

GE and Hitachi will build the reactors under contract for NRG Energy

Not noted in the USA Today through today?

Market Watch
June 23, 2006

Japan's Hitachi Ltd has been selected along with U.S. based General Electric to build two nuclear power plants in Texas in a deal worth up to \$5.2 billion, the Nikkei daily reported in its Friday morning edition.

Construction on the project is expected to begin in 2009, with the facilities to come on stream in 2014. NRG, which said it officially informed the U.S. Nuclear Regulatory Commission Monday of its intent to construct two 1.35 million kw upgraded boiling reactors at the existing South Texas Project nuclear facility.

A General Electric spokesman in the U.S. declined to confirm the report or comment on it.

In a statement, NRG said it intends to work with GE and Hitachi in the development of the project, but did not specify division of roles in terms of design, manufacturing and installation of core equipment.

No new plant has been commissioned in the U.S. since the 1970s.

The last to come on line in the U.S. was the Tennessee-based Watt's Bar reactor in May 1996, owned and operated by the Tennessee Valley Authority, according to the Energy Information Administration.

There are 104 commercial nuclear generating units operating in the U.S. under license by the U.S. Nuclear Regulatory Commission.

In recent decades, additions to the U.S. nuclear power generating complex have mostly come in the form of license extensions and upgrading of existing reactors.

In a statement NRG said the project is expected to inject \$9.2 billion into the state economy and result in 5,600 new permanent jobs statewide.

General Electric's boiling water reactor design has been certified by U.S. nuclear regulatory agencies. Hitachi is currently involved in the development and construction of four reactors of that type in Japan.

The Nikkei daily reported the official contracts with NRG Energy are expected to be signed after the power company formally files an application next year to build and operate the facility.