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Team continues vessel examination and identifies repair procedure
STP releases preliminary inspection results

Wadsworth, Texas -- May 22, 2003 – Officials at the South Texas Project (STP) today outlined the preliminary results of a detailed inspection procedure conducted on Unit 1. STP launched the investigation after the company’s inspectors discovered trace amounts of boric acid on the bottom of the reactor vessel during a scheduled refueling and maintenance outage in April. The Unit 1 reactor – which remains shutdown – is housed inside a reinforced concrete and steel-lined containment building.

STP officials said ultrasonic testing revealed small axial (vertical) cracks in the two instrumentation tubes inside the reactor vessel that had exhibited seepage earlier. Instruments within the tubes measure reactor operations. The inspection procedure is expected to be completed this weekend. Thus far no axial cracks have been found on the other instrumentation tubes. An engineering team is continuing to develop a corrective action plan to address the affected tubes prior to safely restoring the unit to service by late summer.

“We remain absolutely committed to ensuring the safety and integrity of our facilities,” said Plant General Manager Ed Halpin. “I believe our rigorous and disciplined approach to understanding and resolving this condition on Unit 1 is evidence of our commitment to doing what is right. The good news is we know how to safely address the problem.”

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An inspection team comprised of metallurgical and engineering specialists from the Nuclear Regulatory Commission (NRC) has been on site since May 13 monitoring the investigation and evaluating the corrective action plan being developed. STP has conducted weekly conference calls to keep NRC officials apprised of the investigation. The NRC is expected to conduct a public meeting in the near future on the results of the examination and STP's proposed corrective actions.

Framatome ANP, a firm with extensive experience in nuclear industry inspection and repair techniques, conducted the non-destructive examination (NDE) procedure for STP. Framatome was selected as the NDE vendor last month after officials reviewed the capabilities of several qualified inspection firms. Framatome was selected to implement the repair plan as well.

Experts in materials corrosion and fracture mechanics retained by STP are subjecting the findings of the inspection to additional engineering analysis. STP is continuing to work with these outside experts and others on a root cause analysis. The results will be shared with the Electric Power Research Institute (EPRI) and the Institute of Nuclear Power Operations (INPO).

The non-destructive examination process involved ultrasonic tests using three different types of probes to detect potential cracks on each of the instrumentation tubes. Enhanced visual inspections were performed with video cameras inside the reactor vessel to study the welds on each tube. Additional inspection techniques will be used to further examine the two affected instrumentation tubes.

Plant officials are focusing on the repair method that will eventually be used to ensure the unit can be safely restored to service. After evaluating several alternative repair options STP officials selected a procedure that involves replacing a portion of each affected instrumentation tube with an upgraded alloy material.

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The repair methodology is undergoing extensive engineering analysis. Framatome will test the repair procedure beforehand on a full-scale mockup of the reactor bottom at their headquarters in Virginia. Another full-scale mock up at the STP plant will be used to further refine the repair procedures. STP will review the repair method with the NRC prior to restarting the unit.

STP supplies power to customers in an area stretching from Houston to Austin and San Antonio to Corpus Christi. The plant is managed by the STP Nuclear Operating Company and owned by AEP Texas Central Company, Austin Energy, City Public Service of San Antonio, and Texas Genco LP. STP's twin reactors produce more than 2,500 megawatts of electricity, enough for well over one million homes.

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