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DOE Strengthens U.S. Energy Innovation With Small Reactor Licensing Partnership

WASHINGTON, D.C., Nov. 20, 2012—The U.S. Department of Energy today announced a new investment to implement a private-public partnership program to license small modular reactor designs. This DOE award is being made to Babcock & Wilcox in partnership with the Tennessee Valley Authority and Bechtel International. Four innovative designs were submitted to the Energy Department earlier this year, and the agency said today a subsequent solicitation to other companies and manufacturers will be issued to capitalize on other small reactor opportunities. The Nuclear Energy Institute's president and chief executive officer, Marvin Fertel, made the following remarks about the DOE award to Babcock & Wilcox, which will match the federal funding support under this cost-shared program.



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“Our nation’s energy future just became considerably brighter. The Department of Energy’s important action to advance the development of this innovative reactor design supports the growth of clean-energy sources and the commercialization of advanced energy technologies that can be used domestically and sold overseas.

“Babcock & Wilcox has submitted a compelling small reactor design that has attracted significant support from private-sector investors as well as numerous governors who want their states to help drive a dramatic reinvigoration of America’s manufacturing base. The Energy Department will continue through its follow-on solicitation to evaluate other necessary aspects of small reactor development.

“Small reactor technology is scalable and versatile, capable of incremental development and financially viable for a full range of energy companies in this country. We are likely to see many U.S. nuclear companies active in what promises to be a global market for this technology. In addition to providing carbon-free generation, fuel diversity, forward price stability, and grid-secure power, SMRs can also produce vast quantities of fresh drinking water—an increasingly valuable resource for a growing global population.

“In the years ahead, small reactor development will create many thousands of high-paying jobs. While there is much work in this area to be done, DOE’s action today helps position the United States to be a world leader in developing and deploying safe, reliable small reactor technology.

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“The Department of Energy’s commitment to support advanced, small reactor designs—300 megawatts or less of electric generating capacity—under a cost-shared, public-private partnership is tangible evidence of the Obama administration’s recognition of an expanded role for clean and reliable nuclear energy. The government’s cost-share initiative will support up to half the cost of developing two small modular reactor designs, including NRC design certification and licensing activity critical to developing the business case for small reactors.

“This program is modeled after the successful Nuclear Power 2010 program that accelerated the design and licensing of the AP1000 advanced-design reactors that are being built in Georgia and South Carolina to help meet the Southeast’s expanding population and growing electricity needs. This is a proven approach to reduce licensing risk to first movers, and will pave the way for other U.S. designs to enter the global marketplace.

“Small reactors are a complement to our nation’s 104 operating large reactors, but their scalability, their ability to be assembled in factories, efficiently transported and added to our existing grid reduces capital costs, construction time and operating and maintenance costs.

“In its 2010 position paper on small reactor technology, the policy group Third Way noted that small reactors ‘provide a viable path to retrofitting old power plants with clean energy.’ That’s a good way of describing what the future holds as the result of today’s announcement.”

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The Nuclear Energy Institute is the nuclear energy industry’s policy organization. This news release and additional information about nuclear energy are available at www.nei.org.