

# [***Rolls-Royce announces funding secured for Small Modular Reactors***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6422-FPB1-JDG9-Y1DM-00000-00&context=1516831)

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**Body**

London: Rolls-Royce Holdings plc has issued the following press release:

Rolls-Royce (LSE:RR., ADR:RYCEY) announced today that following a successful equity raise, the Rolls-Royce Small Modular Reactor (SMR) business has today been established, to bring forward and deliver at scale the next generation of low cost, low carbon nuclear power technology.

Rolls-Royce Group, BNF Resources UK Limited and Exelon Generation Limited will invest £195m across a period of around three years. The funding will enable the business to secure grant funding of £210 million from UK Research and Innovation funding, first announced by the UK Prime Minister in ‘The Ten Point Plan for a Green Industrial Revolution ’ . Today ’ s announcement is another step towards the delivery of the Government ’ s net zero strategy and its 10-point plan.

The business, which will continue to seek further investment, will now proceed rapidly with a range of parallel delivery activities, including entry to the UK Generic Design Assessment (GDA) process and identifying sites for the factories which will manufacture the modules that enable on-site assembly of the power plants. Discussions will also continue with the UK Government on identifying the delivery models that will enable long-term investment in this vital, net-zero enabling technology. Rolls-Royce SMR is engaging with export customers across many continents who need this technology to meet their own net zero commitments.

Warren East, Rolls-Royce CEO adds, “the SMR programme is one of the ways that Rolls-Royce is meeting the need to ensure the UK continues to develop innovative ways to tackle the global threat of climate change. With the Rolls-Royce SMR technology, we have developed a clean energy solution which can deliver cost competitive and scalable net zero power for multiple applications from grid and industrial electricity production to hydrogen and synthetic fuel manufacturing. The business could create up to 40,000 jobs, through UK deployment and export enabled growth. As a major shareholder in Rolls-Royce SMR, we will continue to support its path to successful deployment. ”

Business and Energy Secretary Kwasi Kwarteng said: “This is a once in a lifetime opportunity for the UK to deploy more low carbon energy than ever before and ensure greater energy independence. Small Modular Reactors offer exciting opportunities to cut costs and build more quickly, ensuring we can bring clean electricity to people ’ s homes and cut our already-dwindling use of volatile fossil fuels even further. In working with Rolls-Royce, we are proud to back the largest engineering collaboration the UK has ever seen - uniting some of the most respected and innovating organisations on the planet. Not only can we maximise British content, create new intellectual property and reinvigorate supply chains, but also position our country as a global leader in innovative nuclear technologies we can potentially export elsewhere. By harnessing British engineering and ingenuity, we can double down on our plan to deploy more home-grown, affordable clean energy in this country. ”

Tom Samson, CEO, Rolls-Royce SMR, said: “Today ’ s announcement is fantastic news. Rolls-Royce SMR has been established to deliver a low cost, deployable, scalable and investable programme of new nuclear power plants. Our transformative approach to delivering nuclear power, based on predictable factory-built components, is unique and the nuclear technology is proven. Investors see a tremendous opportunity to decarbonise the UK through stable baseload nuclear power, in addition to fulfilling a vital export need as countries identify nuclear as an opportunity to decarbonise. The capitalisation of Rolls-Royce SMR takes us a step closer to achieving a unique, and most importantly investable, proposition in nuclear energy. It is a major vote of confidence in British nuclear technology and the potential for building a world-leading domestic supply chain. ”

Paul Stein, Chief Technology Officer, Rolls-Royce and Chairman of Rolls-Royce SMR commented, “In establishing this business, Rolls-Royce, BNF Capital and Exelon are taking leadership in accelerating our path to a future without fossil fuels. Global decarbonisation has never been more important, and we bring decades of precision manufacturing, and nuclear experience to the problem, adding to the skills of our partners. By deploying SMRs in the UK and overseas we will be making a significant contribution to decarbonisation. While the decarbonisation of the electricity grid is vital, I am particularly excited by the use of SMRs to synthesise net zero fuels which can be used to power Rolls-Royce engines. ”

Sean Benson, Director of BNF Capital Limited commented, “BNF has an established history of energy market investing and we are proud to be a part of Rolls-Royce SMR in this exciting opportunity. Following reviews of numerous proposals we found that this project, featuring a highly experienced team was the most realistic, affordable and scalable solution for provision of carbon-free baseload and alternative power requirements. ”

Ralph Hunter, Chief Operating Officer of Exelon Nuclear Partners and Vice President of Exelon Generation commented, “As the largest producer of ***emissions***-free energy in the U.S , Exelon helps customers and communities meet their environmental and economic goals. This partnership exemplifies our commitment to investing in clean energy technologies that will create a more sustainable future. We believe that small modular reactors could become a crucial part of the world ’ s clean energy mix and we are confident that, as an operational partner, we can help develop, deploy and operate a fleet of world-class SMRs. ”

Rolls-Royce SMR is using proven nuclear technology, coupled with a unique factory-made module manufacturing and on-site assembly system, to harness decades of British engineering, design and manufacturing knowhow. It brings together the best of UK industry to ensure a decarbonisation solution that will be available to the UK grid in the early 2030s. The potential for this to be a leading global export for the UK is unprecedented.

Nine-tenths of an individual Rolls-Royce SMR power plant will be built or assembled in factory conditions and around 80% could be delivered by a UK supply chain – a unique offering in energy infrastructure in the UK. Much of the venture ’ s investment is expected to be focused in the North of the UK, where there is significant existing nuclear expertise

A single Rolls-Royce SMR power station will occupy the footprint of two football pitches and power approximately one million homes. It can support both on-grid electricity and a range of off-grid clean energy solutions, enabling the decarbonisation of industrial processes and the production of clean fuels, such as sustainable aviation fuels (SAF) and green hydrogen, to support the energy transition in the wider heat and transportation sectors.

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