energy production targets and all the types of investment required for their attainment.*

welcome as first steps, as nuclear has to become a central pillar of the low carbon, affordable and reliable energy mix of the EU. Indeed, while intermittent renewables are low carbon and therefore may take a reasonable share of the mix, their total system costs, integrating the costs due to the management of their intermittency, renders them economically not attractive beyond a certain level of penetration[2]. In the period of economic crisis that the EU is facing, combined with a complex and uncertain geopolitical world, the time has come to recognize the importance of an EU sustainable energy mix to protect the consumers and galvanize our industry in the face of severe competition from abroad. Low carbon electricity must be produced at the lowest cost possible and our long-term energy security must be ensured. Nuclear is a very low carbon source of energy, nuclear is dispatchable, nuclear is affordable (considering low system costs and the long lifetime of installations) and nuclear can provide full sovereignty to the Member States that want to rely on it. The pronuclear European Business Alliance, recently established under the lead of MEDEF, complementing the Alliance of pronuclear Member States, is ready to play its role in the development of a supply chain industry to support nuclear energy deployment in EU.

So much for why? Now comes what?

In drafting the new PINC experience of the recent past should be analysed. After 20 years of full support for intermittent renewable energy sources, the result is non-ambiguous: countries like Germany that have chosen to rely largely on their deployment are not performing well in decarbonising their electricity, which is also more expensive on average. The PINC must not look "in isolation" to the nuclear bit of the energy system but needs to study the energy system as a whole. For the reason already touched upon here-above, the PINC should seek for a global economically optimized strategy for a deeply decarbonised energy future of the EU. All costs associated with a way to produce and deliver energy must be accounted for and be properly attributed to that way. This includes the front and back end of the fuel cycle for nuclear, including waste management. For decentralised intermittent renewables it must include the means and costs of backups, storage, and adaptation of the grids – which up to now have been decoupled. In a way, this makes all ways "dispatchable" – which leads to a technology neutral market, with a merit order based on full costs and no longer the marginal costs giving undue priority access to the intermittent renewables.

Once this global system study is properly done, the Commission should be able to propose an ambitious European nuclear contribution based on solid economic grounds optimizing the cost of the transition towards a very low carbon future . Member State national perspectives and plans can be considered in a second stage to fine tune the result.

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[2] OECD NEA and MIT studies for a country with a geography such as France, shows that going beyond 40% of penetration of intermittent renewables is not economically optimal when targeting a carbon footprint of electricity of $50grC0_2/kWh$. And it becomes even worse when the decarbonisation target is further reduced.

Based on the outcome, the PINC must then propose the ways and means to deliver and make things happen, with a particular focus on the European rules and implementation mechanisms to support the defined ambitious nuclear contribution. This needs to cover the full range of reactors and installations, from the existing ones in long term operation, to new builds, SMRs and advanced fast reactors, the front-end and back-end of the fuel cycle, focusing not only on electricity but also on heat production and means to decarbonize industry.
Proposals to revisit existing legislation should be developed to ensure the full integration of nuclear on an equal footing with other very low carbon technologies. This includes a revision of the Taxonomy, a structural reform of the electricity market, access to existing financing mechanisms, inter alia for the implementation of the NZIA, the Clean Industrial Act and the Affordable Energy Action Plan. Proposals for future legislative or financing mechanisms for the new EU budget, needed to further proactively support the deployment of the nuclear contribution defined in the PINC, should be elaborated.

Finally… when?

weCARE considers the PINC must be published by mid-2025. Time is short for the endeavour, but discussions for the next Multiannual Framework (operational in 2027) will start soon. It would be totally unacceptable, at the present challenging times for the EU, to fall back once again with a next budget excluding nuclear from EU support and financing mechanisms. While it is not for the EU to pay for the deployment of nuclear facilities, proper signals on an equal footing technology neutral treatment of all very low carbon technologies is necessary.

Marc Deffrennes, Richard Ivens, Serge Crutzen, Yves Crommelynck, Xavier Rollat, Said Abousahl, Marc Beyens

Contact marc.deffrennes@hotmail.com