

INLA WG3 - 2017 PROPOSED WORK PROGRAMME

INLA WG JOINT MEETING: MAY 3, 2017

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GOWLING WLG

AGENDA

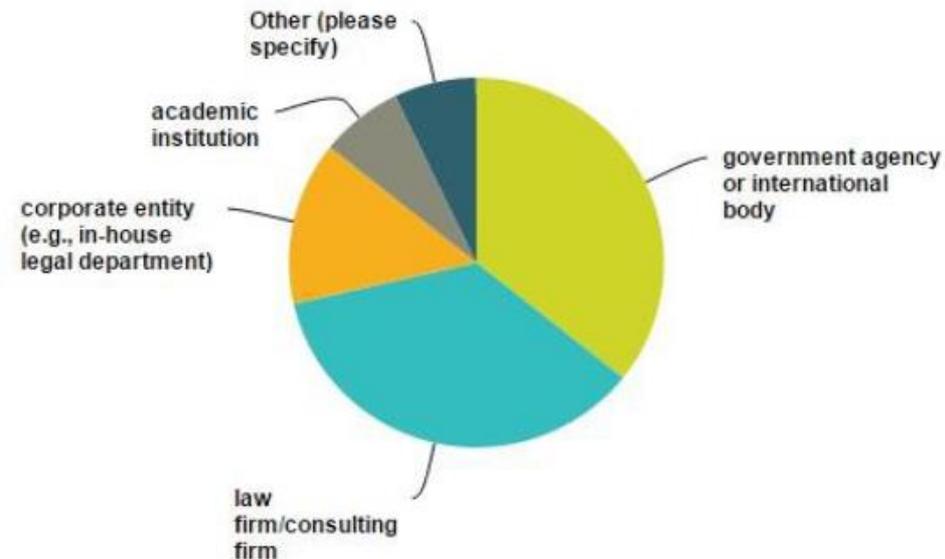
- **Results of 2015/2016 WG3 Survey**
- **WG3 Objectives**
- **Topics for WG3 papers/reports for INLA Congress**
- **Open discussion**

SURVEY RESULTS FOR WG3

- 16 responses
- Membership from a wide range of members: private practice, in-house, government, international bodies, academia
- Overwhelming support for regular involvement in INLA activities (2-5 hours per month)
- Strong employer support for member involvement
- Wide range of areas of interest
- Many thanks to Mark C. Sanders

Your employer is best described as a/an?

Answered: 14 Skipped: 2



SURVEY RESULTS FOR WG3 CONT'D

In which project areas would you like to see the working group become involved?

Answered: 14 Skipped: 2



SURVEY RESULTS FOR WG3 CONT'D

- **Projects that members would like the group to undertake (from most interest to least):**
 1. Webinars;
 2. Public outreach;
 3. Legislative reports;
 4. Social Media (e.g. LinkedIn and Facebook);
 5. Other – create database of knowledge of the issues in new build, including opportunities and challenges.
- **Most members endorse a combination of face to face meetings followed by video/telephone conferences for meeting formats;**
- **Most members support the group meetings to take place bi-annually.**

WG3 OBJECTIVES AND PLAN

- **Objectives**

- Promotion and pursuit, on an international level, of studies and knowledge of legal issues related to international nuclear trade and new build
- Exchange of information with other INLA members

- **Purpose of Programme**

- to outline and set out the plan for implementation of these objectives in 2017

- **Plan**

1. Hold quarterly video/telephone conferences to discuss relevant topics
2. Form subgroups to prepare reports for the 2018 INLA Congress on agreed topics
3. Identify areas of collaboration with other INLA working groups

TOPICS OF FOCUS

- **1. Industry Shifts: Implications for Project and Enterprise Risk Management**
- **2. Resource Management: Financial and Human Resources**
- **3. Alternative Contracting Models**
- **4. The Future of SMR Development**
- **5. Power Sales and Market Risk Mitigation**

TOPIC 1: INDUSTRY SHIFTS: IMPLICATIONS FOR PROJECT AND ENTERPRISE RISK MANAGEMENT

- **Impacts of insolvency of technology providers on the wider supply chain, both regionally and globally**
- **What lessons could be learned about proofing against these risks in the future, eg: the treatment of the IP, and protecting its use in an insolvency scenario**
- **In collaboration with WG2 and others, management of nuclear liability risk**

TOPIC 2: RESOURCE MANAGEMENT: FINANCIAL AND HUMAN RESOURCES

- **Financing and Funding:**
 - access to new build finance and the legal and institutional obstacles thereto, including the OECD Consensus, IMF Conditions and WB mandate
 - recent trends in state-sponsored projects and government support regimes

TOPIC 2: RESOURCE MANAGEMENT: FINANCIAL AND HUMAN RESOURCES

- **Human Resources:**
 - capacity building and workforce planning issues (both regulatory and operating entities)
 - two goals: initial competence and sustainability
 - key programme drivers:
 - programme size,
 - contractual arrangement (BOO, Turnkey EPC),
 - scope of HR support in vendor contract,
 - regulatory approach,
 - quality of existing national infrastructure (industrial and technical base, training and academic institutions, infrastructure to support non-power applications of nuclear energy (i.e. research))
 - comparative approaches to success (i.e. UAE)

TOPIC 3: ALTERNATIVE CONTRACTING MODELS

- **Impact of contracting models on project outcomes, including application of the collaborative contracting model to nuclear projects**
- **Pros and cons of various contracting models**
- **Suitability of contracting models to new build nuclear power projects**

TOPIC 4: SMR DEVELOPMENT

- **SMRs are an increasingly exciting area of opportunity for new build. There are a number of practical and novel legal issues facing the development of SMRs, which could be explored by WG3, and in collaboration with other Working Groups, including, for example:**
 - Government support models for R&D, commercial development and deployment of SMRs
 - Licensing of SMRs:
 - Comparative analysis of national licensing models for SMRs: both traditional and bespoke
 - Application of current international licensing principles to factory-fabricated models of SMR deployment (eg: where does Prime Responsibility fall?)
 - Application of nuclear liability laws to factory fabricated modules
 - The application of Export Control laws to designs, modules, components and potentially to fuelled units
 - Re-fuelling, waste management and decommissioning

TOPIC 5: POWER SALES AND MARKET RISK MITIGATION

- **Move toward liberalisation of power markets;**
 - characterised by the unbundling and privatization of industry sectors (including nuclear power generation) and
 - the opening up of markets to new entrants and competitive trading
- **Project developers need to find a route to market providing a sufficiently certain revenue stream to underpin the development (and financing) of the project**
- **Consideration of electricity market structures, despatch regimes, grid balancing regulation, power purchase agreements and available public support mechanisms (such as the CfD in the UK)**