



For Immediate Release:
8468
Sept. 19, 2008

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Luminant's Application to Expand Comanche Peak Nuclear Plant Filed

Reactor Design is Not Yet Certified

AUSTIN, TX – Luminant Energy's application to the Nuclear Regulatory Commission (NRC) to build two uncertified reactors at the Comanche Peak nuclear plant southwest of Fort Worth is premature and should not be accepted, two public interest organizations said today.

Luminant, formerly part of TXU, today applied to build two US-Advanced Pressurized Water Reactors (US-APWR). Mitsubishi Heavy Industries Ltd. submitted the US-APWR design for certification on Dec. 31, 2007, but the NRC has not completed the design certification process and doesn't expect to until 2012.

While this and other reactor designs are far from complete, the NRC has recently streamlined the process for new reactor approval and licensing. Previously, companies had to apply for a construction license and operating license separately. Those two processes have been combined, and the NRC pre-approved several reactor designs from which companies could select. However, Luminant has chosen a design that has not been approved.

"The NRC is speeding reactors through the licensing process as quickly as they can, even to the point of accepting half-baked incomplete license applications," said Tom "Smitty" Smith, director of the Texas office of the consumer advocacy group Public Citizen. "With skyrocketing construction costs, a shaky economy and dubious investor outlook, the nuclear industry and the NRC are trying to pull a fast one on the public, and setting up to pick the public's pockets once again."

“Last time this utility built nuclear reactors they ran twelve times over budget and had to get bailed out by the Texas Public Utility Commission, which authorized two huge rate increases, causing rates to go up by 25%. Every North Texas electric utility customer is still paying for that mistake,” said Representative Lon Burnam who represents District 90 in Ft. Worth.

“The NRC is allowing review of Combined Operating License (COL) applications while simultaneously reviewing the reactor design itself. This doesn’t bode well for public involvement or regulatory diligence,” said Matt Johnson, energy researcher for Public Citizen’s Texas office. “This isn’t just streamlining, it’s steamrolling.”

“Why would Luminant choose to build a nuclear reactor that has never been built anywhere in the world and isn’t even an approved design anywhere in the world? No other utility is proposing this kind of reactor. Do they hope to use North Texans as guinea pigs?” asked Karen Hadden, Executive Director of the Sustainable Energy and Economic Development (SEED) Coalition.

Combining the construction and operating licensing was originally rationalized because pre-certified reactor designs were to be used. Luminant may seek changes to its uncertified, untested reactor technology for several years to come, since the design approved is not expected until 2012. The public will not have the benefit of reading the NRC’s comments on the design during the limited time for citizens to contest the license. Running the design approval and licensing processes simultaneously puts pressure on the NRC to hastily approve designs that require extra scrutiny, and virtually eliminates citizen involvement.

Luminant’s is the thirteenth application submitted in the past 12 months to build new reactors in the United States and the third in Texas. New Jersey-based NRG Energy became the first new applicant in 29 years in September 2007. Illinois-based Exelon submitted its application to build new reactors in Victory County, Texas, earlier this month.

The push to expedite the licensing process comes as Congress debates whether to give more subsidies to the nuclear industry in the latest energy bill. The Senate version entitled, The New Energy Reform Act of 2008, would give unlimited loan guarantees to prop up nuclear plants. According to cost estimates calculated by Physicians for Social Responsibility, this provision would put taxpayers on the hook for \$84.2 billion to \$163.1 billion.

“Luminant, NRG and Exelon all want their applications accepted as fast as possible because they want the unlimited taxpayer-backed loan guarantees that Congress might provide,” said Tyson Slocum, director of Public Citizen’s Energy Program. “Without subsidies, nuclear energy can’t stand on its own economically.”

The NRC has said that it will take two months to review Luminant’s application. If accepted, interested parties will have only 60 days to file contentions to the application.

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