

## **GE Inks Partnership Agreement with Hitachi, Toshiba, and Shimizu for Construction of Next-generation Reactor**

**On December 16, General Electric Corp. (GE) of the U.S. announced that basic agreement had been made with Hitachi, Ltd., Toshiba Corporation, and Shimizu Corporation of Japan, among others, for the receipt of orders and construction of the economic simplified boiling water reactor (ESBWR) that GE is developing.**

With the formation of a team of corporations with BWR-related technologies, other companies are also slated to take part in the development, including a Spanish electric manufacturer and an American pipe company. Should electric power utilities around the world come to adopt the new ESBWR, the team would undertake their construction jointly. While it does not appear that a specific division of labor has been decided upon yet, the arrangement is sure to provide the three participating Japanese firms with a strong foothold allowing them to participate in new projects to construct nuclear power plants (NPPs) overseas.

The capacity of each ESBWR will be 1,560MW. Based on the ABWR, the new plant will be a so-called third-generation-plus reactor, incorporating passive-safety systems, such as a natural environmental system for cooling the reactor core during normal operation. Another feature of the new reactor is its lowered construction and maintenance costs, with the overnight construction expenses working out to around \$1,160-1,250/kW,

GE submitted to NRC an application for final design approval and standard design certification for the ESBWR on August 24, 2005. It hopes to get the standard design certification in late 2006, after which it will shortly win final design approval.

Neither Hitachi nor Toshiba have issued particular comments concerning the basic agreement in this case, but both are said to have recognized the fact that cooperation led to the basic agreement.

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