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# Exelon, Largest U.S. Reactor Owner, Seeks to Reassure

By **MATTHEW L. WALD**

WASHINGTON — Exelon, the largest operator of nuclear power plants in the United States, sought to reassure investors and the public about the safety of its 17 reactors on Thursday. The company's chief executive, **John W. Rowe**, declared that the company was well prepared to "respond to emergencies not contemplated in the original design."

Nevertheless, Mr. Rowe said that he expected that American regulators would impose new safety requirements on nuclear plants after the Japanese crisis. That is likely to add pose "significant costs" to the utilities that operate the plants, he said in a conference call with investors.

Mr. Rowe's comments echo those of others in the nuclear industry, who have said that the 104 American reactors are safe and generally do not face the same earthquake and tsunami risks that played an important role in the problems at the Fukushima Daiichi complex in Japan.

Two utilities planning to break ground on new nuclear plants in Georgia and South Carolina say they are committed to proceeding with their projects despite the accident in Japan. Another nuclear project, proposed in Texas by NRG, was already facing financing problems and is likely to encounter further hurdles in the new environment.

Mr. Rowe, whose company **has no new plants in the planning stages right now**, is focusing on upgrading the output of Exelon's existing plants. "I believe that there is little opening for new nuclear plants in the near future," he said. "But that view has come from economics, not from safety."

Christopher M. Crane, Exelon's president and chief operating officer, said that American plants had several design features that he did not believe were present at Fukushima Daiichi, including a system to control hydrogen buildup and a hardened vent system to safely remove such gas from the building, both of which would help prevent the type of explosions that apparently occurred in Japan.

In addition, diesel fuel for the emergency generators at American plants is generally kept in buried tanks so it cannot be swept away, as it was in Japan.

None of the 10 Exelon plant sites is in a zone of high seismic activity, the company said. Its only unit near the coast is Oyster Creek, on Barnegat Bay, in central New Jersey, and that plant is 23 feet above sea level and five miles from the ocean.

The effect of the Fukushima disaster on the American nuclear renaissance is hard to measure. Existing plants will most likely face new rules, but the financial impact is still unknown.

As for new reactors, their near-term prospects were already quite limited in the United States. The most advanced project is the [Southern Company's](#) Vogtle 3 and 4 units, near Augusta, Ga. The utility has broken ground there, and expects to receive a combined construction and operating license later this year. It is building a new model of reactor that is expected to receive approval by the [Nuclear Regulatory Commission](#) later this year despite the events in Japan. Two days after the tsunami, Southern said it "remains committed to completing the new Vogtle units on schedule and on budget."

"Japan is seismically very active and the Vogtle site is not," the company said. And Southern's plant is 130 miles from the coast, at an elevation of 220 feet, and thus not likely to see a tsunami.

Across the river in from Augusta in South Carolina, South Carolina Electric and Gas is moving ahead with two reactors at its V. C. Summer site. Kevin B. Marsh, the president of the company's parent, Scana, noted that the site was not seismically active and was 400 feet above sea level.

"Our intent is to remain on schedule," he said. One complication is that Scana's partner, Santee Cooper, is seeking to sell power or part of its ownership stake.

NRG is seeking to add two new reactors at its South Texas Project with a partner, [Toshiba](#). But NRG said on Tuesday that it was "reducing the scope of development" to give the Nuclear Regulatory Commission time to assess the lessons from Japan.

While NRG said it did not expect any changes in the design it planned to use, it faces other issues. Last May, Tokyo Electric Power Company, which owns Fukushima Daiichi, took a 9 percent stake in the Texas project and said it might increase that to 18 percent. It is unclear whether the Japanese company can still afford the American commitment given the multibillion-dollar cost of the Japan disaster.

Even before that crisis, the South Texas Project was having trouble lining up customers to agree to buy power — a crucial requirement of the Energy Department before it will guarantee the construction loan.

The final project in the advanced stage of planning, an additional reactor at Calvert Cliffs, Md., about 60 miles from Washington, stalled last year. [Constellation Energy](#), which owns the first two reactors at Calvert Cliffs, was in a partnership with Électricité de France to build the third reactor, but Constellation pulled out after complaining that the government's fee for a loan guarantee was too high. The French utility then said it would seek another partner.