

LOUISIANA PUBLIC SERVICE COMMISSION

RESOLUTION NO. 07-28-05

NuStart Energy Development L.L.C.

In Re: Request for Information On Finalist Candidate Nuclear Sites

**(Introduced by Commissioner Blossman)
(Decided at the Business & Executive Session July 22, 2005)**

WHEREAS, since 2000 energy prices have been both high and volatile relative to their historic norms, especially natural gas prices which have increased by almost 200 percent since 1999.

WHEREAS, some 39 percent of U.S. power generation comes from natural gas-fired generators.

WHEREAS, since 2000 some 200,000 megawatts (“MWs”) of new capacity has been added in the U.S. and 96 percent of that capacity is fired by natural gas. Natural gas-fired generation represents some 95 percent of all the growth in the demand for natural gas over the past decade.

WHEREAS, some 43 percent of power generation capacity in the U.S. comes from solid fuel such as coal and nuclear and 20 percent of 2003 power generation was provided by nuclear power.

WHEREAS, there are only 104 active nuclear power generation facilities in the U.S. While these plants provide reliable electricity, they are become older with each year.

WHEREAS, no new orders for nuclear plants have been placed since 1978.

WHEREAS, high natural gas and oil prices negatively impact Louisiana ratepayers and there is a need both in Louisiana and nationally, to diversify our use of various sources of energy. The development of nuclear power is an important fuel diversity option for the U.S. and Louisiana.

WHEREAS, NuStart Energy Development L.L.C. (“NuStart”) is a consortium of national nuclear energy companies that is seeking to obtain two combined Construction and Operating Licenses (“COL”) under a new regulatory process established by the U.S. Nuclear Regulatory Commission (“NRC”); and

WHEREAS NuStart’s goal is to maintain nuclear power as a viable generation alternative in the U.S. by demonstrating a new COL can be obtained in a timely manner and at a predictable cost.

WHEREAS, NuStart has selected the River Bend Nuclear Station (located in St. Francisville, LA), among five other finalist sites, as a finalist site to receive a COL; and

WHEREAS NuStart has requested information regarding whether the state and local communities of the finalist sites would be interested in hosting a next-generation advanced nuclear energy plant; and

WHEREAS various governmental agencies, including the Louisiana Public Service Commission (“LPSC” or “Commission”) are currently researching this matter and compiling information to respond to the requests of NuStart; and

NOW THEREFORE BE IT RESOLVED the Louisiana Public Service Commission supports the investigation and research of nuclear power as a possible power generation alternative, particularly the investigation of nuclear power as a potential power generation option in Louisiana.

MAY IT BE FURTHER RESOLVED that the Louisiana Public Service Commission supports NuStart’s consideration of Louisiana as a potential site for the development of nuclear power and encourages NuStart to consider the wide range of benefits of doing business in Louisiana.

MAY IT BE FURTHER RESOLVED that the Louisiana Public Service Commission, does hereby urge and request that Louisiana Governmental agencies provide the information requested by NuStart in order assist NuStart in the completion of its review process.

MAY IT BE FURTHER RESOLVED that the Louisiana Public Service Commission believes it is in the public interest for this matter to be further analyzed in order to determine if the existence of a nuclear power generation alternative would provide net benefits to the ratepayers of Louisiana including, but not limited to: a low cost source of electric generation, a generation resource with favorable environmental impacts when compared to other sources of electric generation, diversity to the portfolio of electric generation resources available to serve the ratepayers of Louisiana, and economic development.

**BY ORDER OF THE COMMISSION
BATON ROUGE, LOUISIANA
July 28, 2005**

**/S/ C. DALE SITTIG
DISTRICT IV
COMMISSIONER C. DALE SITTIG**

**/S/ JAMES M. FIELD
DISTRICT II
COMMISSIONER JAMES M. FIELD**

**/S/ JACK "JAY" A. BLOSSMAN
DISTRICT I
COMMISSIONER JACK "JAY" A. BLOSSMAN**

**/S/ FOSTER L. CAMPBELL
DISTRICT V
COMMISSIONER FOSTER L. CAMPBELL**

**LAWRENCE C. ST. BLANC
SECRETARY**

**/S/ LAMBERT C. BOISSIERE, III
DISTRICT III
COMMISSIONER LAMBERT C. BOISSIERE, III**