

As Poland Exits Coal, a Billionaire Offers First Nuclear Plant



Poland's second-richest man may beat the government in building the nation's first nuclear power plant.

Michał Solowow's Synthos SA, the second-largest European maker of synthetic rubber, signed a memorandum with GE Hitachi Nuclear Energy to build a small 300-megawatt reactor next to the company's factory in southern Poland, which could be completed as early as 2027. That's six years earlier than the government expects to build its first plant in a plan to construct at least 6 gigawatts of nuclear and cut the nation's reliance on coal for electricity generation.

"Small modular reactors can play a significant role in addressing Poland's energy challenges," Solowow said Tuesday in a statement. They "will improve our chances to move away from coal and have a positive impact on our industry and nation."

Poland, which gets about 80% of its electricity from burning coal, is slowly coming to terms with the fact that it has no choice but to shed the dirty fuel to meet European Union climate goals. To do so, it's energy policy is counting on gas, offshore wind, solar energy and nuclear, which it sees generating about 20% of its needs by 2040.

Solowow hopes that GE's small modular reactor will be licensed in North America in 2024, which would allow the company to build the unit in 2027, he said by telephone on Tuesday. Katherine Poseidon, a European policy analyst at BloombergNEF, said she doesn't expect the first SMR to be online before 2026.

Solowow, whose energy-intensive businesses also produce ceramic tiles and wood flooring, seeks to produce cheaper and cleaner electricity than coal, which is becoming more expensive in power generation as the EU's climate policy makes carbon-dioxide permits more expensive. The richest Pole, Zygmunt Solorz, earlier this year announced a push to promote green solutions.

The estimated costs of large nuclear projects in France, the U.K. and Finland have repeatedly been increased. Poland's Energy Ministry in the 2040 policy published last year doubted that small reactors could be used any time soon and said investing in them would be "irrational."

GE Hitachi says that small reactors are as much as 60% less expensive to build than regular ones and could compete with gas-fired plants and renewable energy.

"Small modular reactor technology is still a long way from commercialization," BNEF's Poseidon said. "It is definitely a big step for Poland – it shows they're serious about developing zero-carbon power generating capacity."