The Nuclear Renaissance

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NEI
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Why A Nuclear Renaissance?

- The lesson of the last 20 years in U.S. electricity policy:
  - Diversified fuel and technology portfolio is essential
  - All fuels and technologies (nuclear, coal, natural gas, renewables, efficiency) have a legitimate role
- The challenge for the future:
  - Preserving/restoring diversified portfolio
  - Ensuring resource adequacy, particularly in competitive markets
- Expanded use of nuclear energy is part of the answer
  - Integrated used fuel management supports nuclear competitiveness

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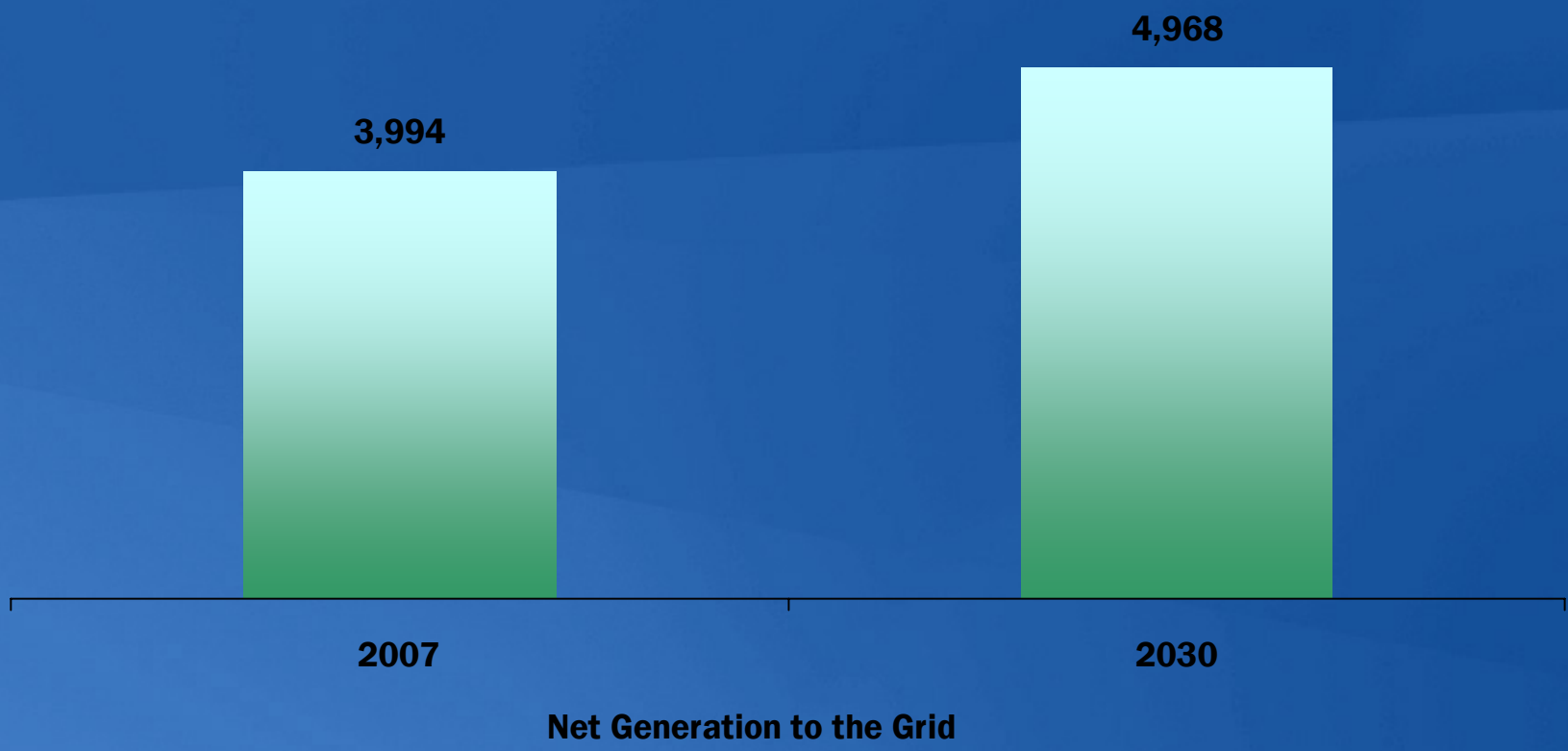
U.S. Needs 25 Percent More Electricity by 2030 BkWh

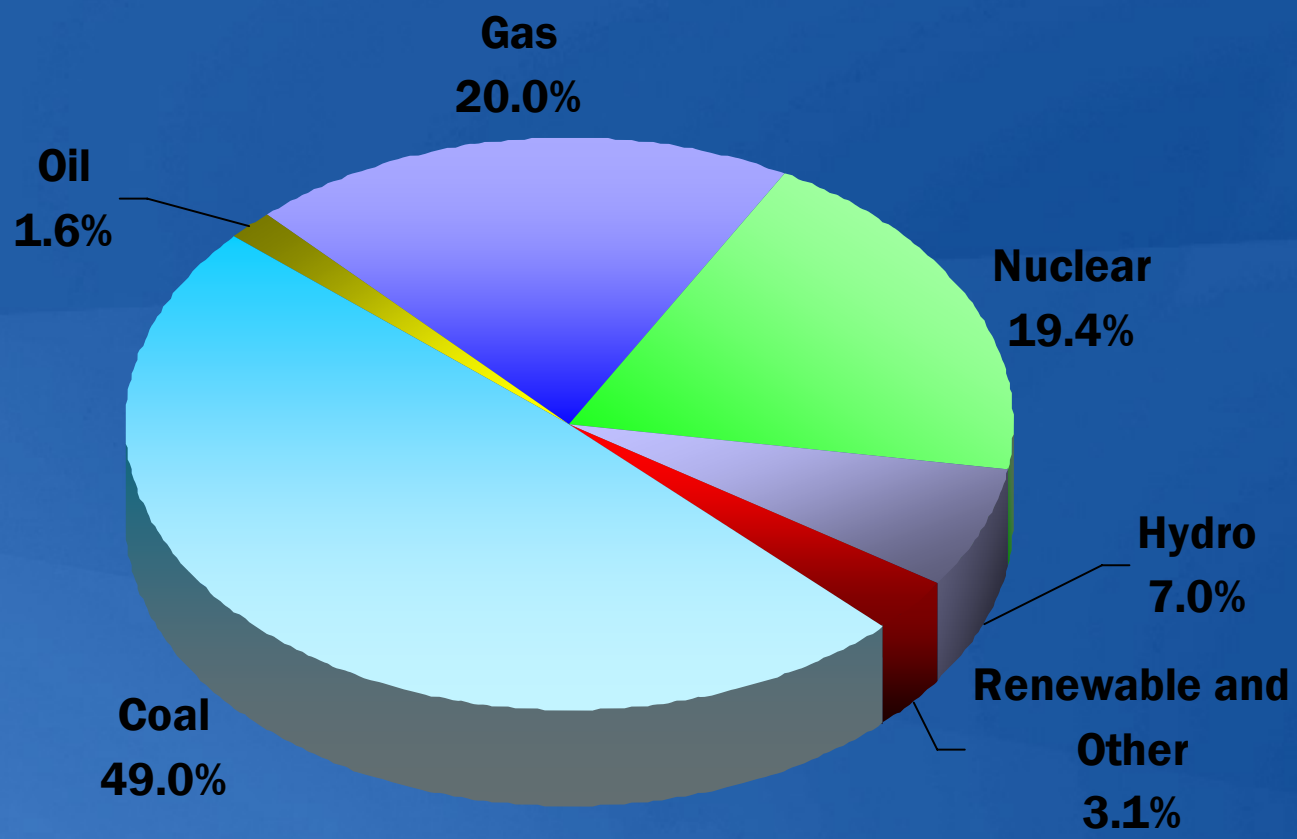


Source: Energy Information Administration Annual Energy Outlook 2008

Updated: 3/08

U.S. Electricity Generation Shares

2006

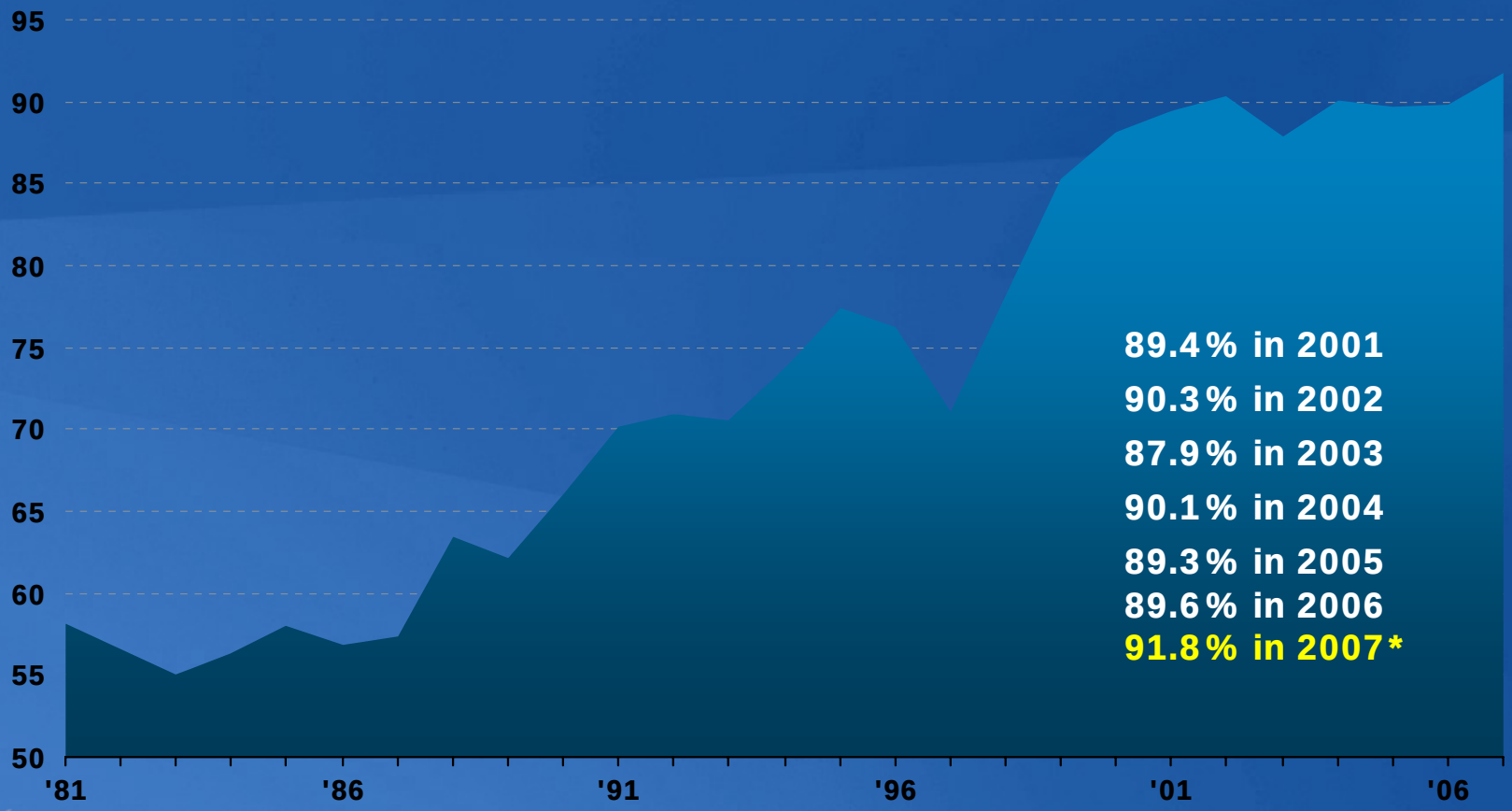


Source: Global Energy Decisions / Energy Information Administration

Updated: 10/07

Sustained Reliability and Productivity

U.S. Nuclear Capacity Factor, Percent

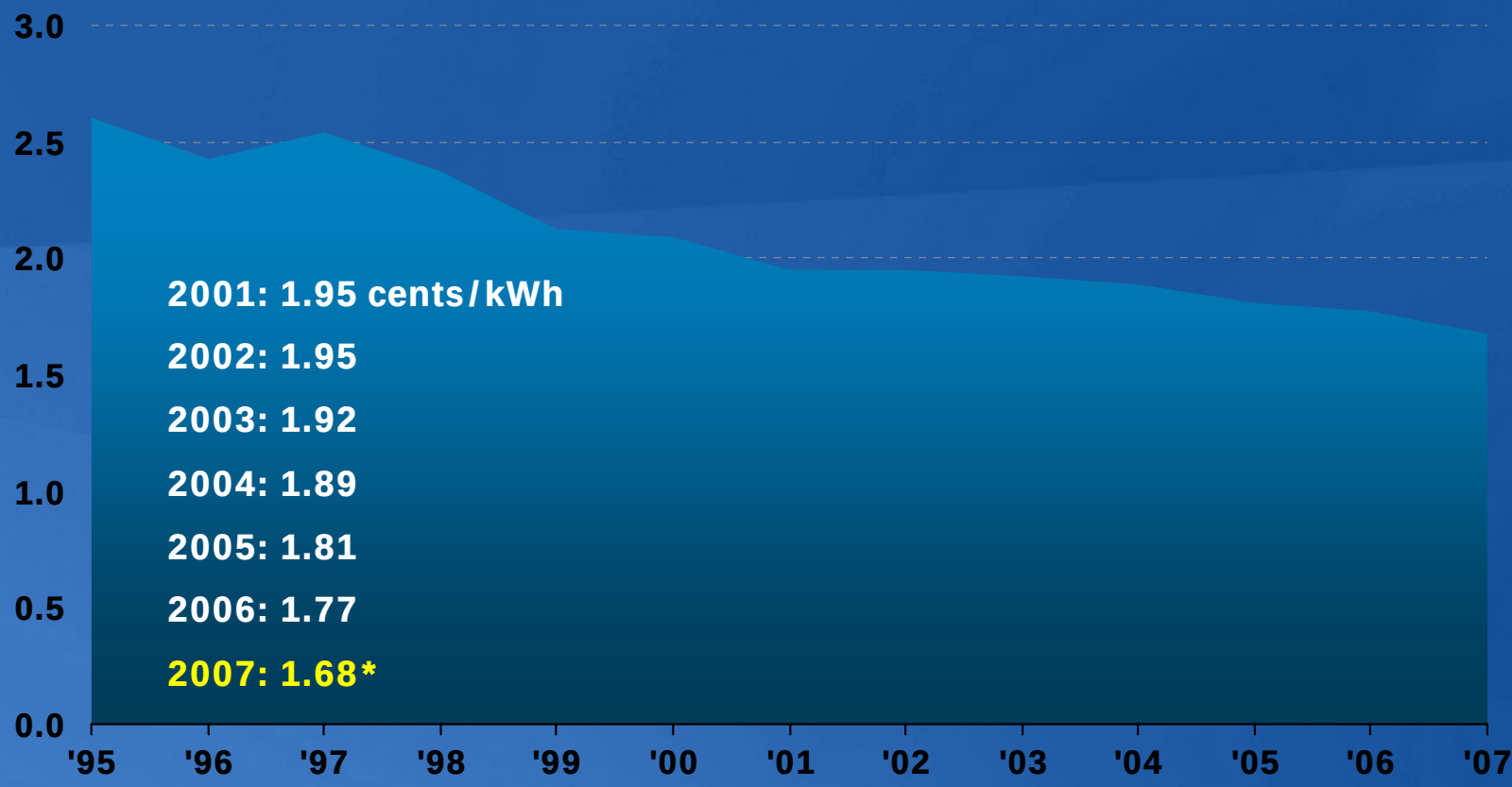


Source: Global Energy Decisions / Energy Information Administration

** Preliminary*

Solid Economic Performance Continues

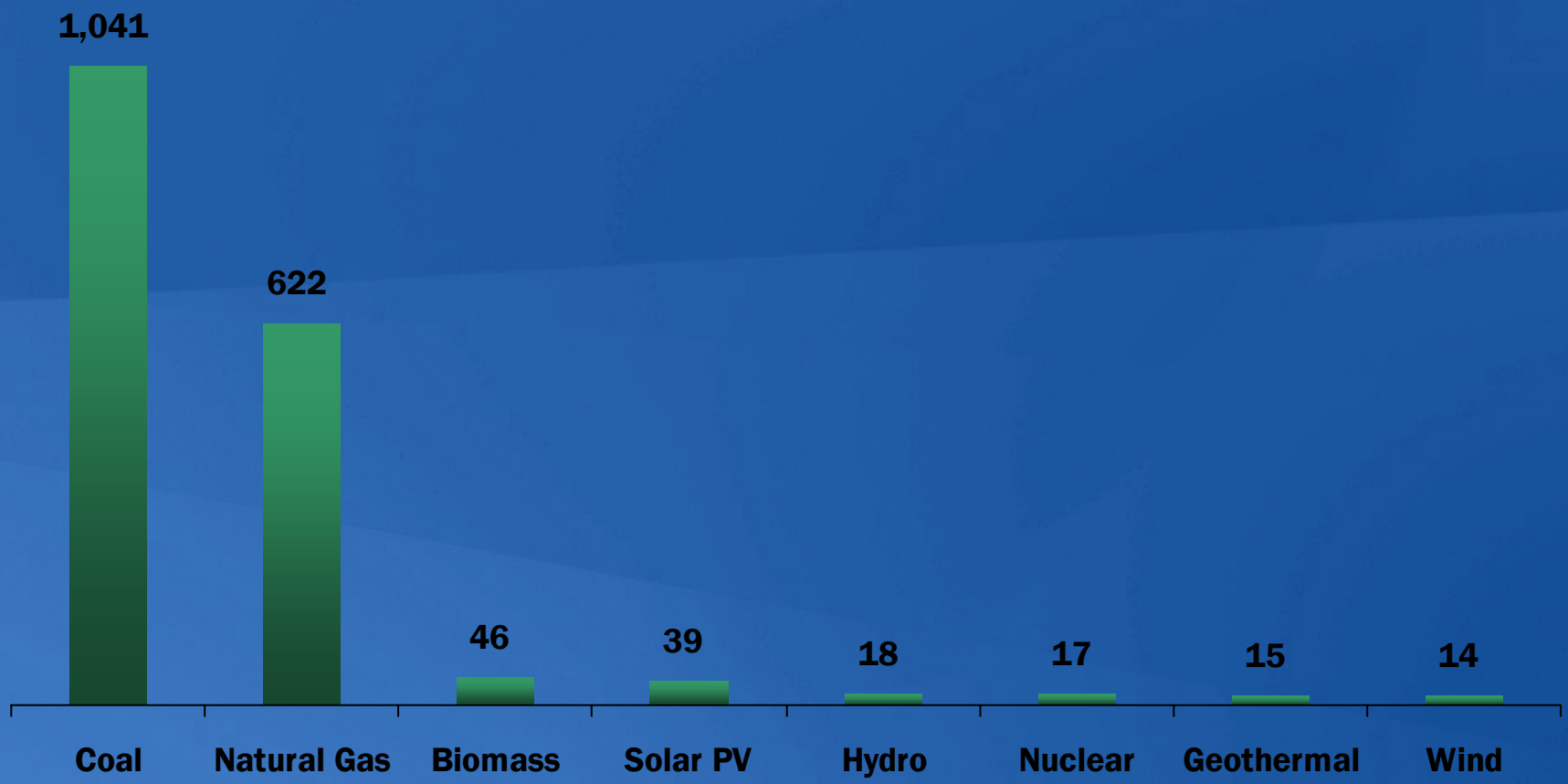
U.S. Nuclear Production Cost, in 2007 cents/kWh



Source: Global Energy Decisions

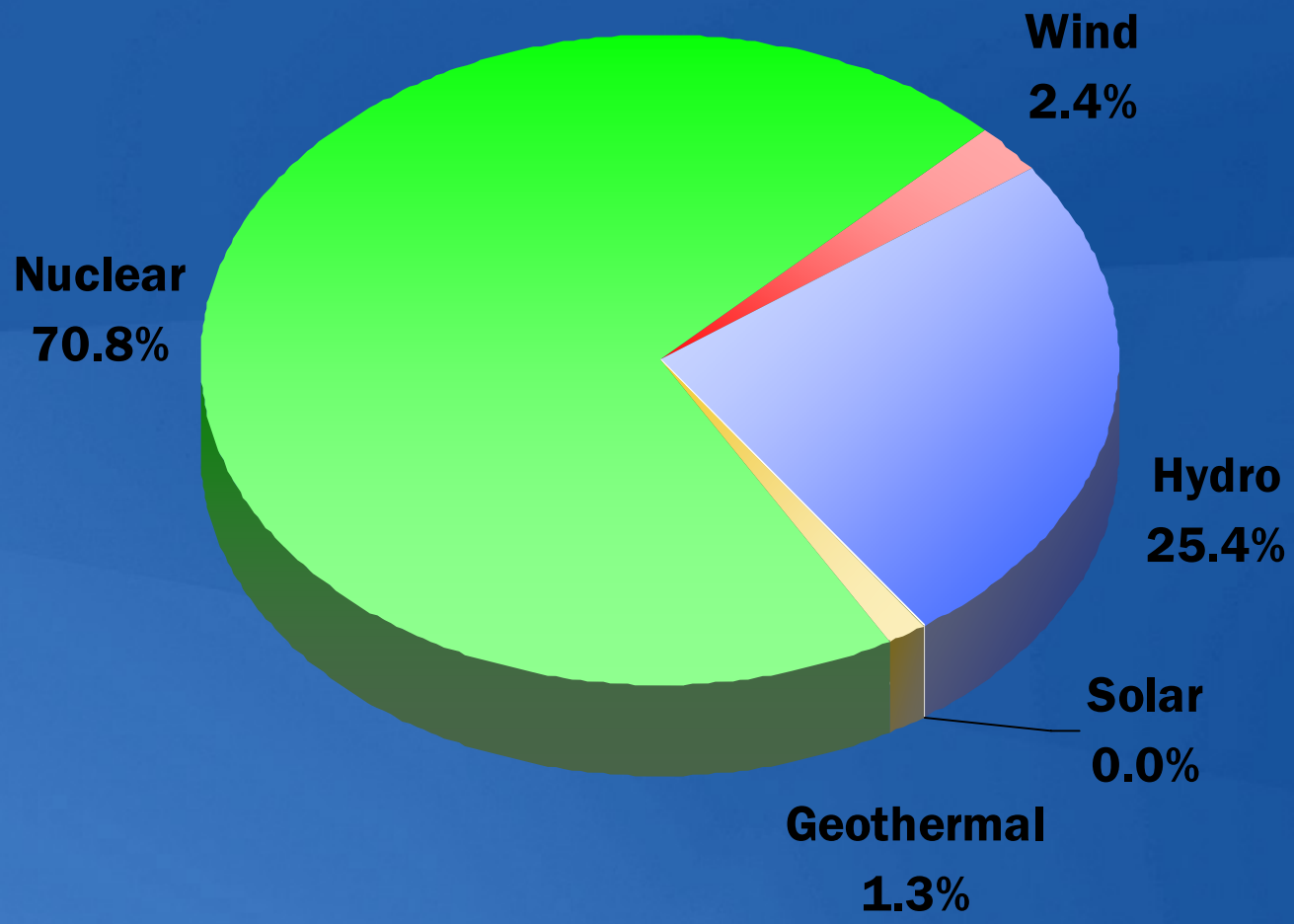
Comparison of Life-Cycle Emissions

Tons of Carbon Dioxide Equivalent per 1 million kWhs



Source: "Life-Cycle Assessment of Electricity Generation Systems and Applications for Climate Change Policy Analysis," Paul J. Meier, University of Wisconsin-Madison, August 2002.

U.S. Electricity Sources Which Do Not Emit Greenhouse Gases 2006



Source: Global Energy Decisions / Energy Information Administration

Updated: 11/07

Nuclear Facts

- 104 operating commercial nuclear plants at 65 sites in 31 states (15 plants shutdown with fuel on site)
- All operating plants have received or are pursuing 20 year license extension
- Provide 20% of U.S. electricity generation, emits no controlled pollutants
- Average Production Costs Nuclear – 1.68 ¢/kWh, Coal – 2.37¢/kWh, Natural Gas – 6.75 ¢/kWh, Oil – 9.63 ¢/kWh
- One uranium pellet equals 17,000 cubic feet of NG, 1,780 lbs. of coal or 149 gal. of oil

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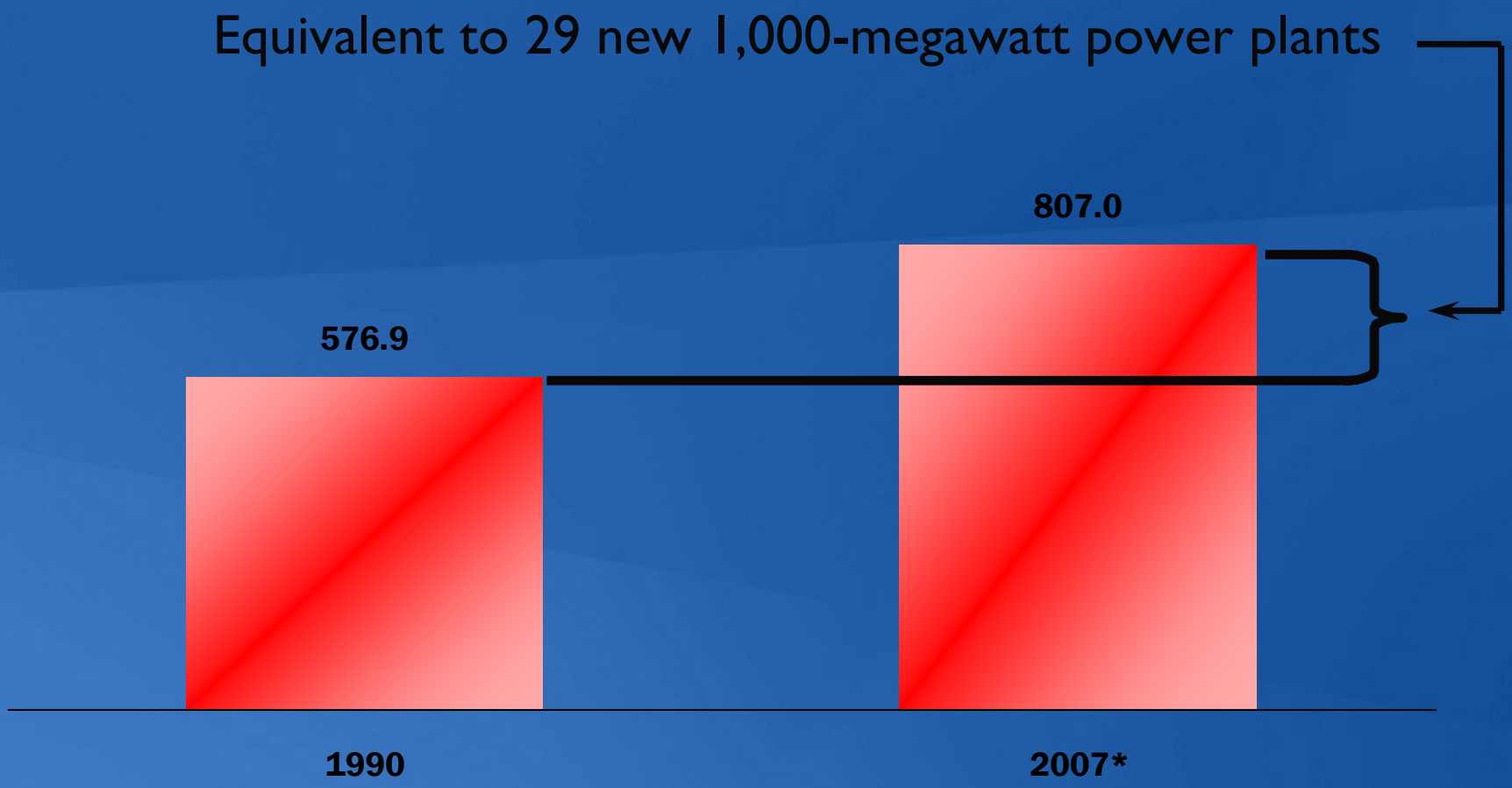
U.S. Nuclear Plant Output Growth

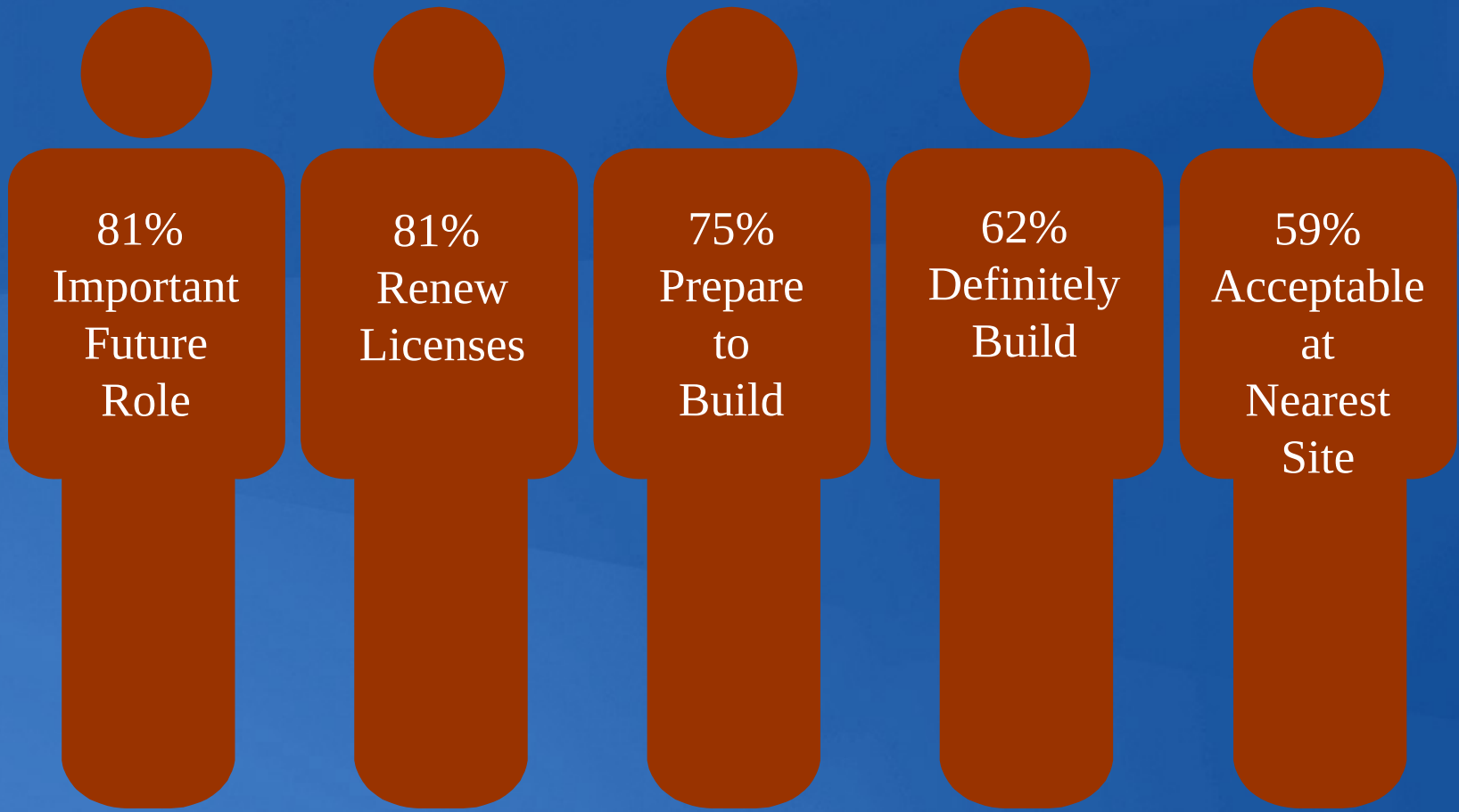
Billion kWh



Source: Global Energy Decisions / Energy Information Administration, * NEI Estimate

Updated: 2/08

Strong Public Support Continues



Source: Bisconti Research Inc.

October 2007 poll of 1,000 U.S. adults; margin of error is +/- 3%

Policy and Politics

- Bi-partisan support for nuclear
- Climate issues
- Presidential politics

Preparing for New Nuclear Plant Construction

- Major investments in:
  - Design and engineering
  - Long-lead procurement
  - Expansion of U.S. manufacturing capability
- Licensing
  - Early Site Permits
  - Certified Designs
  - Combined Operating License

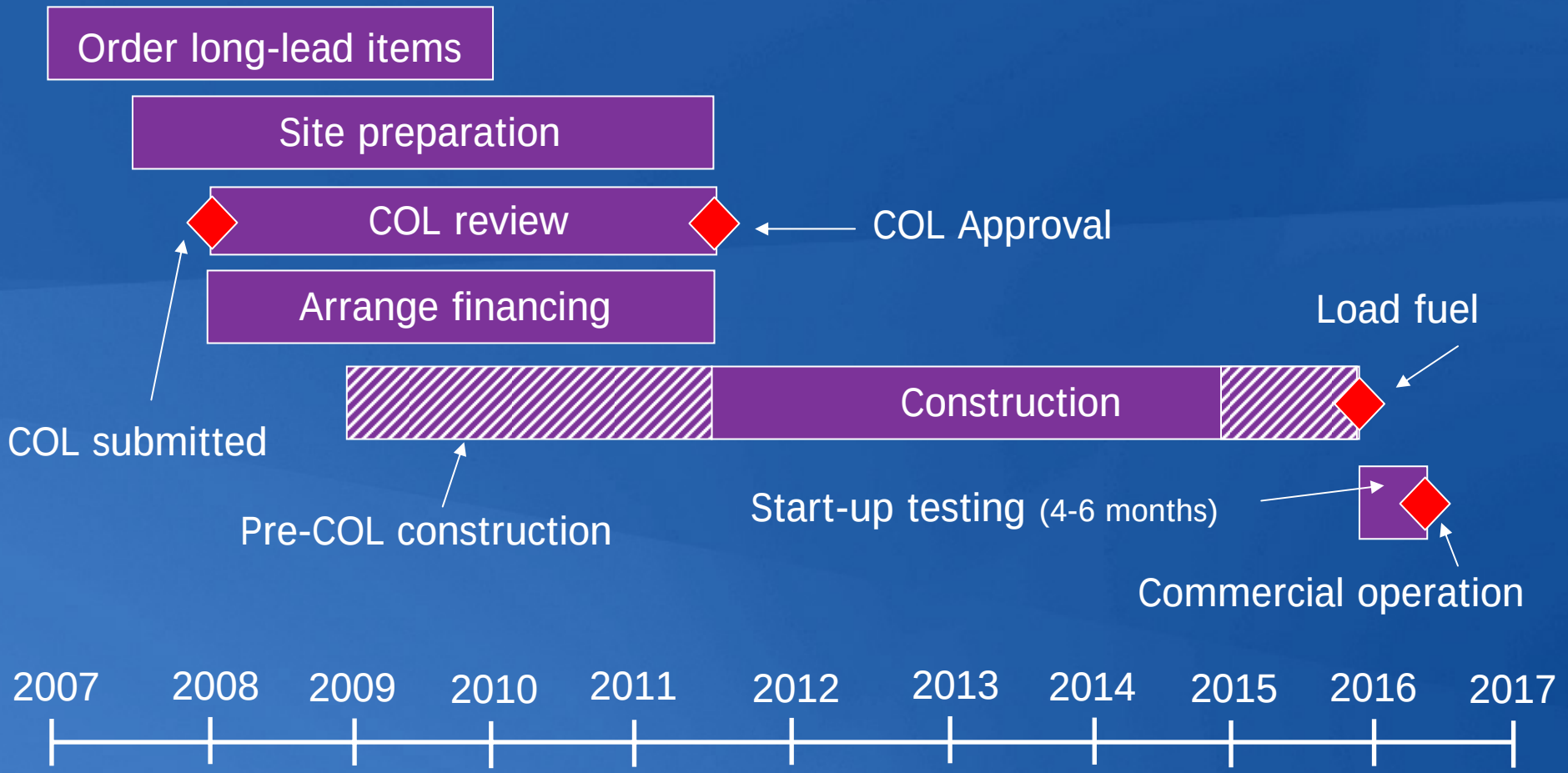
Is it Real?

- Major investments in:
  - FPL signed design and engineering agreement
  - Utilities have started long-lead procurement
  - B&W is expanding its Ohio facility
- Licensing:
  - 3 early site permits in 2007 (Exelon, Dominion, Entergy)
  - 2 designs certified (ABWR, AP1000) , 2-3 more expected (ESBWR, EPR, US-APWR)
  - 17 companies, consortia preparing license applications for as many as 30 reactors

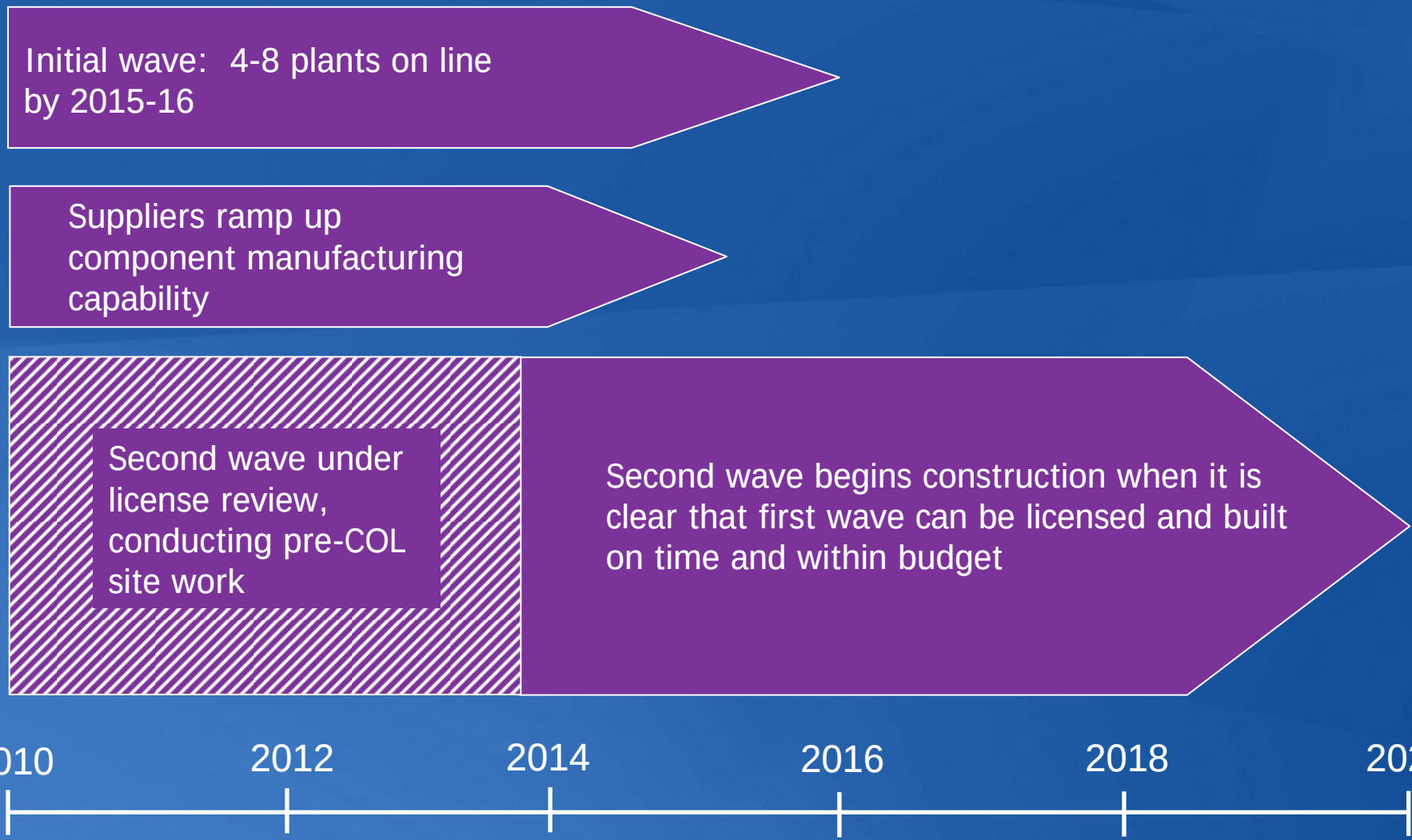
Other Signs

- Fuel Supply
  - US mining and milling permits up
  - Honeywell expanded its conversion facility
  - National Enrichment Facility under construction in NM
  - American Centrifuge Plant under development in Ohio
  - GE announced it plans a US enrichment facility
  - AREVA announced it plans a US enrichment facility

When will the new plants open?



Expectations for the Future



What's Next?

- Your questions?