|  |
| --- |
| **Assessment Report** |
| **Unique Doc. ID:**  | ONR-NR-AR-22-011 | **Issue No.:** | 2 |
| **Record Reference:** | 2022/26209 |
| **Project:** | Sizewell C (SZC) Nuclear Site Licence Grant |
| **Site:** | Sizewell C |
| **Title:** | Licensing and legal assessment of an application by NNB GenCo (SZC) Ltd for a nuclear site licence |
| **Nuclear Site Licence No.:** | 104 |
| **Licence Condition(s):** | 1 and 3 |
| **ONR Assessment Rating (Mandatory):** | Red |

Table 1: Step-based document review

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Step | Description | Role | Name | Date | Revision No.[[1]](#footnote-1) |
| 1 | Initial Draft, including identification and mark-up of SNI/CCI | Author |  | 25 April 2022 | 1 |
| 2 | Main editorial review | Author |  | 10th May 2022 | 2 |
| 3 | Peer Review in accordance with NS-PER-GD-016 | Peer Reviewer |  | 24th May 2022 | 3 |
| 6 | Acceptance review in accordance with NS-PER-GD-016 | Professional Lead |  | 28th June 2022 | 4 |
| 7 | Report Sign-off | Author/ Peer Reviewer/ Professional Lead |  | 1st July 2022 | 5 |

Table 2: Document acceptance

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Role | Name | Position | Signature | Date | CM9 reference for review |
| Author |  |  |  | 10th May 2022 | N/A |
| Peer Review[[2]](#footnote-2) |  |  |  | 24th May 2022 | 2022/39917 |
| Acceptance[[3]](#footnote-3) |  |  |  | 28th June 2022 | 2022/39205 |

Table 3: Revision history

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Issue No.: | Date | Author(s) | Reviewed By | Accepted By | Description of Change |
| 0 | 28th June 2022 |  |  |  | First formal issue |
| 1 | Feb 2023 |  |  |  | Final publication review |
| 2 | 26th April 2023 |  |  |  | Post publication review |

Table 4: Circulation list

|  |  |
| --- | --- |
| Organisation | Name |
| Office for Nuclear Regulation | Sizewell C Assessment Team |
| Environment Agency |  |
| NNB GenCo SZC | Regulatory Interface Office |

Sizewell C Licensing

Licensing and Legal assessment of an application by NNB Generation Company (SZC) Ltd

for a nuclear site licence

Assessment Report Ref.: ONR-NR-AR-22-011

Issue No.: 2

Date: 26 April 2023

# Executive Summary

This report presents the findings of the land and legal aspects if the NNB Generation Company (SZC) Ltd (NNB GenCo (SZC)) application for a nuclear site licence to construct and operate two UK EPR™ reactors at Sizewell C (SZC).

The scope of this report covers ONR’s assessment of the adequacy of NNB GenCo (SZC)’s arrangements for security of tenure (land title interests and third-party rights). It also describes the outcome of consultations with the Environment Agency and the Department for Business, Energy & Industrial Strategy (BEIS); considers the need for Public Body Notification (PBN) and reports on preparation of the licence. This report also covers progress made to satisfy Nuclear Safeguards Obligations; assessment of adequate arrangements for licence conditions (LC) 1 ‘Interpretation’ and LC3 ‘Control of Property Transactions’.

ONR has assessed NNB GenCo (SZC)’s LC 1 and 3 arrangements and found these to be adequate. We are also satisfied with progress made to meet Nuclear Safeguards Obligations.

We have consulted with the Environment Agency, and they confirm that they have no objection to ONR granting the site licence [16]. BEIS has advised ONR [1] that NNB GenCo (SZC)’s request for deferral of nuclear liabilities insurance has been granted by the Secretary of State. NNB GenCo (SZC) has assured the project inspector that it will accept the BEIS conditions and record this as a Commitment. BEIS has also confirmed that they are not aware of any issues that they would wish to draw to ONR’s attention relating to the licence applicant’s current financial standing [2].

Overall, we are not satisfied with the current position on Security of Tenure. This is because NNB GenCo (SZC) will not have acquired the SZC Site until after Government Investment Decision (GID) which was achieved in November 2022. Our guidance *Licensing Nuclear Installations* [3] states an expectation that a nuclear site licensee has full rights of access to, and control of, the site upon which the prescribed activities are to be undertaken. This stems from a requirement in the Nuclear Installations Act 1965 that licensees must be in control of prescribed activities. NNB GenCo (SZC) does not currently have such rights to the land proposed for the Sizewell development.

As a result of our assessment the following recommendations have been raised:

* **Recommendation 1**: A Nuclear Site Licence should be deferred until Security of Tenure has been obtained.
* **Recommendation 2**: ONR should verify that all residual property rights are appropriately recorded in accordance with NNB GenCo (SZC)’s LC3 Arrangements, and that the Security of Tenure Report has been updated to reflect this, prior to grant of Nuclear Site Licence.

# List of Abbreviations

ALARP As low as is reasonably practicable

BSL Basic Safety level (in SAPs)

BSO Basic Safety Objective (in SAPs)

CNS Civil Nuclear Security (ONR)

FID Financial Investment Decision

GID Government Investment Decision

HOW2 ONR’s Management System Platform

HSE Health and Safety Executive

IAEA International Atomic Energy Agency

LC Licence Condition

NSL Nuclear Size Licence

NNB GenCo. Nuclear New Build Generation Company

ONR Office for Nuclear Regulation

PCER Pre-construction Environment Report

PCSR Pre-construction Safety Report

PID Project Initiation Document

PSA Probabilistic Safety Assessment

PSR Preliminary Safety Report

RGP Relevant Good Practice

SAP Safety Assessment Principle(s)

SFAIRP So far as is reasonably practicable

SSC Structure, System and Component

TAG Technical Assessment Guide(s) (ONR)

TSC Technical Support Contractor

WENRA Western European Nuclear Regulators’ Association

Table of Contents

[Executive Summary 4](#_Toc104540860)

[List of Abbreviations 5](#_Toc104540861)

[1. Introduction 7](#_Toc104540862)

[1.1. Background 7](#_Toc104540863)

[1.2. Scope 7](#_Toc104540864)

[1.3. Methodology 8](#_Toc104540865)

[2. Assessment Strategy 9](#_Toc104540866)

[2.1. Standards and Criteria 9](#_Toc104540867)

[2.2. Integration with Other Assessment Topics 9](#_Toc104540868)

[3. ONR Assessment 10](#_Toc104540869)

[3.1. Scope of Assessment 10](#_Toc104540870)

[4. Conclusions and Recommendations 18](#_Toc104540871)

[4.1. Conclusions 18](#_Toc104540872)

[4.2. Recommendations 18](#_Toc104540873)

[References 19](#_Toc104540874)

Introduction

## Background

NNB Generation Company (SZC) Ltd. (NNB GenCo. (SZC)) applied to the Office for Nuclear Regulation (ONR) on 30 June 2020 for a Nuclear Site Licence (NSL) to construct and operate a nuclear power station comprising two UK (EPRTM) reactors at Sizewell C (SZC) in Suffolk.

ONR’s ‘Licensing Nuclear Installations’ [3] publication provides guidance on the licensing process and the factors that ONR may take into account when reviewing a NSL application. ONR has also developed a strategy [4] which outlines the approach taken to assess the NNB GenCo (SZC) licence application to inform a decision by the Chief Nuclear Inspector (CNI) on granting a licence.

This report presents the findings of the licensing and legal assessment. As part of its assessment of a site licence application ONR seeks confidence of the following.

The licence applicant has full rights of access to, and control of, the site so that it can satisfy the demands placed on it by the licence and the Nuclear Installations Act 1965 (NIA65).

Statutory consultations are concluded properly, and any issues raised are taken into account.

The applicant’s arrangements for LC 1 and 3 are adequate.

Satisfactory progress is made to satisfy Nuclear Safeguards Obligations.

## Scope

The scope of this report covers ONR’s assessment of the adequacy of NNB GenCo (SZC)’s arrangements for security of tenure (land title interests and third-party rights). It describes the outcome of consultations with the Environment Agency and the Department for Business, Energy & Industrial Strategy (BEIS); considers the need for Public Body Notification (PBN) and reports on preparation of the licence.

This assessment report also covers progress made to satisfy Nuclear Safeguards Obligations; assessment of adequate arrangements for LC1 ‘Interpretation’ and LC3 ‘Control of Property Transactions’.

As the Phase 2 Land (see para 22) will not be within the SZC NSL at point of licence grant, NNB GenCo (SZC) are not required to demonstrate control of this land. SZB will demonstrate that it retains sufficient control of this land as licensee; the scope of this assessment report does not cover SZB’s security of tenure.

## Methodology

The methodology for assessment follows ONR’s guidance on the mechanics of assessment, NS-TAST-GD-096, noting this report has been identified as a “routine report” in line with ONR’s guidance on production of report for permissioning, NS-PER-GD-015 [5].

The key assessment activities underpinning this report were carried out by quarterly meetings which have been held over the last two years; a letter provided by NNB GenCo (SZC) outlining their current position with regard to land acquisition and a review of the NNB GenCo (SZC) Security of Tenure report which also details all land party interests and third-party rights to the site. The purpose of these reviews was to gain assurance that NNB GenCo (SZC) proposals for security of tenure across the whole of its proposed site were adequate, in particular, control of the site and control of access. ONR has considered the position both at the point of licensing and what arrangements have been made for control of access to the Sizewell site after licensing.

Assessment Strategy

1. The assessment strategy for Security of Tenure is set out in this section. This identifies the scope of the assessment and the standards and criteria that have been applied.

Standards and Criteria

The relevant standards and criteria adopted within this assessment are principally the Licensing Nuclear Installations Guide [3]; permissioning guides and Technical Assessment Guides (TAGs). We have also reviewed the Licence Conditions (LC), namely LC 1 (Interpretation) and LC 3 (Control of Property Transactions).

### Permissioning inspection – Assessment

The following permissioning inspection guides have been used as part of this assessment:

* NS-PER-IN-003 (Revision 5) - The Processing of Licence Applications for New Nuclear Sites
* NS-PER-IN-005 (Revision 3) – Public Body Notification

Technical Assessment Guides (TAGs)

The following TAG has been used as part of this assessment [6]:

NS-TAST-GD-087 (Revision 2) – Control of Property Transactions on Licensed Sites

## Integration with Other Assessment Topics

This report will input into a Project Assessment Report (PAR). The PAR will draw together the views of ONR’s specialist inspectors on NNB GenCo (SZC)’s readiness to become a nuclear site licensee as well as site specific safety case elements applicable to licensing.

# ONR Assessment

## Scope of Assessment

ONR has assessed NNB GenCo (SZC)’s proposals for security of tenure across the whole of its proposed site and whether it can demonstrate that it has adequate control of the site and control of access. ONR has considered the position both at the point of licensing and what arrangements have been made for control of access to the Sizewell site after licensing.

In addition, and in accordance with its process for grant of a new licence, ONR has completed the following.

* Considered the adequacy of the Nuclear Site Licence Area map.
* Considered the need for Public Body Notification.
* Considered progress made to satisfy Nuclear Safeguards obligations is satisfactory.
* Considered Licence Condition 1 (Interpretation) and Licence Condition 3 (Control of Property Rights) arrangements.
* Consulted BEIS on the issue of Nuclear Liability Insurance and the applicant’s financial standing.
* Consulted the Environment Agency, who are a statutory consultee under NIA65 section 3(2)A.
* Prepared a draft licence with the standard 36 licence conditions – apart from initial exclusion of LC2(4). The licence takes account of the Justification Decision (Generation of Electricity by the EPR Nuclear Reactor) Regulations 2010.

### Security of Tenure

In a letter to ONR dated 25 February 2022 [7], NNB GenCo (SZC) confirmed that they will not be able to acquire the SZC Site prior to Site Licence Grant decision which was targeted for end of June 2022. The letter also sets out a timeline and the anticipated sequence of events towards obtaining security of tenure. The arrangements relating to the development and funding of the Sizewell C project are such that NNB GenCo (SZC) will not have acquired the SZC Site until after Government Investment Decision (GID) which was achieved in November 2022.

The arrangements that impact on the acquisition of the SZC Site are as follows:

* In order to demonstrate security of tenure to ONR, Sizewell C has negotiated an option agreement with EDF Energy Nuclear Generation Limited ("ENGL") (the "SZC Option"). Subject to meeting a number of conditions, this agreement will allow Sizewell C to acquire the freehold of the land required for construction and operation of 2 EPR units (the "SZC Site"). One of these conditions is that the board of Sizewell C has taken a FID (Financial Investment Decision) "to proceed with the construction of the project". The terms of the SZC Option are agreed between the parties but the agreement itself has not yet been completed.
* EDF Energy Holdings Limited (“EDFEH”) (the 80% shareholder of both ENGL and SZC) entered into a procurement option with His Majesty’s Government on 27 January 2022 (the “HMG Option”). The HMG Option envisages that the SZC Option can be entered into between NNB GenCo (SZC) and ENGL to facilitate the development of the project and that the SZC Option can be exercised (and freehold acquired) where necessary to facilitate a successful fund raise for Sizewell C.

Although the consent of HMG is not required for Sizewell C to enter into the SZC Option, given the current funding constraint, it is unlikely that NNB GenCo (SZC) would be able to exercise the SZC Option until the necessary funds have been raised i.e. the FID.

The following table provides the timeline and the anticipated sequence of events towards FID.

|  |  |
| --- | --- |
| **Estimated Date** | **Milestone**  |
| January 2022 | HMG Option executedSZC Option in agreed form |
| June 2022 | Shareholders’ Agreement (SHA) FID  |
| November 2022 | Government Investment Decision (GID) |
| After GID | SZC Option signed by SZC and ENGL |
| Proposed 2024 | External fundraise for SZC (Financial Close) SZC Option triggered, and freehold transferred to Sizewell C |

Once the conditions specified in the SZC Option have been satisfied (including availability of funds), the SZC Option would be exercised by NNB GenCo (SZC) and the freehold of land will transfer from ENGL to SZC Co. within 15 days of the SZC Option being exercised. Freehold ownership of the SZC site is sufficient to demonstrate that NNB GenCo (SZC) as licensee would have full rights of access to, and control of the site to satisfy the demands placed on it by the licence and the NIA 1965. The freehold transfer and title deeds will be made available for inspection prior to licence grant.

NNB GenCo (SZC) has undertaken a thorough review of the Titles forming the SZC site. They have also conducted extensive site visits and enquiries over a number of years and has not identified any formal or informal rights which will impact on the ability to retain sufficient control of the SZC NSL. There are a number of rights on the titles which affect the SZC NSL but do not impact on the ability for SZC Co. to demonstrate that it retains sufficient control of the land within the NSL boundary. Appendix A of the Security of Tenure Report [10] sets out the residual rights which are relevant to the SZC NSL. We have reviewed these titles and are satisfied that they will not impact on SZC’s ability to control the site.

Once the NSL is granted, the Control of Licensed Site Property Transactions Procedure (LC3 Arrangements) will be complied with, demonstrating the management arrangements for third-party rights in the NSL boundary.

### ONR’s Assessment of the Security of Tenure Position

ONR’s policy [Licensing Nuclear Installations para 93 [3]] is to ensure that a licensee has full rights of access to, and control of the site, so that it can satisfy the demands placed on it by the licence and NIA 1965. When granting a licence, we require evidence of security of tenure to show that sufficient consideration has been given to such issues. Where the licence applicant does not own the site, evidence is normally required in the form of a lease or some other legally binding contract or documentation which sets out the relationship between the applicant and the owner or lessee of the site.

ONR has indicated to NNB GenCo (SZC) that either freehold ownership or a long lease (in practice a lease which exceeds the life of the site, including decommissioning) is a prerequisite for obtaining a site licence. This condition allows the licensee freedom to undertake all activities necessary for the safe operation of the site.

If ONR were to grant a site licence without the above prerequisite, we do not believe that the NNB GenCo (SZC) could satisfy the demands placed on it by the licence and the Nuclear Installations Act 1965 (NIA65). In addition, we would not have confidence that the commitment to de-licence would be fulfilled if there was a failure to achieve financial close, in effect leaving an ‘orphaned’ nuclear site.

ONR accepts that post FID, NNB GenCo (SZC) will be in a position to acquire the freehold of the site. However, grant of a nuclear site licence cannot be recommended before security of tenure is achieved. Therefore, we recommend that a Nuclear Site Licence should be deferred until Security of Tenure has been obtained (Recommendation 1).

### Map of the Nuclear Site Licence Area

We have reviewed the maps of SZC nuclear site licence areas for both phase 1 [8] and phase 2 [9] and consider these to be adequate. We have requested that the Nuclear Site Licence reference number (104) be added prior to grant of licence.

### Licence Condition 1 (Interpretation) Arrangements

The arrangements for LC 1 (Interpretation) are detailed in the NNB SZC Local Instructions guidance [11]. This guidance contains a full list of terms taken from LC1, in addition to other key definitions applicable to the NSL. The arrangements also reproduce the text in parts 2 and 3 of the LC1.

The definitions from LC1 are in bold text and, when definitions from the legislation and regulations are provided, the full text is reproduced. We consider this to be good practice as it assists the reader to understand the document.

The guidance also contains a definition of a nuclear new build as per the HSE Enforcing Authority Regulations. This will be particularly relevant during the construction phase of the installation.

### Licence Condition 3 (Control of Property Transactions) Arrangements

NNB’s LC3 arrangements are contained in four documents, dated 16 February 2022 as follows.

Control of Licensed Site Property Transactions [12]

Property Transaction Proposal Template [13]

Property Transaction Review Template [14]

Property Transaction Register [15]

The arrangements are set out in detail in the procedure document, which is comprehensive and contains a useful glossary (definitions list) in part 1. The purpose of the arrangements is clearly stated and accurately reflects the requirements of LC3. The glossary clearly differentiates between high impact transactions which have the potential to affect safety (nuclear and conventional) and those which may impinge on the licensee’s ability to control the site (leases and freehold conveyances). The LC1 definition of property transactions is produced in full. The arrangements reference the Security of Tenure Report produced in support of the nuclear site licence application [10], which is intended to be a living document and will include any property transactions which take after the grant of the nuclear site licence.

The procedure document breaks the process into steps and includes a flow-chart which covers the three categories of transactions. The arrangements also list the inputs to and outputs from the procedure. Clear roles are identified – Property Transaction Lead and Proposal Sponsor, who will categorise and issue the proposal and take responsibility for correct application of the process.

We consider that the process reflects ONR’s published guidance [6] and describes how the different categories of transaction should be treated. The importance of involving ONR at an early stage is made clear and the role of the Nuclear Safety Committee (for approval of “High Risk” transactions and comment for Medium” risk transactions) is also included. The 28-day reply period after ONR is informed of a medium category transaction is explained.

The absolute requirement for ONR Consent for High impact transactions which involve leasing or freehold sale of any part of the site is made clear. Other high impact transactions will be submitted to ONR for approval. The question of a transaction which undermines the basis of the licensing decision is also covered, making the point that any transaction involving freehold transfer may trigger re-licensing.

A post-transaction review is included, and a template for this forms part of the arrangements. The review provides for assessment of any unexpected difficulties which emerged during implementation and how they were managed, and also for the recording any learning gained during the process.

The proposal template is a key document, and we consider it to be well-designed. The template requires the Transaction Lead to consider a number of factors, taken from ONR’s published guidance, which will determine the categorisation of the transaction and to provide a justification for the category assigned. There are 12 questions and the information comprising the answers provides a concise summary of the relevant details. The proposal document must be signed by the sponsor and the SZC legal affairs director. The template contains a summary of the definition of a property transaction, and also describes transactions which would be outside the scope of LC3.

The property transaction register records each transaction, giving a reference number, description, and date of approval. It is referred to throughout the arrangements and the need to record each transaction in the register is made clear.

The LC3 arrangements for SZC are comprehensive and contain the important elements of categorisation, recording and internal approval. We conclude that the arrangements for LC3 compliance are satisfactory. The only criticism is the slight confusion concerning de-licensing (out of scope of LC3), but this is a minor concern and can be rectified after licence grant.

ONR should verify that all residual property rights are appropriately recorded in accordance with NNB GenCo (SZC)’s LC3 Arrangements, and that the Security of Tenure Report has been updated to reflect this, prior to grant of Nuclear Site Licence (see Recommendation 2).

### Safeguards

ONR has received preliminary Basic Technical Characteristic (BTC) of the facility. We will be engaging with SZC on a quarterly basis this year to ensure that they are aware of the regulatory requirements with regard to the Accountancy and Control Plan (ACP) submission. Our regulatory deadlines are implemented when the decision to construct is conducted and the proposed date for fuel to enter site is confirmed.

### Public Body Notification

The Planning Act 2008 (PA 2008) removed the requirement for consent under section 36 of the Electricity Act 1989 for the operation of a generating station, if the operation of that station has been authorised by a Development Consent Order (DCO). So, ONR has no power to direct a Public Body Notification. This process has been replaced by the DCO consultation.

### Nuclear Liability Insurance

The licensee is required to provide cover for third-party claims up to limits prescribed by NIA65 and for the arrangements to be approved by the Minister. In the case of SZC, BEIS is responsible for the review of the adequacy of the licensee’s cover, which may be provided by insurance, indemnity, or other approved means. A NSL may, with the consent of the Secretary of State, include provision regarding the time from which such cover is to apply. For example, this may be linked to the point at which nuclear fuel is to be brought onto the site for the first time.

Unless provision has been made for a deferral of cover as described above, cover must be in place when the new NSL comes into force. To avoid the risk of the licensee not having the legally necessary cover in place, ONR sought confirmation from BEIS that NNB GenCo (SZC) had made appropriate arrangements for liability cover [1].

BEIS confirmed to ONR that NNB GenCo (SZC) made a request to BEIS for a deferral of cover until it is ready to bring nuclear fuel onto the SZC site for the first time.

BEIS has advised ONR [1] that NNB GenCo (SZC)’s request for deferral has been granted by the Secretary of State. It is conditional, amongst other things, on keeping potential claimants advised through NNB GenCo (SZC)’s website of the time when the deferral is replaced by insurance or other means. NNB GenCo (SZC) has accepted the conditions specified by BEIS in a company commitment document. NNB GenCo. (SZC) has assured the project inspector that it will accept the BEIS conditions and record this as a Commitment.

BEIS has prepared a Provision [1] for deferral which has been reviewed by ONR and which will be included in the NSL.

### Financial Standing

In accordance with the guidance in *Licensing Nuclear Installations*, ONR sought confirmation from BEIS of the financial standing of the licence applicant [20]. BEIS wrote to ONR on 13 June 2022 to confirm they are not aware of any issues that they would wish to draw to ONR’s attention relating to the licence applicant’s current financial standing [2].

### Environment Agency Consultation

In an email dated 9 May 2022 [16], the Environment Agency confirmed that the granting of a new nuclear site licence to NNB GenCo (SZC) Limited is consistent with their principles for the protection of the environment. They do not believe that it will prejudice any legal process under the Environmental Permitting (England and Wales) Regulations 2016. They confirm that the Environment Agency has no objection to ONR granting the site licence and will continue to determine applications for three operational environmental permits for Sizewell C.

### Regulation of the Construction Site

A nuclear new build site is defined by regulation 2A of the Health and Safety (Enforcing Authority) Regulations 1998 [17] as: “a site which is immediately adjacent to a GB nuclear site (associated site) or forms part of a construction site where construction work is being carried out wholly or mainly for the purpose of the installation of one or more nuclear installations on the associated site and by or on behalf of the person to whom the nuclear site licence has been granted”. Regulation 4A establishes ONR as the enforcing authority for such a site. ONR LC 16 (Site plans, Designs and Specifications) guidance recognises that a new build site boundary is potentially flexible and may be changed or adapted as construction proceeds.

A position paper was presented to the European Pressure Reactor (EPR) Sub-Division Board [18] detailing five areas associated with the construction of SZC. The paper recommended that ONR should regulate the Main Construction Area and a part of the Temporary Construction Area (TCA) [18], excluding the railway terminus. This area would be defined as the New Nuclear Build Site for the purpose of the Enforcing Authority Regulations; ONR would be responsible for enforcing the Energy Act 2013 and its RSPs and HSWA 1974 within this area. ONR will also regulate the jetty and the intake and outfall tunnels. The remainder of the TCA will be regulated by HSE and the Office for Road and Rail Regulation.

# Conclusions and Recommendations

## Conclusions

 We consider the following arrangements to be adequate

* LC1 and LC3 arrangements
* Progress made to satisfy Nuclear Safeguards Obligations

We are not satisfied with the current position on Security of Tenure and the assessment rating is red. We accept that NNB GenCo (SZC) has plans in place to meet our requirements should ONR indicate that other areas of its assessment are satisfactory.

## Recommendations

Our recommendations are as follows:

* **Recommendation 1**: A Nuclear Site Licence should be deferred until security of tenure has been obtained (see 3.1.2).
* **Recommendation 2**: ONR should verify that all residual property rights are appropriately recorded in accordance with NNB GenCo (SZC)’s LC3 Arrangements, and that the Security of Tenure Report has been updated to reflect this, prior to grant of Nuclear Site Licence (see 3.1.5).

# References

|  |  |
| --- | --- |
| [1]  | *Sizewell C Licensing BEIS Third Party liability insurance letter May 16 2022. CM9 2022/30702.*  |
| [2]  | *Letter from BEIS to ONR dated 13 June 2022 regarding Financial Standing of NNB GenCo (SZC) Ltd. and Deferral of Nuclear Liability Insurance. CM9 2022/37978..*  |
| [3]  | *Licensing Nuclear Installations,* Office for Nuclear Regulation, 2019.  |
| [4]  | *Sizewell C new build project, ONR Strategy up to licence grant. CM9 2019/256175.*  |
| [5]  | “Guidance on Production of Reports for Permissioning,,” Office for Nuclear Regulation, 2020. |
| [6]  | “NS-TAST-GD-087 Control of Property Transactions Technical Assessment Guide,” [Online]. Available: https://www.onr.org.uk/operational/tech\_asst\_guides/ns-tast-gd-087.pdf. |
| [7]  | *Letter from NNB GenCo. (SZC) regarding Achieving Security of Tenure dated 25 February 2022. CM9: 2022/13416.*  |
| [8]  | *Map of SZC Nuclear Site Licence Area CM9 2022/22914.*  |
| [9]  | *Map of SZC Final Site Licence Area (Phase 2) CM9 2022/22916.*  |
| [10]  | *SZC Nuclear Site Licence Security of Tenure Report CM9 2022/22899.*  |
| [11]  | *NNC GenCo. (SZC) Local Instruction, Nuclear Site Licence Definitions. CM9 2022/28420.*  |
| [12]  | *Control of Licensed Site Property Transactions. CM9 2022/23464.*  |
| [13]  | *Property Transaction Proposal Template. CM9 2022/23465.*  |
| [14]  | *Property Transaction Review Template. CM9 2022/23467.*  |
| [15]  | *Property Transaction Register. CM9 2022/23466.*  |
| [16]  | *Response from Environment Agency May 09 2022 - ONR Assessment of SZC Nuclear Site Licence Application. Email received 9 May 2022. CM9 2022/28691.*  |
| [17]  | *The Health and Safety (Enforcing Authority) Regulations 1998.*  |
| [18]  | *Regulation of Sizewell C Project, Position Paper for Discussion at the EPR sub-division. CM9 2021/36445.*  |
| [19]  | *The Nuclear Safeguards (EU Exit) Regulations 2019.*  |
| [20]  | *ONR Letter to BEIS Concerning Nuclear Liability Insurance and Licence Applicant’s Financial Standing 4th April 2022. CM9 2022/21387.*  |

1. CM9 revision to be identified upon completion of activity and incorporation of any changes to document. [↑](#footnote-ref-1)
2. Where required in accordance with [NS-PER-GD-016](https://how2.prod.onr.gov.uk/CtrlWebIsapi.dll/D2B97868F9C04F9F97117C7B56DFC8B7.cwl?__id=webFile.save&doc=3B55AFB1AFAC46B48A5EF6D7C306666C&dpt=1&save=1). [↑](#footnote-ref-2)
3. Hard-copy of document signed-off, CM9 version updated with authors / approver / acceptor names and dates and record finalised [↑](#footnote-ref-3)