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August 15, 2005

The Honorable Mark Sanford
Governor
State of South Carolina
State Capitol
Columbia, South Carolina

Dear Governor Sanford:

On Tuesday, August 2, 2005, I attended a briefing and luncheon sponsored by CNTA of SC and the SC Congressional Delegation on the occasion of a visit by NuStart, a consortium of Nuclear Utilities who intend to propose a site to the NRC as a candidate for its licensing demonstration project for a commercial nuclear plant possibly on the Savannah River Site. I was pleased to receive a copy of the letter of support signed by the entire SC Delegation (copy enclosed) expressing encouragement to NuStart urging them to select the Savannah River Site because of its special features derived from its 50 years of nuclear activity and its potential value to SC. Other sites in SC may also be of interest to NuStart, but Savannah River was the focus of this visit.

I am aware of a similar visit by NuStart to Mississippi (supported by Governor Haley Barbour) and to Louisiana (supported by Governor Kathleen Blanco). At the luncheon I was pleased to sit at the table with Congressman Gresham Barrett and the leader of the NuStart team. Two other members of the NAC also attended the luncheon, namely Rep. Skipper Perry and Dr. Vince Van Brunt. The luncheon presentation by NuStart was informative and it followed an extensive presentation to Savannah River Sr. Management in the morning. The press was present and the NuStart team spent the afternoon touring the Savannah River Site. Although the subject was not discussed publicly, Congressman Barrett and I noted the role of the Barnwell site as a value added feature in locating the plant at the Savannah River Site. Even though Sen. Graham did not attend the Tuesday session, he had dinner the evening before with the NuStart Group.

I have polled the members of the Nuclear Advisory Council and they share my view that this is a prospect which could be of great value to South Carolina.

The Council members join me in expressing our appreciation for the opportunity of serving on your Nuclear Advisory Council and the effective liaison with Austin Smith and Scott English. We would welcome your visit to our September or December Council meetings.

Sincerely,

Ben C. Rusche

Ben C. Rusche, Chair

Attachment

Congress of the United States

Washington, DC 20515

July 25, 2005

Marilyn C. Kray
President
NuStart Energy Development, LLC
200 Exelon Way
M/S KSA 3-N
Kennett Square, Pennsylvania 19348

Dear Ms. Kray,

As members of the South Carolina and Georgia Congressional delegations, we are writing to express our support for constructing a new commercial nuclear reactor at the Savannah River Site (SRS) in Aiken, South Carolina. With seven nuclear reactors generating more than half of South Carolina's electricity and four nuclear reactors generating nearly 30% of Georgia's electricity, each state is respectively our nation's third and eighth largest producer of nuclear power. As the operating licenses for these reactors begin to expire, South Carolina and Georgia stand to lose an accepted, emission-free energy source that has provided a strong economic base to our states.

Over the past five years, South Carolina's and Georgia's Gross State Product has increased by an average of 4.2% and 4.7% respectively. Such growth requires a stable energy source capable of meeting the increased demand without adversely impacting consumer rates statewide. While alternative energy sources such as wind, solar, and biomass could play a role in meeting this demand, nuclear power undoubtedly can deliver the necessary baseload in an affordable and clean manner.

For example, commercial nuclear energy enjoys the lowest production cost of all baseload electricity generating technologies. Moreover, in 2004 both states' emission-free nuclear power generation avoided the production of 531,900 tons of pollutants that cause acid rain and smog, as well as avoiding 78.3 metric tons of carbon dioxide that causes global warming. Such gains for our states' consumers and environments will be lost without establishing a future nuclear production capability.

As a result, we are encouraged by NuStart's selection of the SRS as a candidate site for its Licensing Demonstration project, and we are hopeful the SRS will be one of two final sites selected for a new commercial reactor later this fall. In addition to the SRS, our states have a variety of assets that could provide necessary support functions for a new reactor. For example, the Savannah River National Laboratory has a long history of providing applied nuclear research and development technologies to the industry. Moreover, the Westinghouse Fuel Plant in Columbia, South Carolina, fabricates nuclear fuel assemblies used in light-water reactors. Also, our research institutions such as Clemson University, the University of South Carolina, South Carolina State University, the University of Georgia and Georgia Tech are at the forefront of the emerging hydrogen economy which is directly linked to new reactor designs. Finally, our

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constituents have provided over fifty years of service to our national energy policy. These factors demonstrate that South Carolina and Georgia have a long history of local, state, and federal support for the nuclear industry.

We understand that lessening our dependence on foreign sources of energy is an issue much larger than the SRS or our states. However, selecting the SRS as a final site for a new commercial nuclear reactor will enable our states to use their numerous resources to lead our nation toward the ultimate goal of energy independence.

As NuStart continues to examine its six candidate sites, we respectfully request you consider our support, and please do not hesitate to contact us should you need any further information regarding this issue.

Sincerely,

Lindsey Graham
U.S. Senator

Jim DeMint
U.S. Senator

J. Gresham Barrett
Member of Congress

John M. Spratt, Jr.
Member of Congress

James E. Clyburn
Member of Congress

Bob Inglis
Member of Congress

Henry E. Brown, Jr.
Member of Congress

Joe Wilson
Member of Congress

Charlie Norwood
Member of Congress

cc: Danny R. Keuter, Vice President
Michael Bourgeois, Team Leader, Site Selection