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Carolinas' Nuclear Cluster

Overview

July 2010

Nuclear in the Carolinas

Current Reactors

- NC –
  - 2 – Brunswick
  - 2 – McGuire
  - 1 – Shearon Harris
- SC –
  - 2 – Catawba
  - 1 – HB Robinson
  - 3 – Oconee
  - 1 – VC Summer

New unit plans

- NC –
  - 2 – Wake (Progress)
- SC –
  - 2 – Cherokee (Duke)
  - 2 – Fairfield (SCE&G)

As Well As …

- Savannah River Site
- Multiple A/E & Vendor Operations

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Nuclear Cluster: Key Traits

- Two-state cluster
- Includes 33 organizations
- Led by industry; task force approach
- Support/coordination from New Carolina*

  (*South Carolina Council on Competiveness)

- Strategic focus; highly tactical implementation

Nuclear Cluster: Chronology

- 2007 – Duke Energy and New Carolina convene; establish preliminary reasons for a cluster
- 2008 – Strategic plan written; begin implementation
- 2009 – Strategic recommendations commence under task force structure

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Formula for Success

Need for power in the Carolinas

+

Need for power globally

+

Carolinas' energy expertise

=

Carolinas' Economic Development & Energy Security

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Nuclear Cluster

Vision: **The people, services and products in the Carolinas' Nuclear Cluster fortify our states' economy, create environmentally-friendly electricity, contribute to our energy independence and are the world's center of nuclear energy excellence.**

Mission: **The Carolinas' Nuclear Cluster collaboratively strengthens workforce, services, products and policies to capture and extend our global leadership in nuclear energy capabilities.**

Strategic Responses

- Define the economic development proposition of the industry in the Carolinas and develop support businesses for industry growth.
- Drive positive policy for the Carolinas' nuclear energy industry base.
- Develop and support an ample, sustainable energy-oriented workforce.
- Conceive and support innovative nuclear energy technologies and services.
- Communicate and market the effectiveness of Carolinas' nuclear energy expertise.

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Nuclear in the North Carolina

- Utilities - Duke, Progress
- Engineering - Shaw Group, AREVA
- Education - UNC Charlotte, NC State, NC Community Colleges, Central Piedmont Community College
- Research - Electric Power Research Institute
- Vendors/Manufacturing - Siemens Energy, Hendrick Construction, Tindall Corporation

Nuclear in South Carolina

- Utilities - SCANA, Duke, Progress
- Engineering - URS Corp., Fluor, Jacobs Engineering
- Education - Clemson, USC, SC State, SC Tech Colleges, Midlands Technical College
- Research - Savannah River, SCUREF/SUNRISE
- Vendors/Manufacturing - Westinghouse, Brillig, GEL Labs, Pegasus Nuclear
- Citizen Support - Citizens for Nuclear Technology Awareness

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Economic Impact

- Impact study – Oct. 2009
- Number of employees: 37,000
- Payroll: $2.2 billion/year
- Earned Income: $4.7 billion
- Taxes: ¾ billion

Supply Chain

- Business Retention / Expansion Strategy
- Need: Machine shops, valve/pump makers, industrial suppliers, engineering firms
- NEI database – early participant / beta test
- Supplier Information Sessions:
  - 3 in 2009 – Charlotte, Greenville, Aiken
  - 2 in 2010 – Columbia, Charleston area (both in May)
  - Charlotte has two national-level 2010 supplier meetings
  - Columbia had first NEI national supplier session (2008)
- Phase Two study being planned

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Leadership Energy Carolinas

- Groom new leadership
- 4 sessions/year
- Topics: Economic development, issues analysis, facility visits, policymaker interaction, communication training
- Columbia, Raleigh, Charlotte, Aiken
- 19 in the 2010 class

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Key Message

Our bi-state nuclear industry can provide the Carolinas with environmentally-friendly, safe and plentiful electricity to support our consumer needs and our economic development

National electricity consumption is anticipated to grow by at least 40 percent by 2030. New sources of energy - and the people to design and operate them - are needed to meet demand and keep our region economically sound

The Carolina's are a hub of nuclear expertise, with more than 11% of the nation's nuclear power production; we have a solid tradition of energy expertise and safety that we need to enhance for the future

Our nuclear energy industry is not without its challenges. It faces a workforce gap (as current employees retire), and a significant need for additional facilities to serve the public and industry

Together, the Carolina's are addressing these important energy issues as part of "New Carolina"; which has created a consortium of industry, higher education and nonprofits working in unison to secure our nuclear energy future

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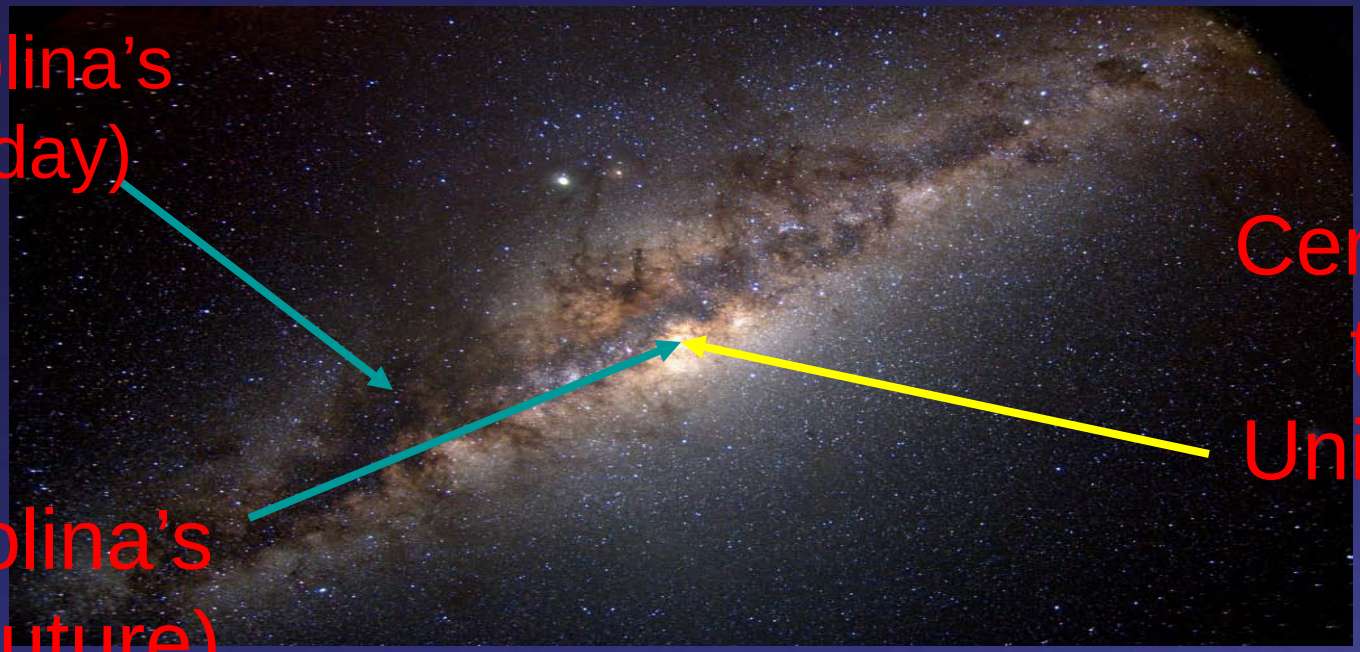
Where is the Center of the Universe?



We have the potential to position Carolina's Nuclear Industry as the Center of the Universe!

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The Carolinas' Nuclear Cluster

Thank You!