



Hinkley Supply Chain
Programme



Opportunities through the Hinkley Supply Chain Programme



Nick Golding



Hinkley Supply Chain Programme

Sponsors



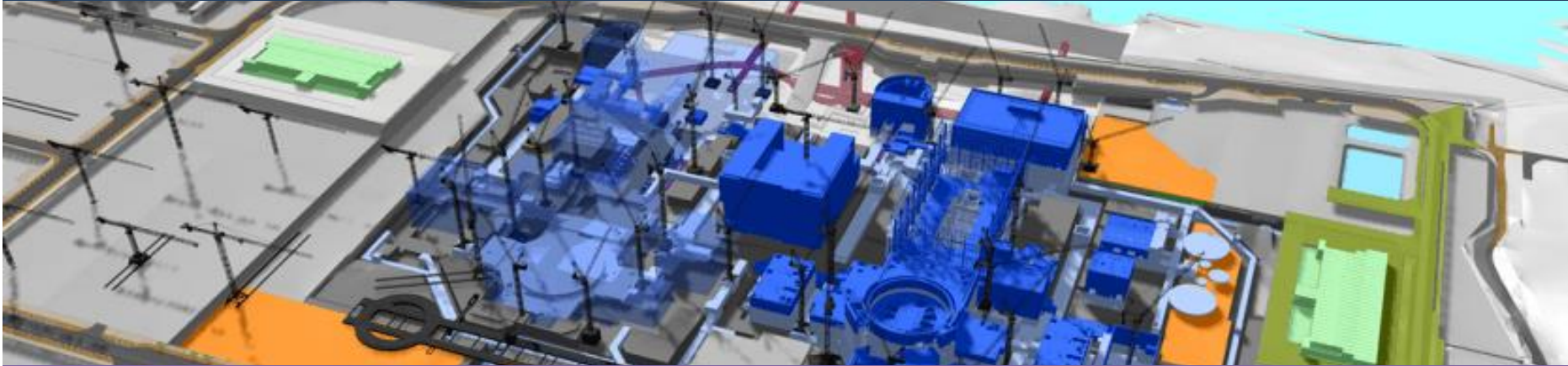
Supported by



Delivered by



Encourage companies to be part of the UK's first next generation Nuclear Cluster here in the South West of England



Access a unique capability in the design, manufacture and testing of solutions for the highest reliability, failure-intolerant applications...built-up from a world-class experience supplying the aerospace, marine and nuclear sectors. Creative and innovative cross sector market solutions accelerating the pace of **Nuclear New Build**

With support around.....



KNOWLEDGE & SKILLS



COLLABORATION



INNOVATION



FUNDING & FINANCE

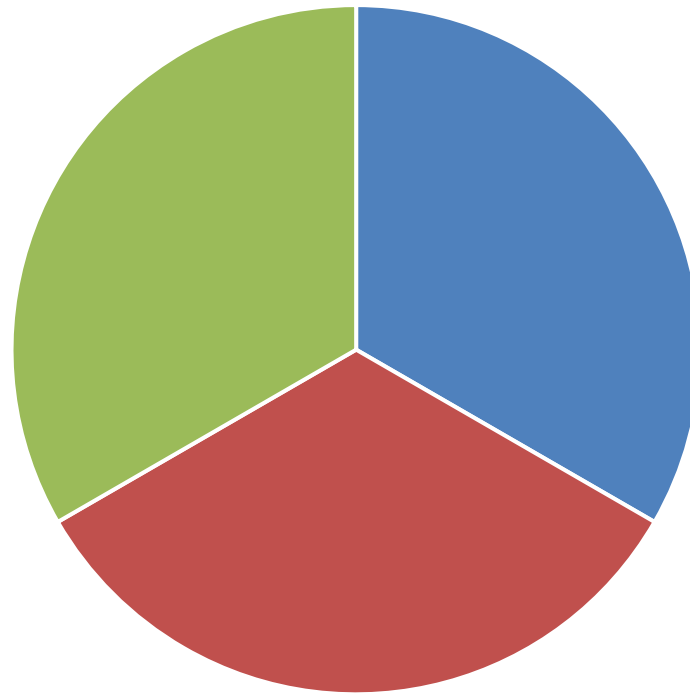
Hinkley Supply Chain Team

Our aim :-

Growing the South West & South Wales supplier content in Hinkley C by:

1. High quality supplier sourcing for main contractors
2. Stimulating readiness and competitiveness in the regional supply chain
3. Facilitate visibility of opportunities and supplier matching
4. Building transferable capability to create a legacy from the project

Providing Value For Money



■ Public investment ■ Private investment ■ Benefit in Kind

What has been achieved



Companies supported through the programme have won more than £400m in terms of contracts with HPC



More than 170 workshops held supporting 127 companies to gain new knowledge and achieve new standards



More than 1000 companies put forward to HPC contractors with a capability match

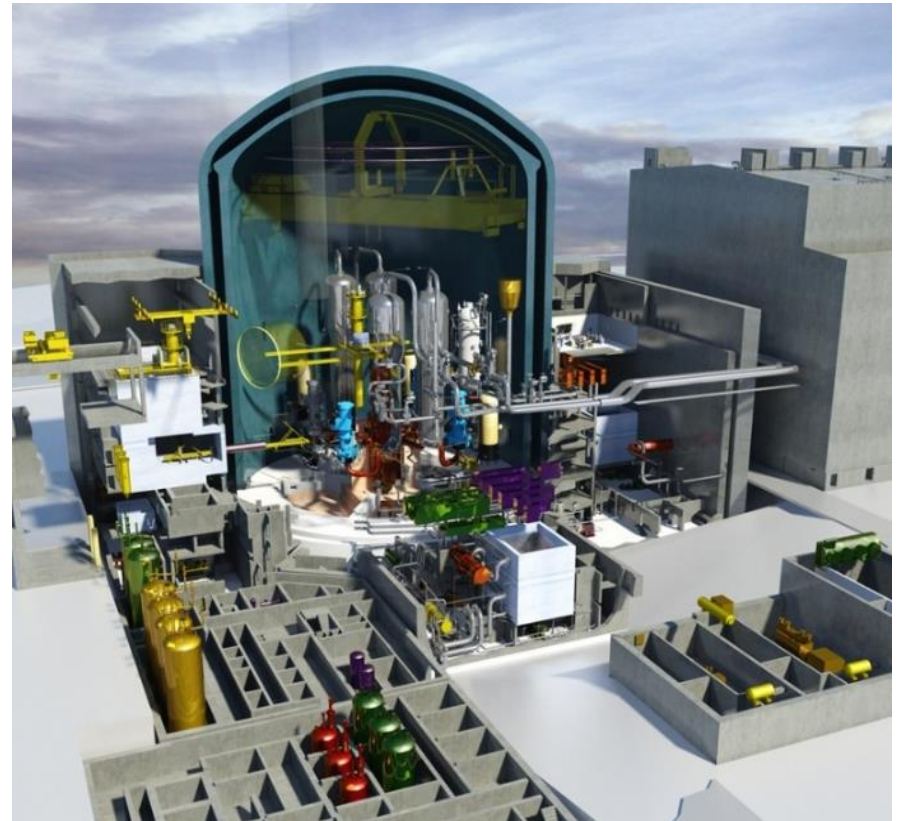
Companies across South West and South Wales have been promoted more than 7500 times

The Opportunity

More than £50bn future spend on regional infrastructure projects

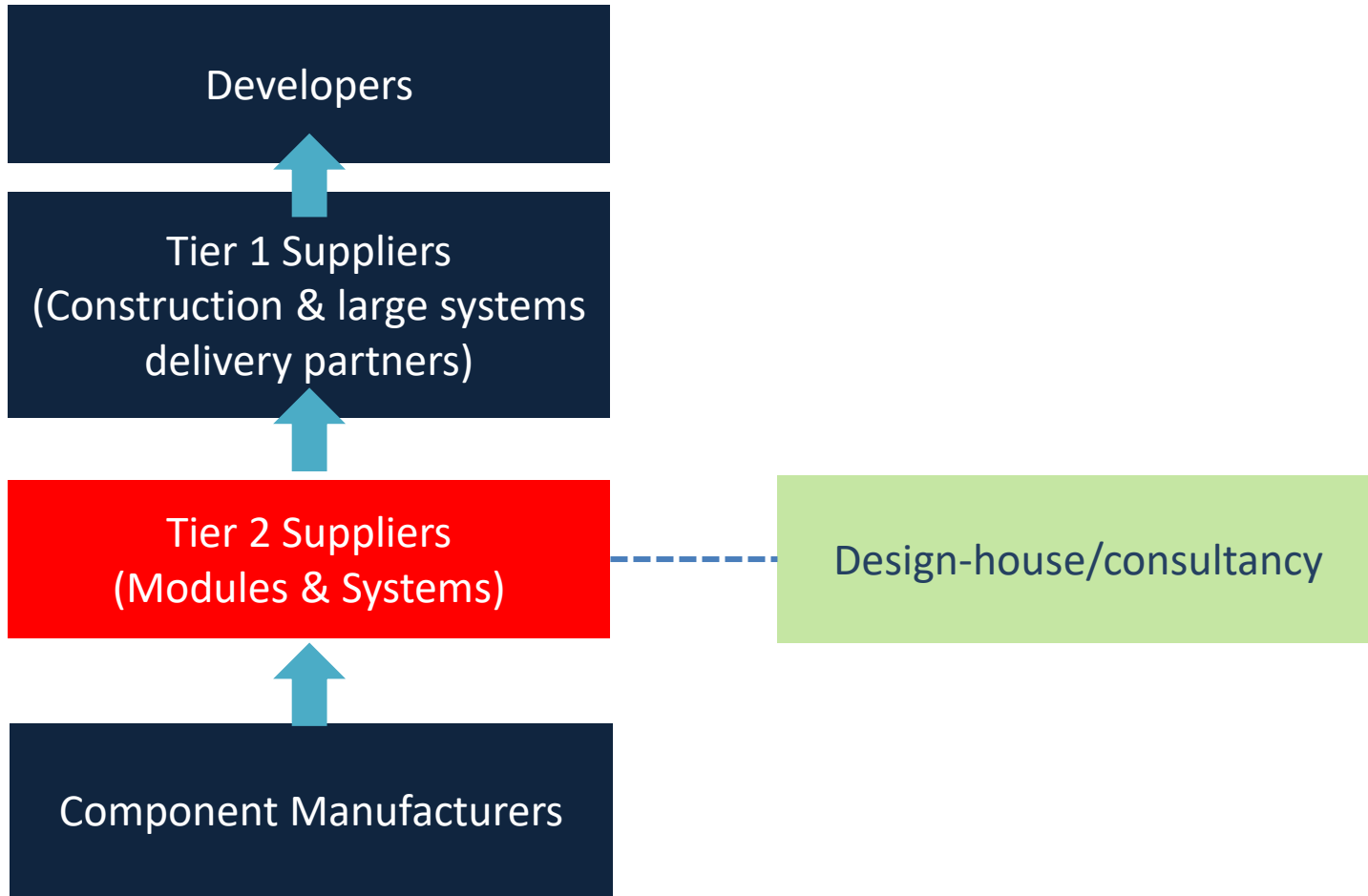
- Nuclear New Build
- Decommissioning
- Defence
- Existing Fleet Maintenance

£15bn potential addressable market opportunity within the region

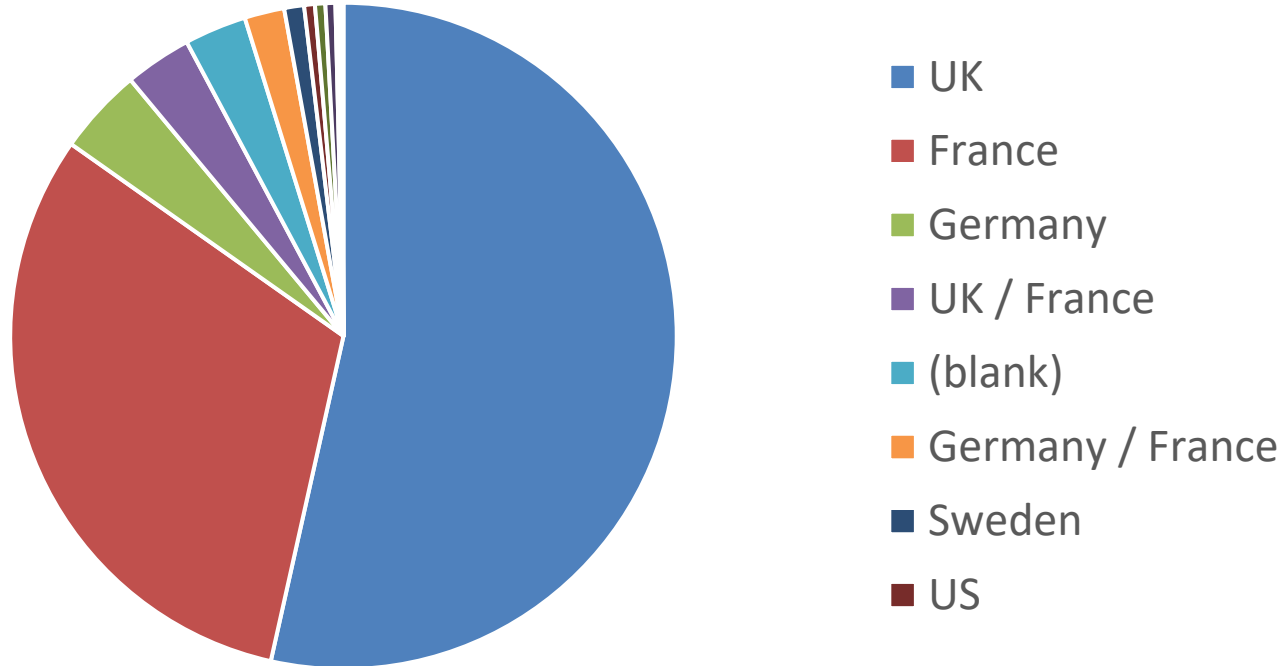




Where we see the Gap in the Market



Approximate Distribution of contracts by country



Based on public information from EDF Energy Website and using minimum contract values within the range

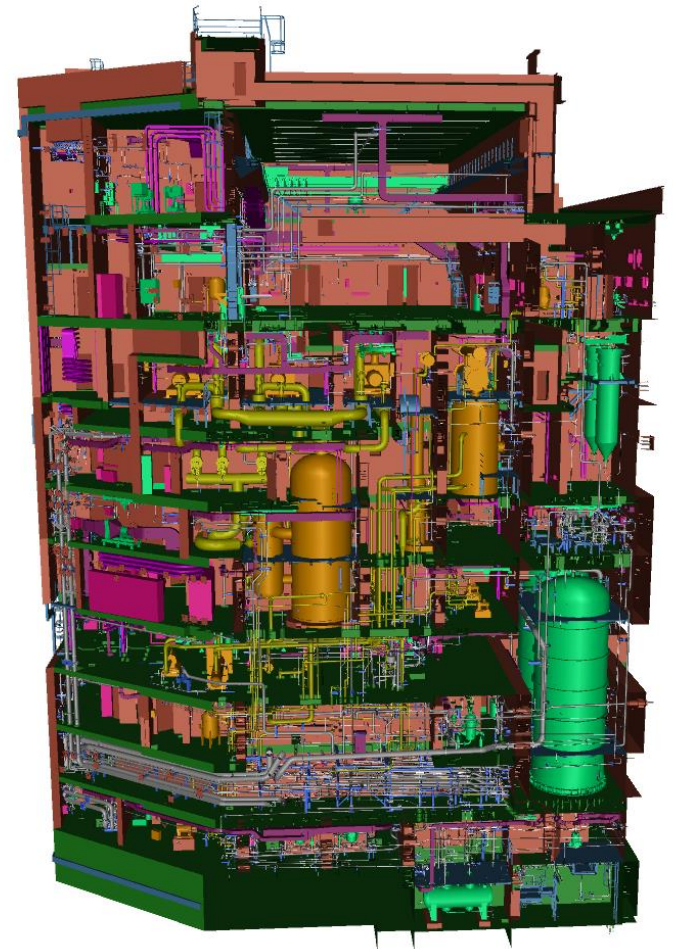
Opportunities so far with HPC

- Associated Developments
- Infrastructure in regional area
- Civil Engineering
 - Lots of steel fabrications



Future Opportunities

- Largely within the tier 1 or tier 2 supply chain
- Future around Mechanical, Electrical and HVAC
- Effort needed now to support the long term



Common Challenges for firms

Opportunities for
firms to
collaborate

Qualification costs and
programme volume are a key
challenge for many firms

- Differences in approach to regulation ONR non specific approach is uncomfortable for many international firms but allows UK an opportunity to compete
- UK specific legislation such as CDM (Construction, Design and Management) and knowledge UK firms have is a strength
- Cultural challenges in engineering approach between UK teams and international teams
- Expectations and recognition of skills and expertise between parties

Hinkley C Business Benefit

- Nuclear is special – its for the best suppliers
- Pareto principle. 80% value won likely to involve best 20% (or 10%!) suppliers
- Safety, Quality, Leadership & management, Price
- Serious competition from an international supply chain
- Local, regional and UK suppliers are winning big contracts
- Massive opportunity to benefit from UK onshoring of MEH capability.

Key messages

- The South West has significant opportunities for growth
- Approx. 4 years into HPC project aiming to complete Unit 1 for 2025
- Large opportunities are still to come although not directly with EDF but through many tier 1 and Tier 2 companies
- Most strategic opportunities fall beyond 2020
- Relationships built on HPC with major contractors can be leveraged onto other projects including Sizewell C and SMR programmes as well as R & D Programmes
- Further opportunities exist to leverage the new build experience into the new EPR fleet maintenance