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Media Release

## **SOUTH TEXAS PROJECT NEW NUCLEAR REACTORS OPPOSED ORAL ARGUMENT OCT. 21 IN BAY CITY, TEXAS**

Bay City, Texas Opponents of two proposed South Texas Project nuclear reactors will present their case at an Atomic Safety and Licensing Board (ASLB) panel on Oct. 21st in Bay City, Texas. The hearing will begin at 9 a.m. in the Bay City Civic Center, 201 7th St. in Bay City.

Attorney Bob Eye will represent SEED Coalition, Public Citizen and the South Texas Association for Responsible Energy. Among the concerns that will be raised in the South Texas Project Combined License (COL) proceeding is the co-location issue – would other reactors at the site be able to operate safely if a fire or a serious accident damaged one or more reactors? Another issue at the hearing will be the failure of the license applicant, NRG, to analyze cleaner, cheaper and safer energy alternatives.

New contentions have been filed based on the Draft Environmental Impact Statement for the proposed reactors. Twenty new contentions focus on the inadequate analysis of the need for power (14 subparts), alternatives to nuclear power to meet the stated purpose and need, and the effects of global warming on plant water use and water availability.

"Nuclear power is the most expensive way to generate electricity. Costs for proposed South Texas Project nuclear reactors have already tripled. The \$18.2 billion estimate doesn't include cost overruns from delay and construction problems, costs of radioactive waste disposal or decommissioning reactors. Nuclear reactors simply don't make sense financially," said Karen Hadden, Director of the Sustainable Energy and Economic Development (SEED) Coalition. "In fact, Constellation Energy just withdrew their license application for a Maryland nuclear reactor due to high costs."

The Electric Reliability Council of Texas (ERCOT) 2009 State of the Market report says "Estimated net revenues for nuclear and coal resources were also insufficient to support new entry in 2009."

The Associated Press recently reported, "Even companies that are finalists for federal loan guarantees, NRG Energy and Constellation Energy, announced recently that they have nearly stopped spending on their projects... Analysts say low natural gas prices are making the project uneconomic. NRG chief executive David Crane said he will not pursue the company's two-reactor project in South Texas if gas prices stay low, even if his project is offered a loan guarantee."

"Austin decided not to participate in the reactor project due to expected delay and cost overruns. San Antonio's CPS Energy got a good look at the return on investment and pulled way back. The Atomic Safety and Licensing Board needs to realize that there are safer, more affordable ways to supply our power," said David Power, an expert in the case.

"Today Texas has excess energy capacity and leads the nation in wind generation. Solar costs are plummeting and cheap gas can be used to back up renewable solar and wind power. The proposed reactors are a hazard to our health, safety and our pocketbooks," said Power.

The ASLB is the independent body within the NRC that presides over proceedings involving the licensing of civilian nuclear facilities, such as nuclear power plants.

The session is open for public observation, but participation will be limited to the parties admitted to the proceeding, the public interest groups, the applicant – STP Nuclear Operating Company – and NRC staff. Early arrival is suggested to allow for security screening for all members of the public interested in attending.

STP Nuclear Operating Company submitted a COL application Sept. 20, 2007, seeking permission to construct and operate two new nuclear reactors at the South Texas Project site near Bay City. The ASLB granted intervenor status and an opportunity for a hearing to the Sustainable Energy and Economic Development SEED Coalition, the South Texas Association for Responsible Energy, and Public Citizen.

The groups have submitted objections, or contentions, challenging the COL application. The ASLB panel will hear oral argument on several matters: two motions to dismiss the groups' admitted contention; the groups' request to file additional contentions based on the NRC staff's draft Environmental Impact Statement; and the groups' request for access to a draft NRC document regarding new reactor reviews.

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