

Infra Dig – Banking Nuclear

Angus Leslie Melville

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The thorny issue of nuclear power and its financability is the central theme for this latest Infra Dig podcast between IJGlobal and 2 senior bankers from Natix Corporate & Investment Banking.

IJGlobal head of content Angus Leslie Melville is joined by Natix CIB energy transition specialists Ivan Pavlovic and Eric Benoist for an episode that drills down into nuclear energy on an international level.

In a far-ranging discussion that runs for around 37 minutes, Ivan and Eric centre conversation on small modular reactors (SMR) with the listener treated to an informed overview of the nuclear sector with significant focus on the small-scale (1MW upwards) option that is increasingly hitting the headlines.

You can access this latest Infra Dig episode on [Apple Podcasts](#) and through [Amazon Podcasts](#). It is also hosted across a slew of other platforms and is open access on all of them.

SMR capacity ranges from 1MW at the bottom end of the range, scaling up to 400-500MW (modular in nature), and they are widely touted as one of the key solutions to generating low carbon electricity to support the energy transition... especially important given the growing need to boost energy production as electrification ramps up and decarbonisation efforts gather momentum.



Ivan (pictured below left) says: “If you think of the electricity generation that is needed through to 2050 to accompany this surge in electricity demand, you see that production should actually be multiplied by 6.5 times through to 2050.”

As Ivan explains, this includes all alternative energy sources... including everything from offshore wind through to solar PV – and many believe that SMRs will play a key role in delivering on this requirement.



Ivan adds: “So basically, you need more and more electricity and you need to decarbonise the existing electricity generation sector. And to accompany the new electrification needs, you see how complementary renewable sources and nuclear sources can be from the perspective of deploying more and more capacity in particularly in densely populated areas where actually deploying renewable sources can be a key challenge – and deploying nuclear capacity can be simpler.

“If you want to deploy electricity for industrial uses, you need dispatchable baseload power... so you need nuclear power rather than intermittent energies.”

Given the chequered history of big nuclear deployment across Europe over the last few decades, the Infra Dig guests in agreement when it comes to developments in this sector – that SMRs provide a viable solution to the roll-out of base load energy.

However, the number of solutions being rolled out across so many different markets causes a bit of concern with too many solutions being offered in too many different formats.

Eric (pictured right) says: “With 83 different SMR models under development in 18 countries in 2022... 2 years on, we are probably well above 100 now. Certainly it doesn’t look like we are approaching any phase of standardisation at the moment.

“What is interesting when you look at those numbers in a little more detail is the proportion of next generation reactors in those models. The proportion is increasing right now. If you look at third generation, pressurised, water-cooled models – the technology is similar to the ones that you would find in large conventional reactors. If you look at those, they represent less than 40% of the total now... which means that 60% is actually next-gen stock that is unproven technology.”

Tune into the latest episode of Infra Dig to hear a lot more about nuclear developments, small modular reactors and how the lending community will support the delivery of low-carbon energy.





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