

PSEG regains nuclear plants

Business

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Less than two years after turning operations of its three nuclear plants in Salem County over to Exelon Corp., Public Service Enterprise Group is about to resume direct management.

But three top Exelon officials, who are credited with resolving years of performance issues at the plants, will remain and become PSEG employees.

Newark-based PSEG announced Wednesday that it will resume management of the Salem and Hope Creek nuclear generating stations Jan. 1. Chicago-based Exelon has been running the plants since 2005 under a services agreement that was negotiated in conjunction with Exelon's proposed purchase of PSEG.

But the sale fell through in September due to opposition from the New Jersey Board of Public Utilities, leading PSEG and Exelon to reevaluate the nuclear operating agreement.

The new agreement calls for Exelon's William Levis to continue as chief nuclear officer and become president of PSEG Nuclear, and Thomas Joyce to remain as site vice president for Salem's two units and George Barnes to keep the same position at Hope Creek.

"Bill Levis and his leadership team have done an outstanding job over the last two years," said Frank Cassidy, president of PSEG Power, parent company of PSEG Nuclear. "We have made remarkable progress in improving the work environment at both Salem and Hope Creek, which is a key driver of the improvements in safety and reliability."

The plants, which had been forced to shut down for extended periods of time in the past, reached 95 percent of capacity this year, Cassidy said. "Keeping the leadership team together provides for a stable environment that has already achieved a level of excellence upon which we will further improve."

Exelon, under Levis, assumed management of PSEG's nuclear facilities when the four-year services agreement was implemented in January 2005. Though PSEG will be in charge as of Jan. 1, Exelon will still be involved for a transition period, which could last another two years.

As part of the agreement, about two dozen other Exelon employees will be given an option to join PSEG.

Hope Creek, which is 100 percent owned by PSEG, is an 1,100-megawatt reactor. PSEG owns about 57 percent and Exelon 43 percent of the two Salem units, which are 1,150-megawatt reactors.