

Crushing bills feared

Prices go up when nuclear power is not available.

Aftenposten
August 23, 2006

Electricity bills can reach record, crippling, highs according to a new analysis by Norwegian Industry.

Information chief Svein Thompson at the Confederation of Norwegian Business and Industry (NHO) linked organization Norwegian Industry told newspaper VG that already high electricity prices of around NOK 1.22 (USD 0.195) per kilowatt hour to NOK 2.0 per kwh.

For consumers, this means that the common family household usage figure of 20,000 kwh per year would then soar even higher than the projected NOK 24,400 (USD 3,900) for 2006, which is already well up over the 2005 figure of NOK 15,200.

Thompson said that this was a realistic estimate for a winter price, and not a scare tactic.

Norwegian Industry based its analysis on five of Sweden's ten nuclear energy reactors currently being down for routine checks, and that only one of these would be back in action and contributing to the Nordic energy pool by the end of November.

The other key factor is that Norway is being depleted of energy reserves at a time when its water levels usually are being replenished.

"The water reserves have been tapped despite the warnings of a power crisis. This is just crazy. We export electricity at a time when we should really should be storing and importing," Thompson told VG, and pointed out that Norway has exported more this year than imported.

"The energy companies and politicians knew already in February that there was little snow in the mountains. But instead of storing as has become usual in the summer, they have sold. Now we are going to have to pay, as the prices are much higher," Thompson said.