2006 International Electricity Statistics

Fuel Diversity – 2006
Total Thousand MW: 4,012.4

- Hydroelectric: 19%
- Renewable / Other: 3%
- Nuclear: 9%
- Conventional Thermal (fossil): 69%

Electricity Produced – 2006
Total Million GWh: 18,014.67

- Hydroelectric: 17%
- Renewable / Other: 2%
- Nuclear: 15%
- Conventional Thermal (fossil): 66%
Although less than 5% of the world’s population, the U.S. consumes 21% of the world’s total energy annually (2007).
International demand for electricity will continue – indefinitely!
2008 United States Energy Statistics

Fuel Diversity – 2008
Total MW: 994,888

- Gas: 40%
- Oil: 6%
- Coal: 31%
- Renewables: 3%
- Nuclear: 10%
- Hydro: 8%
- Other: 2%
- Other: 2%

Energy Produced – 2008
Total GWh: 4,115,888

- Coal: 49%
- Gas: 21%
- Nuclear: 3%
- Hydro: 20%
- Renewables: 3%
- Other: 6%
United States demand for electricity will continue – indefinitely!
Comparatively low energy prices provide little incentive to change behavior.
Investor Owned Utilities

* 2009 / 2010 Black & Veatch utility industry survey
New Nuclear Development
Nuclear Industry Performance Improvement

- 58.2% in 1981
- 70.2% in 1991
- 89.4% in 2001
- 91.1% in 2008
Do you strongly favor, somewhat favor, somewhat oppose or strongly oppose the use of nuclear energy?

- Favor: 74% (2010)
- Oppose: 23% (2010)

Source: Bisconti Research, Inc. with GfK Roper. Telephone interviews with 1,000 nationally representative U.S. adults March 18-21, 2010, margin of error is plus or minus three percentage points. For full questions and answers, see www.nei.org.
Sources of Emission-Free Electricity

- Nuclear: 72.3%
- Wind: 4.7%
- Hydro: 21.7%
- Solar: 0.1%
- Geothermal: 1.3%
2009 Worldwide Nuclear Generation (BkWh) / Construction

Total Nuclear Generation
2,559.7 BkWh

<table>
<thead>
<tr>
<th>Country</th>
<th># Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>1</td>
</tr>
<tr>
<td>Brazil</td>
<td>1</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>2</td>
</tr>
<tr>
<td>China</td>
<td>24</td>
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<tr>
<td>Finland</td>
<td>1</td>
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<tr>
<td>France</td>
<td>1</td>
</tr>
<tr>
<td>India</td>
<td>4</td>
</tr>
<tr>
<td>Iran</td>
<td>1</td>
</tr>
<tr>
<td>Japan</td>
<td>2</td>
</tr>
<tr>
<td>Korea, Rep of</td>
<td>6</td>
</tr>
<tr>
<td>Pakistan</td>
<td>1</td>
</tr>
<tr>
<td>Russia</td>
<td>11</td>
</tr>
<tr>
<td>Slovak Rep</td>
<td>2</td>
</tr>
<tr>
<td>Taiwan, China</td>
<td>2</td>
</tr>
<tr>
<td>Ukraine</td>
<td>2</td>
</tr>
<tr>
<td><strong>United States</strong></td>
<td><strong>1</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>62</strong></td>
</tr>
</tbody>
</table>
American Power Act of 2010 Projections

Requires additional 72.3 GW of power

52 new nuclear units

- 72.3 GW of power
- 52 new nuclear units

2008 vs. 2035: Coal, Gas, Hydro/renewable, Nuclear, Oil
Five technologies under consideration

- 2 Design Certifications issued (1 with an Amendment under review) and 3 Design Certification Applications under review

2,500 – 4,000 construction jobs; 400 – 700 permanent jobs
Vogtle (Southern Co. AP1000) – COLA mid 2011
- Accepted $3.4B loan guarantee from DOE (45.7% equity owner)
- Excavation complete with ongoing Limited Work Authorization (LWA) with 1000 workers

Summer (SCANA AP1000) – COLA mid 2011
- Expected to be offered DOE loan guarantee
- Excavation complete/circ water piping in place

North Anna (Dominion) announced switch to Mitsubishi

Other Lead plants
- Calvert Cliffs (Constellation AREVA EPR) & South Texas Project (NRG Toshiba ABWR)
- Both COLAs expected mid 2012
- Both in running for DOE loan guarantees
<table>
<thead>
<tr>
<th>Company</th>
<th>Location</th>
<th>Project</th>
<th>Anticipated Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toshiba</td>
<td>Charlotte, NC</td>
<td>Project management and Engineering Center</td>
<td>200</td>
</tr>
<tr>
<td>Westinghouse</td>
<td>Charlotte, NC</td>
<td>Expanding – Engineering, BWR I&amp;C and Projects</td>
<td>100</td>
</tr>
<tr>
<td>Areva, Northrop Grumman</td>
<td>Newport News, VA</td>
<td>Heavy Component Manufacturing</td>
<td>&gt; 500</td>
</tr>
<tr>
<td>Global Modular Solutions</td>
<td>Lake Charles, LA</td>
<td>Nuclear Fabrication for Westinghouse AP1000 Tech.</td>
<td>1,400</td>
</tr>
<tr>
<td>URS Corporation</td>
<td>Fort Mills, SC</td>
<td>Nuclear Energy Center - Eng. &amp; Construction</td>
<td>&gt; 400</td>
</tr>
<tr>
<td>GE Hitachi Nuclear Energy</td>
<td>Wilmington, NC</td>
<td>Expanding Campus – Add Manufacturing, training, etc.</td>
<td>900</td>
</tr>
<tr>
<td>Holtec</td>
<td>Turtle Creek, PA</td>
<td>Dry Fuel Storage Canisters and high-Tech Racks</td>
<td>575</td>
</tr>
<tr>
<td>Alstrom</td>
<td>Chattanooga, TN</td>
<td>Manufacturing Nuclear and Fossil components</td>
<td>350</td>
</tr>
<tr>
<td>Babcock &amp; Wilcox</td>
<td>Lynchburg, VA</td>
<td>Engineering – Support New and Existing Plants</td>
<td>100</td>
</tr>
<tr>
<td>Babcock &amp; Wilcox</td>
<td>Mt. Vernon, IN</td>
<td>Manufacturing – Support New and Existing Plants</td>
<td>300</td>
</tr>
<tr>
<td>Curtiss Wright</td>
<td>Cheswick, PA</td>
<td>Manufacturing Nuclear Reactor Coolant Pumps</td>
<td>80</td>
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<tr>
<td>Westinghouse</td>
<td>Cranberry Woods, PA</td>
<td>Nuclear Business Unit – New Facility</td>
<td>1,000</td>
</tr>
<tr>
<td>LES</td>
<td>Eunice, NM</td>
<td>Uranium Enrichment Facility</td>
<td>300, 1,100</td>
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<tr>
<td>USEC</td>
<td>Piketon, OH</td>
<td>American Centrifuge Plant</td>
<td>420, 1,000</td>
</tr>
<tr>
<td>Areva</td>
<td>Bonneville County, ID</td>
<td>Uranium Enrichment Facility</td>
<td>325, 1,100</td>
</tr>
</tbody>
</table>
Salem and Hope Creek Nuclear Generating Stations
Second largest site in country
- Approximately 3,575 MWe
- Enough electricity for ~3 million homes

Each unit licensed for 40 years (license renewal underway)
- Salem Unit 1 (PWR, 1180 MW) – August 2016
- Salem Unit 2 (PWR, 1175 MW) – April 2020
- Hope Creek (BWR, 1220 MW) – April 2026

Each unit on an 18 month refueling cycle
- Dry cask storage facility on property
- Enough space for 200 casks – all 3 units, 60 years
New Nuclear Development

PSEG Power submitted Early Site Permit application in May

- PSEG Board authorized $100 M for ESP / COLA development
- ESP developed including four plant technologies

The ESP route is logical next step for PSEG

- Starts the application process while deciding on reactor technology
- Engages local public, political, regulatory and environmental stakeholders early in the process

Significant local and state stakeholder support

- Energy and Environmental Resource Center developed after benchmarking trips
New Nuclear Development Challenges

The cost of financing is uncertain

- Loan guarantees will ensure greater investor confidence
- Actual construction experience in U.S. will increase price certainty

Regulatory rules are uncertain

- Licensing process is untested
- Price of carbon is unknown

The size of the investment relative to our market capitalization makes risk management a high priority

- Partnerships and/or investment opportunities may be considered
Does the American Public generally support or oppose building more nuclear power plants?

- Supports: 42%
- Don't Know: 14%
- Opposes: 44%
Looking Beyond 2020

If we find we need more electricity, where can we get it?

- Nuclear
- Coal
- Combined Cycle
- Peaking

How are we, as responsible stakeholders, addressing the energy challenges facing our states?