



# To the point!

Cross-Asset- and Strategy-Research

## Germany's age of nuclear power is over

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**A nuclear renaissance would be too expensive and too slow**

2024 is the first year in which nuclear energy generated in Germany will no longer contribute to energy supply. However, the nuclear phase-out is still causing a lot of controversy hereabouts. Today, I would like to pour a little cooling water onto this debate.

I grew up as the child of a nuclear engineer. Things got emotional across the dinner table in my youth. As a teenager, I was of course automatically against it because my father was in favor. Fortunately, this phase of life passes and you learn to look at things rationally and with a cool head. Well then, in that spirit.

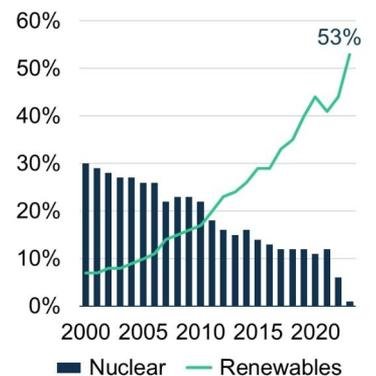
### It wasn't wise to take the nuclear power plants off the grid

As the illustration shows, the shutdown of the last three nuclear power plants in April 2023 was just the icing on the cake of the German nuclear phase-out. The issue has been on the agenda since Chernobyl in 1986. The last German nuclear power plant went online in 1989 – 35 years ago! The conservative-liberal Merkel-coalition pulled the plug on nuclear power in Germany once and for all after the Fukushima disaster in 2011 – irrationally from today's perspective. And the ruling centre-left coalition stuck to this decision despite the threat of an energy crisis following the Russian invasion of Ukraine.

Nevertheless, maintaining even the meagre 6% that nuclear power still contributed to electricity generation in 2022 would have been helpful. And not just in the face of the energy crisis. After all, with meteorologists reporting record temperatures and weather extremes year after year, month after month, any energy source that does not produce greenhouse gases should be welcome. Nuclear power would have been a suitable transition technology towards climate neutrality.

**Nuclear power would have been helpful as a transitional technology**

Share in Power Production in Germany



Data for 2023 provisional  
Source: BDEW, Statista, LBBW Research

But the opposite of something wrong is not necessarily right. Even if the final shutdown in 2023 was a mistake from today's perspective, reversing it would also be a mistake. And not just because of the still unresolved problem of final storage sites for radioactive waste.

## Back to nuclear power? No thanks!

1. **Ramping up nuclear power would take too long.** Nuclear power plant operators have started to dismantle the nuclear plants. Supply chains and know-how are increasingly lost. Planning and building new nuclear power plants would take a good two decades. That is too slow. Unfortunately, we don't have that time for the energy transition anymore.
2. **The expansion would be too expensive.** The British [Hinkley Point C](#) reactor was due to go into operation by 2025 at the latest after nine years of construction at a cost of 21 billion euros. Now they're talking about 2031 and up to 54 billion euros, and the Chinese investor CGN wants to turn off the money tap. Last year, France nationalized Electricité de France (EDF) after it ran into financial difficulties. EDF operates all French reactors and is also building and going to operate Hinkley Point. Nuclear power is simply too expensive.

The fact that even the power plant operators are rejecting a nuclear roll-back speaks volumes. Instead, what is more urgent than ever after Germany's nuclear phase-out is the accelerated expansion of renewable energies (see figure) and accelerated development of storage technologies that can be used when solar and wind power are not delivering. In addition, the grid urgently needs to grow and hydrogen-capable gas-fired power plants need to be built. The melancholic look back to the nuclear age will get us nowhere. It's a lost cause.

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The construction of new nuclear power plants takes too long

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Electricity industry does not want to return to nuclear energy – for good reasons

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