*Building **better energy** together*

# WELCOME

HPC

EDF ENERGY

CGN

Nuclear New Build

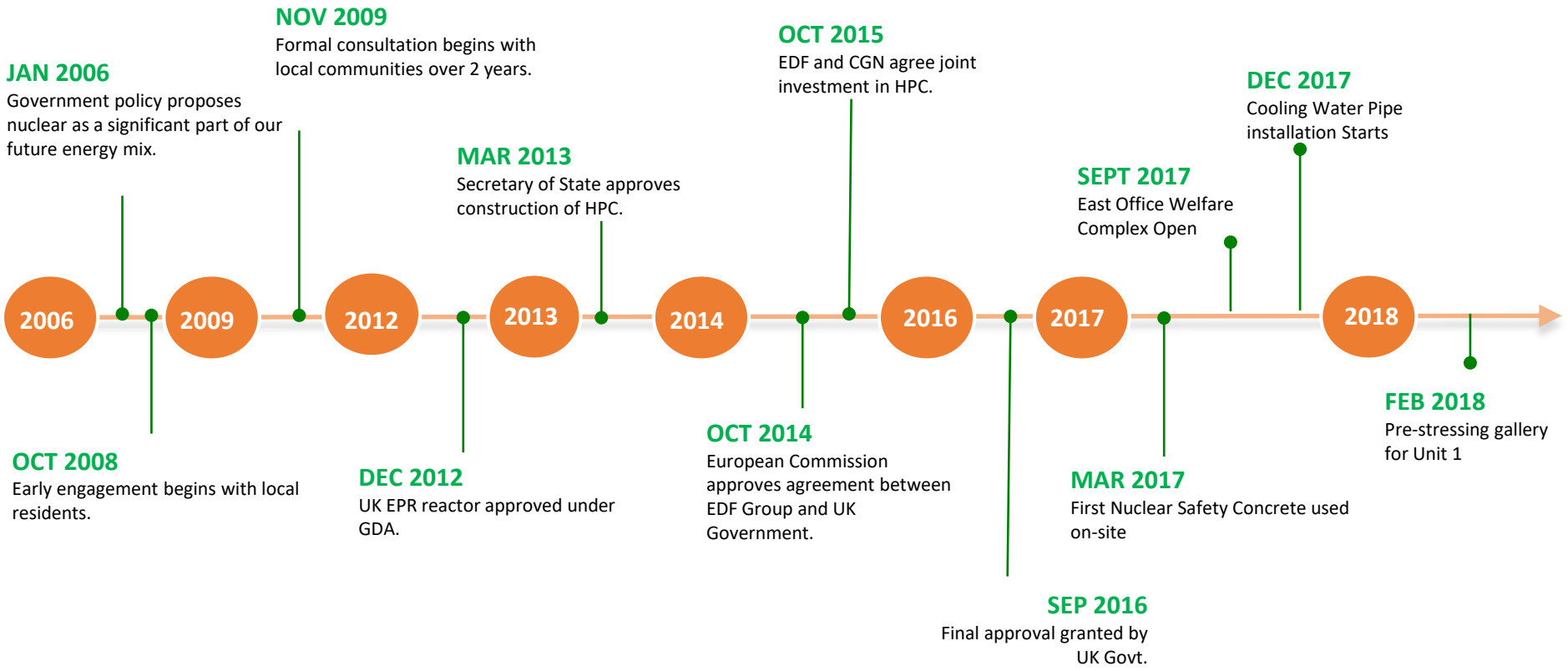
# INLA UK NUCLEAR CONFERENCE
# Hinkley Point C Update

Jillian Chung

28 June 2018

# The Journey So Far….

Hinkley Point C will be the first nuclear power station to be built in the UK in a generation.



# Contract Signings



**October 2015 - EDF and CGN sign Strategic Investment Agreement**



**September 2016 - Final contracts for the Hinkley Point C nuclear power station are signed in London**

# VIP Visits









**Work very much in progress…**



January 2018 - Enabling team celebrate the completion and handover of the foundations for Unit 1 Nuclear Island



January 2018 - Aerial view of the 500m long aggregate handling jetty under construction



January 2018 - View across the construction site from the concrete batching plants



March 2018 – The first nuclear safety concrete pour for the pre-stressing gallery



March 2018 - Unit 1 Heat Sink progress



April 2018 - View of the technical galleries - 475 metres of galleries and 149 concrete pours have been completed to date



April 2018 - The three concrete batching plants on site can produce 2,000 tonnes of nuclear safety concrete each day




April 2018 – Excavation works for the Unit 1 heat sink



April 2018 – Holes are drilled to prepare for ground nail installation



# April 2018 – progress continuities in the galleries

# HPC Contract Strategy

- Two main forms of contract being utilised on HPC:
  - NEC3
  - FIDIC
- NEC3 aligned to address typical uncertainties surrounding construction and engineering including access constraints and interface management.
- NEC3 being utilised predominantly for HPC site works (including Civils, Marine, Earthworks contracts)
- NEC3 contracts generally Target Cost Option C contracts, to incentivise collaboration, mitigate risks and drive performance with shared risk between Supplies and HPC
- Key Commercial parameters in NEC contracts – fixed fee, schedule incentives, pain/gain mechanism and “material scope” threshold in the operation of compensation events to reduce number of low value/minor claims

# HPC Contract Strategy

- Three forms of FIDIC (bespoke FIDIC forms):
  - DM (equipment design manufacture, including delivery)
  - DMS (equipment design, manufacture (including delivery) and installation and commissioning support)
  - DMIC (equipment design, manufacture installation and commissioning (for equipment that cannot be installed by others and instead requires specialist installation and commissioning)
- HPC view is that FIDIC is more aligned (than NEC form of contract) to technology elements where testing and output compliance are critical
- FIDIC also better know to the majority of the HPC equipment supply chain, which is made up of predominantly non-UK suppliers, particularly French suppliers with previous experience on FA3.

# HPC - Current Status of procurement (30 May 2018)

## *working together*

International, National & Local partners
to deliver Hinkley Point C

## *2018*

*+ 27 New Signatures*
*+ 12 Preferred Bidders*
*+11 ITTs To Launch*
*+26 Awaiting ITT*




## *118 contracts*

*Total 'live' contract portfolio including*
*15 ECI/EWCs to de-risk the schedule*
*79 contracts to procure*

## *progression*

*MEH Strategy*
*+ 90 Framatone Auxiliary System Contracts*

# Key challenges

- Euratom and Brexit
- “First of a kind” procurement model
- Procurement (and management) of over 200 Tier 1 contracts/contractors
- Extensive “intelligent customer” role, particularly in relation to supply chain management below Tier 1 level
- Location (skills shortages, transport, workforce accommodation, greater exposure to adverse weather)
- Supply chain insolvency

# Sizewell C



# THANK YOU

