

## Texas nuclear plant partner proposes \$5.2 billion expansion

*We're on our way. New orders will follow this one.*

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NRG Energy Inc., one of three owners of the South Texas Project, on Wednesday proposed **a plan to build two new generating units at the nuclear power plant for \$5.2 billion.**

Princeton, N.J.-based NRG (NYSE: NRG) owns 44 percent of the nuclear power facility along with CPS Energy in San Antonio and Austin Energy. CPS Energy and Austin Energy own the remaining 40 percent and 16 percent, respectively.

NRG filed a letter of intent with the Nuclear Regulatory Commission to build the new nuclear units. Together, the two new units would generate 2,700 additional megawatts of nuclear power.

Officials with the company say this development plan would create 3,000 construction jobs, more than \$9.2 billion in economic activity in the state and add 5,600 new permanent jobs statewide. If approved, the new units would come online in 2014 and 2015.

CPS Energy officials issued their own statement following NRG's announcement.

"We will take a very close look at NRG's proposal to see if adding more units at STP will be in our customers' best interest," said Jim Nesrsta, CPS Energy's director of nuclear oversight. "The comparatively low cost of nuclear-generated electricity has been very beneficial in saving our customers billions of dollars in fuel costs on their utility bills as compared to other fuels for producing electricity."

He said any plan to add nuclear-plant capacity merits CPS Energy's careful scrutiny.

STP currently consists of two 1,250-megawatt generating units. The first unit went online in 1988 and the second in 1989. This generating facility, located near Bay City, Texas, supplies nearly one-third of San Antonio's power needs annually