



## **Contract Development Begins for Proposed Comanche Peak Expansion Parties Begin Negotiation of Engineering & Procurement Contract**

**Dallas, TX, July 6, 2009** – Mitsubishi Heavy Industries, Ltd. (MHI) and Comanche Peak Nuclear Power Company LLC (CP Nuclear Power) today announced their intention to negotiate the engineering and procurement contracts as well as a preliminary construction plan necessary for the proposed expansion of the Comanche Peak Nuclear Power Plant.

The companies signed a memorandum of understanding (MOU) on July 1 detailing their plans to finalize an overall engineering and procurement agreement for the project and have begun discussions related to the details of those agreements. While the negotiations are not expected to result in an immediate capital commitment, they are expected to significantly advance project development. In addition, the parties agreed to continue active discussions with the U.S. and Japanese financial institutions including NEXI (Nippon Export and Investment Insurance), which will be involved in providing financing for the project.

Also joining in the MOU are Luminant Generation Company LLC (Luminant), and Mitsubishi Nuclear Energy Systems, Inc. (MNES), the U.S.-based subsidiary of MHI. CP Nuclear Power is a joint venture of Luminant and MHI which will own and oversee development and construction of the proposed new units.

The proposed expansion of the Comanche Peak plant would use the US-APWR (Advanced Pressurized Water Reactor), MHI's advanced reactor design for the U.S. market. Luminant selected the US-APWR as its technology of choice in March 2007, following an extensive evaluation of prospective nuclear generating technologies. Each new reactor unit is capable of producing 1,700 megawatts, or enough nuclear energy to power almost 875,000 average Texas homes.

MHI submitted a design certification application for the US-APWR to the U.S. Nuclear Regulatory Commission (NRC) in December 2007. That application is currently under NRC review. Luminant submitted an application to the NRC in September 2008 for the Combined Operating License (COL) to build and operate Comanche Peak Units 3 & 4, and the agency accepted the application for review in December 2008. Based on its schedule, the NRC is expected to complete the review process by December 2011.

Since 1970, MHI has played a major role in building 23 PWR-based reactors now operating in Japan, with a 24th currently undergoing final testing prior to full operation. MHI also provides a wide range of maintenance services to the plants once they are in operation.

MHI established MNES in Washington, D.C., in July 2006 to introduce the US-APWR to the U.S. market. Since then, MNES has opened additional offices in Dallas, TX; Arlington, VA;

and Pittsburgh, PA. MNES intends to increase its staffing to more than 200 employees in the coming year.

Going forward, MHI will continue to fully engage in the planning process for potential construction of Comanche Peak Units 3 & 4, working closely with Luminant.

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#### **About Mitsubishi Heavy Industries, Ltd.**

Mitsubishi Heavy Industries, Ltd. (MHI), headquartered in Tokyo, Japan, is one of the world's leading heavy machinery manufacturers, with consolidated sales of 3,375.6 billion yen in fiscal 2008 (year ended March 31, 2009). MHI's diverse lineup of products and services encompasses shipbuilding, power plants, chemical plants, environmental equipment, steel structures, industrial and general machinery, aircraft, space rocketry and air-conditioning systems. For more information, please visit the MHI website [www.mhi.co.jp/en/index.html](http://www.mhi.co.jp/en/index.html).

#### **About Mitsubishi Nuclear Energy Systems, Inc.**

Mitsubishi Nuclear Energy Systems, Inc. (MNES), headquartered in Washington, D.C., was established by MHI as its wholly owned subsidiary in July 2006, to introduce the US-APWR to the U.S. market. MNES has also established an office near Dallas to further strengthen its coordination with Luminant. For more information, please visit the MNES website [www.mnes-us.com](http://www.mnes-us.com).

#### **About Luminant**

Luminant, a subsidiary of Energy Future Holdings Corp. (EFH), is a competitive power generation business, including mining, wholesale marketing and trading, construction and development operations. Luminant has more than 16,100 megawatts of existing generation in Texas, including 2,300 MW fueled by nuclear power and 5,800 MW fueled by coal. Luminant is constructing an additional 2,200 MW of coal-fueled generation capacity, which is expected to begin commercial operation in 2009 and 2010. The company is also the largest purchaser of wind-generated electricity in Texas and fifth largest in the United States. EFH is a Dallas-based energy holding company that has a portfolio of competitive and regulated energy subsidiaries, primarily in Texas. Visit [www.luminant.com](http://www.luminant.com) or [www.energyfutureholdings.com](http://www.energyfutureholdings.com) for additional information.

#### **About Comanche Peak Nuclear Power Company LLC**

CP Nuclear Power is a joint venture between subsidiaries of Luminant and MHI. The joint venture company, as project owner, will fund project development costs during the period preceding the issuance of the COL to build and operate Comanche Peak Units 3 & 4. Under the terms of the joint venture, Luminant, through a subsidiary, holds an 88 percent ownership interest in the company and a subsidiary of MHI owns a 12 percent interest.

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