

Potential Comanche Peak Expansion



Luminant is currently developing a Combined Construction and Operation License Application for two potential advanced-design nuclear power plant units (Comanche Peak Units 3 & 4).

Here are some questions and answers about the process:

Q1. If you build these new units, when will Comanche Peak 3 & 4 be operational?

A. It's too early to say. Luminant is in the initial stages of a multi-year licensing process. After the company develops and submits an application, it will go through a new, detailed, 42-month Nuclear Regulatory Commission (NRC) review process to assess our application. However, this is only one step in a series of multi-year phases.

Q2. How much will Comanche Peak 3 & 4 cost?

A. That will depend primarily on construction costs at least five years from now that we cannot yet accurately measure. However, industry evaluations routinely predict costs for new units at between \$2,500 - \$6,000/kW. We hope to keep costs at the lower end of that range.

(= \$8.5 billion → \$20.4 billion for two 1700 MW reactors.)

Q3. When do you plan to file the application for the combined operating license?

A. Our current plan calls for submitting the application in September of this year; however

more important than this timeline is our desire to submit a high-quality application. As a result, we are currently working through the long and technical application development process.

Q4. Is there an advantage to submitting an application by the end of the year?

A. Yes. The 2005 Energy Policy Act enables companies that meet the Dec. 31, 2008, deadline to be eligible to participate in nuclear production tax credits for early movers, regulatory risk insurance to cover licensing delays and federal loan guarantees providing they meet other milestones such as beginning first safety related concrete by 2014.

Q5. Is there going to be adequate time for public input during the application process?

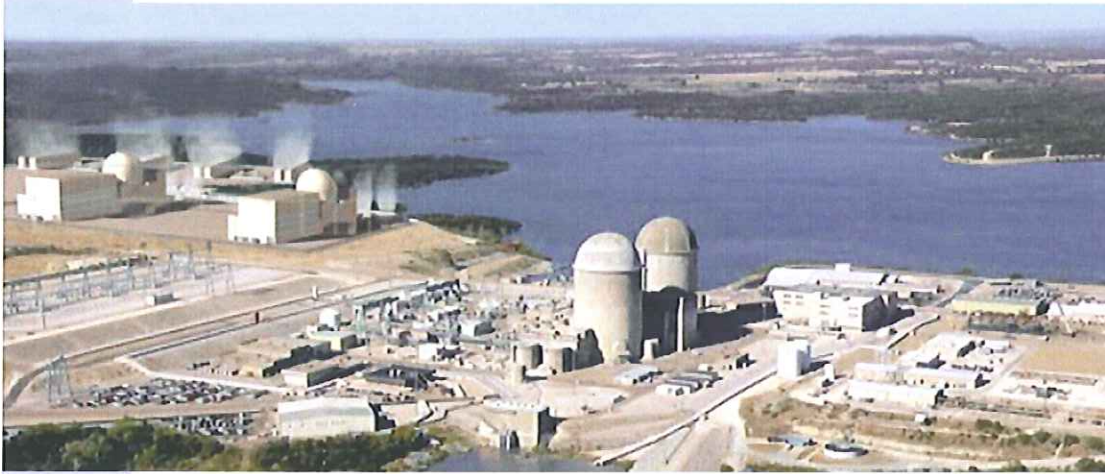
A. Yes. The NRC has already met with state officials to explain the process, and they will hold a number of public meetings and hearings for input as well.



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Combined Construction and Operating License Application Update



Luminant is currently preparing a Combined Construction and Operating License Application (COLA) for two 1,700-MW nuclear-powered units that could be added to the existing nuclear-fueled electric generating station at Comanche Peak, near Glen Rose. The new units would be referred to as Comanche Peak Units 3 & 4.

Luminant intends to file its application by September of this year and expects a detailed 42-month review process by the Nuclear Regulatory Commission (NRC). The application identifies the use of a technology

designed by Mitsubishi Heavy Industries that is currently under review by the NRC. However, much work remains to be done.

Luminant plans to develop and submit a high-quality application. We are planning to get the necessary approvals and will be continuously reviewing our plans along the way.



Partners in Our Community



Texas has a vibrant, growing economy with ever-increasing electrical power demands.

Luminant's license application to develop new nuclear power generation units at the Comanche Peak Nuclear Power Plant will help grow the state and local economy even further.

Two new units would add more value to the area economy – construction would bring thousands of jobs during the peak building period. Once operational, Units 3 & 4 would be staffed with hundreds of highly trained professionals.

Permanent jobs at the new Comanche Peak units would, in turn, create many other jobs in the local area to support the needs of the project and work force.

Luminant has been a good neighbor and contributor to our community since planning for Comanche Peak Units 1 & 2 began in the very early seventies.

Millions of dollars are pumped into the local economy through payrolls, purchases, contracts, taxes and contributions to local community organizations. Dollars directed to schools, community services, roads, hospitals, businesses and other infrastructure benefit us all.

Comanche Peak employees are proud to be integral members of their community. They support their neighbors through volunteer efforts and community service.

Luminant is proud to be a part of a vibrant economic future for the region.



Plant Security



We are committed to continuing to operate a secure nuclear plant.

The Nuclear Regulatory Commission conducts security training exercises regularly at commercial operating nuclear power plants including Comanche Peak as part of its

comprehensive security program.

- These training exercises/inspections are performance based and are the primary means to evaluate and improve the effectiveness of plant security programs as required by NRC regulations.
- These exercises assess a nuclear plant's physical protection measures to defend against possible threats. These exercises include adversaries against whom plant owners must design physical protection

systems and response strategies. The NRC periodically assesses the adequacy of the types of threats and makes revisions as necessary.

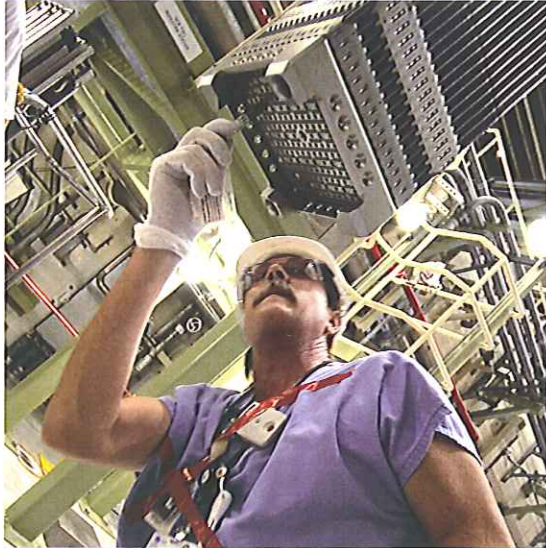
- These exercises include a full exercise, spanning two weeks, including both tabletop drills and simulated combat between mock adversary forces and the nuclear plant security force.
- These exercises include a wide array of federal, state and local law enforcement and emergency planning officials in addition to plant operators and NRC personnel.

For more information about the NRC's security inspection program, see www.nrc.gov/reading-rm/doc-collections/fact-sheets/force-on-force-fs.html.



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Plant Safety



The safety of our employees and neighbors and plant is Comanche Peak's highest priority.

- Along with the rest of the nuclear energy industry, we have a demonstrated commitment to operating our facilities safely.
- Our operating practices and government/industry oversight ensure the highest standards and continued outstanding safety performance.
- The Nuclear Regulatory Commission (NRC) is a strong government regulator.
 - Resident plant inspectors, who are technical experts, work full time at Comanche Peak and all plants; they are supplemented by regional and national inspectors.
 - Baseline on-site inspections are conducted semiannually, involving 2,500 employee-hours per year; additional inspection is based on plant performance.
- Dramatic gains in safety, reliability and productivity have been achieved over the past 15 years. Over the most recent three-year period, the best plants are operating at a 95 percent capacity factor (capacity factor measures the amount of electricity actually produced compared with the maximum output achievable).
- All safety-related metrics tracked by the industry and the NRC demonstrate high levels of excellence.
 - Unplanned shutdowns are at near-record lows.
 - Lost-time industrial accident rates are at record-low levels.
 - Forced plant outage rates and unplanned safety system actuations are both down.



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Leader in Environmental Standards



The Texas Commission on Environmental Quality's CLEAN TEXAS, CLEANER WORLD Program recognizes Luminant's Comanche Peak Nuclear Power Plant as a National Leader.

In 2005, Comanche Peak was the first power plant in Texas and the first nuclear power plant in the country to receive this recognition and

was one of seven sites statewide to achieve membership at one of the top levels: Lone Star Leader and National Leader. Comanche Peak is also a member of EPA's Performance Track Program, which recognizes businesses with outstanding environmental performance programs and track records.

To achieve recognition at these levels, organizations must undergo rigorous on-site

audits of their environmental management systems and demonstrate environmental performance that goes beyond compliance with environmental laws.

As a part of our commitment to the environment and community outreach, Comanche Peak has partnered with the Brazos River Authority and Glen Rose Independent School District to sponsor a volunteer water quality monitoring program, hosted Household Hazardous Waste Collection Days and partnered with local groups to form the Rio Brazos Master Naturalist Chapter.



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