Powering THE FUTURE

POINT LEPREAU REFURBISHMENT

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The Point Lepreau Generating Station (PLGS) Refurbishment Project continues to progress on time and on budget. The project staff recently achieved a major milestone with the completion of civil construction activities at the Solid Radioactive Waste Management Facility extension.

This licensed site will safely store radioactive waste created during refurbishment, as well as support the next 25–30 years of PLGS operation. The construction activities were completed on time and with no lost-time incidents, and included activities in three phases of the Solid Radioactive Waste Management Facility site:

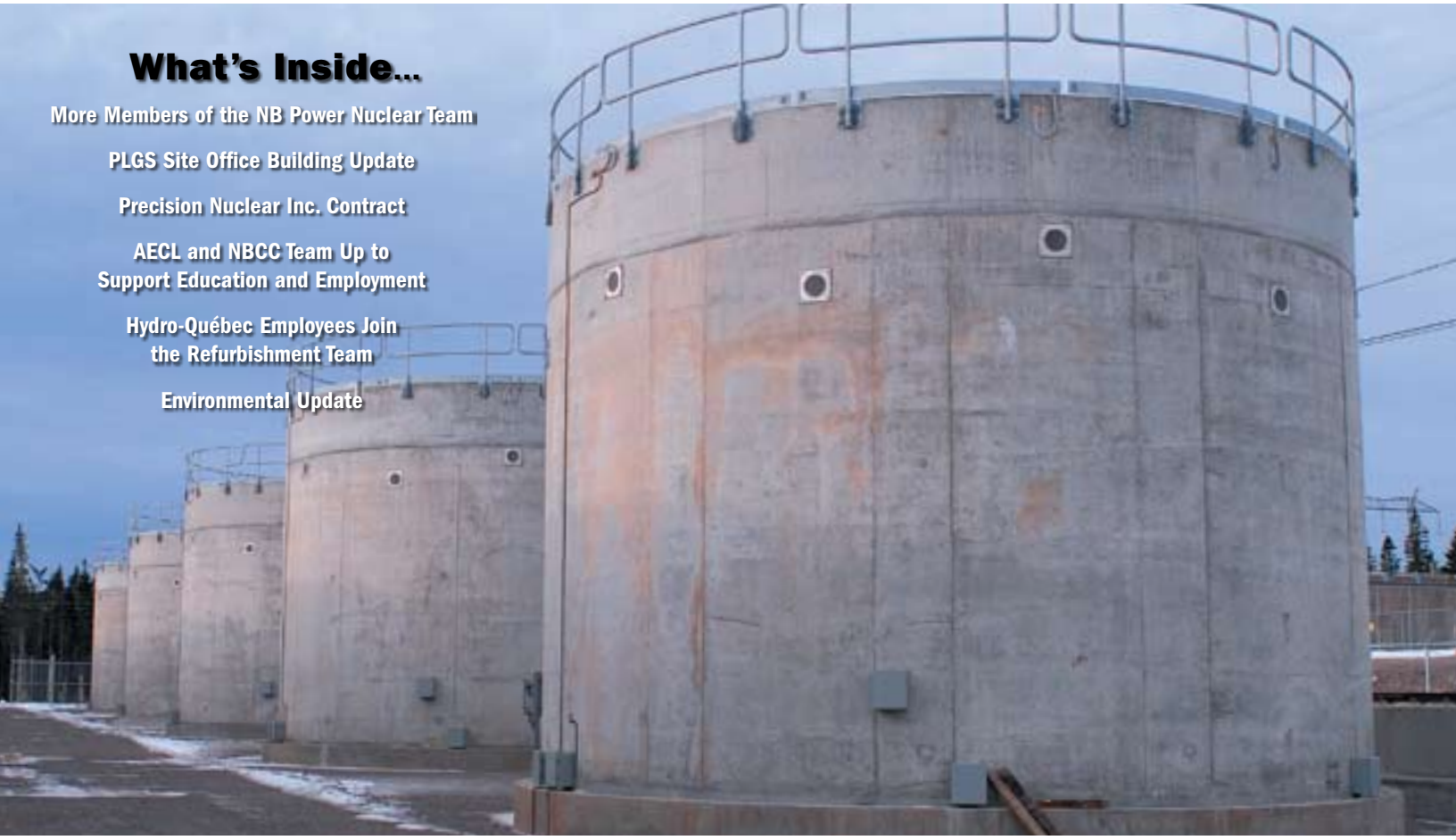
PHASE I

- completed construction of two new vault structures with provision to build two more on an as-needed basis for storage of low and intermediate radioactive waste
- commissioning of this area is on-going

PHASE II

- completed ground clearing and preparation for future dry used fuel storage
- placed, levelled and compacted approved granular fill in the area

What's Inside...



Énergie NB Power

Nucléaire Nuclear

AECL

PHASE III

- completed construction of five retube high level waste canister structures and two low level waste vault structures
- completed installation of monitoring equipment, administrative facilities, fencing and lighting for the area

Paving and installation of the crane and control systems will take place in spring 2007, and commissioning will take place in summer 2007. Training and preparations for the operation of the structures will take place prior to the start of the Refurbishment outage in spring 2008.

The timely completion of these activities is commensurate with NB Power's commitment to completing the Refurbishment Project safely, on time and on budget.

For further information or updates, please visit the Powering the Future website at http://poweringthefuture.nbpower.com.

POINT LEPREAU GENERATING STATION'S NEW SITE OFFICE BUILDING

Significant progress has been made on the construction of the new site office building at Point Lepreau Generating Station.

The new three-story office building is located between the Point Lepreau Generating Station STOIC building and the current administration building. The first floor will consist of a cafeteria and utility rooms. The second and third floors will consist of 153 offices and five meeting rooms. The building is expected to be occupied by the summer of 2007.

Status to date:

- **roughing in of ventilation duct work and sprinkler system complete**
- **interior wall studding complete**
- **roof installation complete**
- **exterior siding complete**
- **installation of gyprock complete on second and third floor and primer coat applied to walls**
- **installation of cafeteria equipment is in progress**

These accomplishments mark the completion of Phase I of the project.

MORE MEMBERS OF THE NB POWER NUCLEAR TEAM

BILL MOULAND
Acting Site Director

KEITH STRATTON
Director of Engineering

JIM MCINTOSH
Integration Manager

CLAIRE HARRIS
Implementation Process Manager

LAURIE COMEAU
Manager of Projects

PETER DEAN
Turbine Contract Engineer

MICHAEL G. HARE
Commissioning Manager

STEVE GOLDING
Refurbishment Contract Engineer

D. L. STAFFORD
Probabilistic Safety Analysis Projects Contract Supervisor

TOM HITCHCOCK
Project Planning Superintendent

PRECISION NUCLEAR INC. CONTRACT Mactaquac, NB

Precision Nuclear Inc., manufacturer of specialized equipment for the nuclear industry, announced in November that they have secured a contract worth approximately $10 million with Atomic Energy Canada Limited (AECL).

This is the company's first major contract to supply equipment for the highly specialized, multi-billion dollar nuclear refurbishment industry. Under the contract, Precision Nuclear will manufacture end fittings for use in the refurbishment of the Point Lepreau Generating Station.

The company recently earned its class 1 nuclear certification, making it one of only a few manufacturing facilities in Canada which meet the rigorous standards necessary to become a qualified supplier for these high end products for AECL.

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AECL AND NBCC TEAM UP TO SUPPORT EDUCATION AND EMPLOYMENT

AECL is partnering with New Brunswick Community College (NBCC), Saint John campus, to promote the nuclear industry and introduce career opportunities for the College's engineering technology program students. As part of the initiative, NBCC has joined the roster of local suppliers supporting AECL's role on the Point Lepreau Refurbishment Project.

"AECL is committed to hiring and working closely with qualified local labour and suppliers," said Jim Akeroyd, AECL Point Lepreau Project Director. "The nuclear industry is in a growth cycle and a career in the nuclear energy sector is a viable option. AECL can provide opportunities for satisfying employment and career growth."

AECL recently established two $500 scholarships to support academically successful second year students studying mechanical, electrical, chemical, power or industrial controls engineering as part of the engineering technology programs. The scholarships are intended to encourage the students to consider a career in nuclear energy, which will in turn help support AECL's recruitment needs for the Point Lepreau Refurbishment Project and elsewhere.

Mechanical engineering technology student Anthony Traer (right) accepts his AECL scholarship from AECL representative Mike Verner.

AECL scholarship winner Sean LaViolette, a power engineering technology student, (center) with AECL representatives Mike Verner (left) and John Brake.

This year's inaugural AECL Scholarship Award recipients were Mechanical Engineering Technology student Anthony Traer and Power Engineering Technology student Sean La Violette.

AECL also recently awarded two contracts to NBCC. The first contract involves student and instructor development of a web-based Orange Badge safety and radiation protection-training program to enhance AECL's existing training process and the development of a general employee training CD for pre-site training.

The second contract involves student design and fabrication of feeder tube mock-up stations that will be used to develop procedures and train workers in AECL's shops at its Saint John site.

HYDRO-QUÉBEC EMPLOYEES JOIN THE REFURBISHMENT TEAM

In December 2006, five employees from Hydro-Québec joined the Refurbishment team for the next two years: Robert Lemieux, Hélène Simard, Guy Veillette, Philippe Charest and Jonathan Aubin.

They joined the Refurbishment team to share their expertise with the NB Power Nuclear team and to gain valuable knowledge on refurbishment that they can apply in the modification of the radioactive waste storage facilities and refurbishment of the Gentilly-2 Nuclear Power Plant in 2011.

Robert Lemieux, former Station Manager of Gentilly-2, is working closely with Rod Eagles, Refurbishment Project Director. Hélène Simard and Jonathan Aubin are working with Michael Hare, Commissioning Manager, Philippe Charest is working with Ray Baker, Retube Contract Engineer, and Guy Veillette is working with Steve Golding, Refurbishment Contract Engineer. They are currently working from the refurbishment office at Hilyard Place.

Please join us in welcoming them to New Brunswick!

From left: Robert Lemieux, Jonathan Aubin, Philippe Charest, Hélène Simard, Guy Veillette

Powering THE FUTURE

POINT LEPREAU REFURBISHMENT

For more information on the Point Lepreau Refurbishment Project visit our website at http://poweringthefuture.nbpower.com or call our toll-free project information line at 1-866-754-7727.

ENVIRONMENTAL ASSESSMENT FOLLOW-UP PROGRAM

Subsequent to the Solid Radioactive Waste Management Facility (SRWMF) operating licence and the environmental assessment approvals, an Environmental Assessment Follow-up Program was implemented in 2004. This program includes the following five activities:

- **Expanding the existing baseline information for the site** - This is complete, and no unexpected results were received. Baseline information was gathered as follows:
  a. a baseline inventory of fish in the nearby stream
  b. non-radiological baseline chemistry in the nearby stream
  c. non-radiological baseline chemistry in groundwater around the waste site
  d. radiological sampling of the nearby stream

- **Expanding the existing radiation monitoring programs to incorporate the new facilities at the SRWMF** - This is complete, with the installation of additional boreholes and related monitoring.

- **Conducting periodic assessments of the health safety and environmental program associated with the SRWMF** - This is complete, with no major issues identified. Assessments were conducted on:
  a. the construction-related training program
  b. the construction environmental monitoring programs
  c. the construction environmental management oversight activities

- **Implementation of a construction environmental protection plan** - This is complete, and the plan that was implemented covered roles and responsibilities, environmental monitoring, contingency planning, training, regular and emergency reporting, and documentation.

- **Continuing the public consultation program** - This is ongoing with information available on the project website and included in company newsletters along with project presentations.

For further information on the history of the program or results of the activities noted above, please visit the project website at http://poweringthefuture.nbpower.com.

PRECISION NUCLEAR *continued*

"The refurbishment of the Point Lepreau Generating Station is an important component of our overall goal to provide safe, reliable and reasonably-priced electricity to the Province of New Brunswick. We are confident that Precision Nuclear Inc., under the direction of our general contractor AECL, has the expertise and specialized equipment necessary to support the Refurbishment Project," says David D. Hay, President and Chief Executive Officer of NB Power.

PRECISION Metal Works Ltd - Nuclear Inc

From left: David D. Hay, President and Chief Executive Officer of NB Power, The Honourable Shawn Graham, Premier of New Brunswick, David J. Rioux, President of Precision Nuclear, The Honourable Peter MacKay, Minister of Foreign Affairs and Minister of the Atlantic Canada Opportunities Agency (ACOA) and Ron Cullen, Vice-President of Projects for AECL