



U.S. DEPARTMENT OF **ENERGY**

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Obama Administration Announces Loan Guarantees to Construct New Nuclear Power Reactors in Georgia

Conditional deal is major step towards restarting the domestic nuclear industry

Washington D.C. --- Underscoring his Administration's commitment to jumpstarting the nation's nuclear power industry, President Obama today announced that the Department of Energy has offered conditional commitments for a total of \$8.33 billion in loan guarantees for the construction and operation of two new nuclear reactors at a plant in Burke, Georgia. The project is scheduled to be the first U.S. nuclear power plant to break ground in nearly three decades.

"To meet our growing energy needs and prevent the worst consequences of climate change, we need to increase our supply of nuclear power and today's announcement helps to move us down that path. But energy leaders and experts recognize that as long as producing carbon pollution carries no cost, traditional plants that use fossil fuels will be more cost-effective than plants that use nuclear fuel. That is why we need comprehensive energy and climate legislation to create a system of incentives to make clean energy profitable," said President Obama. "What I hope this announcement underscores is both our commitment to meeting the energy challenge - and our willingness to look at this challenge not as a partisan issue, but as a matter far more important than politics."

The two new 1,100 megawatt Westinghouse AP1000 nuclear reactors at the Alvin W. Vogtle Electric Generating Plant will supplement the two existing reactor units at the facility. According to industry projections, the project will create approximately 3,500 onsite construction jobs. Once the nuclear reactors become operational, the project will create 800 permanent jobs.

"This is a significant step by the Obama Administration to restart our domestic nuclear industry, helping to create valuable long-term jobs and reduce our greenhouse gas emissions," Energy Secretary Steven Chu said.

Project sponsors include Georgia Power Company (GPC), Oglethorpe Power Corporation (OPC), the Municipal Electric Authority of Georgia (MEAG) and the City of Dalton, Georgia (Dalton).

The Energy Policy Act of 2005 authorized DOE to issue loan guarantees for projects that avoid, reduce, or sequester air pollutants or anthropogenic emissions of greenhouse gases and employ new or significantly-improved technologies as compared to technologies in service in the United States at the time the guarantee is issued. These are the first conditional commitments for loan guarantees to be offered by DOE for a nuclear power facility since enactment of the 2005 law. The Department's Loan Programs Office administers the loan guarantee program.

The nuclear facility is eligible for loan guarantees because it achieves substantial environmental benefits by reducing greenhouse gases and other pollutants. In addition, the Westinghouse AP1000 reactor has incorporated numerous innovations resulting in significant operational, safety, and cost enhancements.

Georgia's need for electricity is growing and is expected to increase by approximately 30 percent over the next 15 years. When the new nuclear reactors come on line, they will provide reliable, base-load electricity capable of serving about 550,000 residences or 1.4 million people.

Compared to a similar sized coal plant, the new Vogtle units will avoid significant greenhouse gas emissions each year: 16 million tons of carbon dioxide, 3,900 tons of nitrogen oxides, and 5,500 tons of sulfur dioxide.

As one part of the conditional loan guarantee deal, the U.S. Nuclear Regulatory Commission (NRC) must determine if the AP1000 fulfills the regulatory requirements for a construction and operating license.

This is the fifth time that DOE has offered conditional commitments for a loan guarantee under The Energy Policy Act of 2005. Other recipients of commitments for loan guarantees for innovative technology energy projects include Solyndra, Inc., a manufacturer of cylindrical solar photovoltaic panels; Nordic Windpower, USA, a maker of two-blade, one megawatt wind turbines; Beacon Power, an energy storage company; and Red River Environmental Products, an activated carbon manufacturing plant.

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