THIRD WAY

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On the Grid: US Nuclear & UK Nuclear

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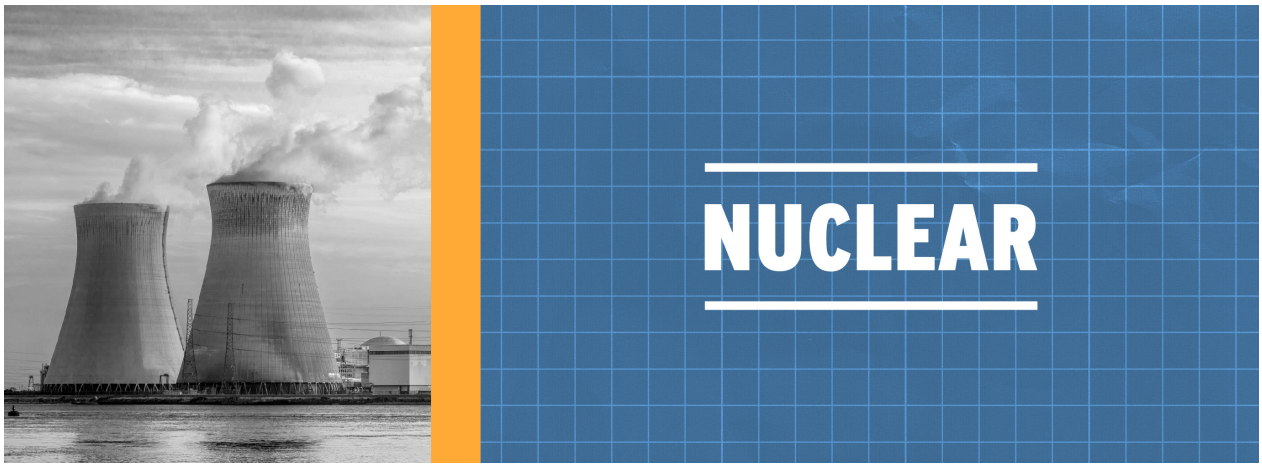
Hi Friend!

Welcome back to *On the Grid*, Third Way's bi-weekly newsletter, where we'll recap how we're working to deploy every clean energy technology as quickly and affordably as possible. We're excited to have you join us!



The US and the United Kingdom announced a landmark civil nuclear trade deal this week, marking the first time that advanced nuclear reactors are at the heart of a bilateral trade agreement. The Atlantic Partnership for Advanced Nuclear Energy spans several multibillion-dollar projects and creates a pathway for companies from one country to build reactors in the other. We at Third Way have been working on exactly this type of deal since 2018. Its goal is not abstract cooperation, but rather, concrete deployment through streamlined licensing, faster construction timelines, and stronger fuel supply chains. As Josh Freed, Senior Vice President for Third Way's Clean Energy Program, put it, the deal is a "*win-win for the United States and the United Kingdom.*"

Key results:

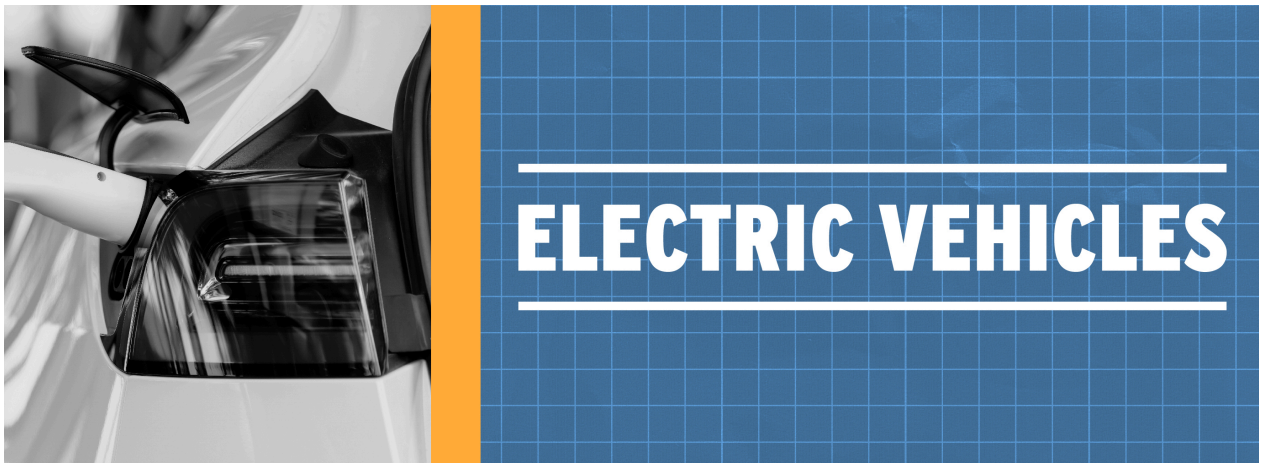
1. **Building *A Lot* More Nuclear**: Across American and British firms, that means building at least 13 reactors, creating more than 4,700 jobs, and generating over £51 billion in economic value—*with even more expected.*

2. **Securing the Nuclear Fuel Supply Chain:** Urenco, one of the world's major nuclear fuel suppliers, and Radiant, a US startup developing microreactors, signed a deal to expand HALEU fuel supply to the US market. Urenco will co-fund a new Advanced Fuels Facility in the UK and explore a parallel build in the US, strengthening transatlantic fuel supply security.

Why This Matters: Right now, Russia and China dominate the global market for nuclear energy. If the US and UK fail to compete, Moscow and Beijing will design, finance, and control the next generation of nuclear reactors around the world, growing their international influence and leaving the United States and its allies dependent on authoritarian suppliers. This package will streamline slow and costly licensing, secure advanced fuel supply chains, and eliminate reliance on Russian nuclear materials by 2028. Just as importantly, the deal gives US developers the order books needed to move beyond first-of-a-kind reactors. By pairing American technology with British sites, the US can move from prototypes to fleets, spreading costs over multiple builds and proving these designs can be scaled.

What We're Doing: Third Way has been working on developing bilateral trade agreements that support nuclear energy for the past eight years. Our team saw early on that the obstacles to nuclear deployment weren't only technical, but rather institutional, regulatory, and financial, and engaged in a multi-year campaign to overcome them. This included developing close working relationships with experts and policymakers across the US government and industry, and those abroad, particularly in the UK. This work informed the report we released earlier this year alongside the UK consultancy Stonehaven and Project Tempo, detailing recommendations for what a transatlantic nuclear partnership should look like: pick a narrow set of advanced reactor designs, secure a shared US–UK supply chain, streamline licensing, and build order books of these technologies.

Since we published our recommendations, we have shared them with our network of policymakers on both sides of the Atlantic, including industry leaders, advocates, and regulators, and worked to put nuclear at the center of trade discussions because it is in the best interest of the US. Our engagement shaped this deal, and many of our recommendations are included in the final product. But the work isn't over. Implementation has its own complexities. Our team will be working to pull the necessary levers, whether that's policy analysis or advocacy, to ensure the projects outlined in this package, and the ones that follow it, succeed.



China unequivocally dominates the global EV market, producing more than 60% of the world's electric vehicles and controlling an even larger share of the battery supply chain. Chinese automakers now account for over half of all EV sales worldwide, and at home, sales of electric and hybrid vehicles have surpassed those of traditional combustion vehicles, with domestic brands capturing roughly 75% of the market.

Why Does This Matter? China's dominance of EVs extends well beyond its borders. Chinese EVs make up about 93% of sales in Thailand and 78% in Indonesia. They've also gained significant ground in Europe—Chinese firm BYD is consistently outpacing Tesla in the European market. Backed by heavy government subsidies and manufacturing at a massive scale, China has built an unrivaled lead in EVs because these vehicles are very affordable while also being at the cutting edge of technology. That

means that the global EV market, estimated to be worth billions of dollars, is increasingly shaped on China's terms. So, how do we secure market share? We do what America does best–*we out-innovate them.*

What Can We Do? China may lead today in EV manufacturing and lithium-ion battery supply chains, but the US has the tools to leapfrog them–pushing forward to lead on next-generation vehicles and advanced batteries. The path forward is two-pronged: first, make smart investments in innovation. The US must fund early-stage R&D through pilot production and commercialization to become the world's hub for breakthrough battery technologies. Second, the US must help domestic firms build strategic partnerships with allies to secure critical supply chains, particularly for the raw materials that underpin them. Our newest memo lays out the concrete steps needed to put the US on top.

The clean energy policy conversation is expanding...and so are we! The Climate and Energy Program is looking for people with talent and a passion for climate solutions to fill three new roles on our team.

- Deputy Director for Electricity
- Deputy Director for Innovation
- Executive Coordinator

- Rahm Emanuel, in the *Wall Street Journal,* outlines how electricity prices in the US have surged and how the Trump Administration's policies, especially the One Big Beautiful Bill Act, are making power more expensive.

- Brian Deese and Lisa Hansmann, in *Foreign Affairs,* warn that the US is facing a looming electricity crisis and argue that simply building new plants cannot keep up with demand. Instead, they call for federal and state reform to drive efficiency, speed up grid upgrades, and hold utilities accountable.

- Dana Perkins, on BloombergNEF's *Switched On* podcast, talks with Meredith Annex, BloombergNEF's Head of Clean Energy, about global clean energy investment, which reached $386 billion during the first half of 2025, and how investments are continuing to grow despite shaky shifts in US policy.