

**Thorium Power Ltd. News Update**  
**June 30, 2008**  
**Letter from the CEO**

Dear Stockholders:

We are pleased to share this latest news update, which includes company news as well as industry-related developments.

**Latest Company News**

The International Institute for Strategic Studies (IISS), a leading authority on political-military issues, recently invited Thorium Power to the launch of its Strategic Dossier titled “Nuclear Programmes in the Middle East: In the shadows of Iran.” The event provided a comprehensive overview of the history of nuclear programmes in the region, an evaluation of national nuclear capabilities and policies, and an analysis of future aspirations within the context of non-proliferation. Thorium Power was also invited to participate in the “Post-Petroleum Energetics Conference” hosted by the MITRE Corporation. Vice President Dennis Hays spoke to a large audience from the Defense and Intelligence Communities about the non-proliferative and low waste advantages of Thorium Power’s proprietary fuel designs.

Within the Gulf region, the UAE is clearly leading the way in exploring the possible use of peaceful nuclear power. Consistent with our previous announcements, we continue to consult in the prospective development of a nuclear energy program implementation program as well as an independent nuclear regulatory authority in the UAE. In addition to this work, we continue to make good progress with the ongoing irradiation testing program of our fuel designs at Russia’s Kurchatov Institute. As previously noted, the process provides an important step towards the demonstration of our fuel designs in a full scale commercial reactor.

**Industry News**

Last month, we witnessed a number of pro-nuclear announcements by various world leaders, including the British Prime Minister and German Chancellor. PM Brown called on oil-producing countries to invest in alternative energy sources such as nuclear to mitigate the energy crisis while Angela Merkel, his German counterpart, condemned her predecessor’s anti-nuclear legislation as “absolutely wrong.” Meanwhile, the Italian government made a historic re-commitment to nuclear energy, reversing decades of anti-nuclear policies enacted after Chernobyl. Claudio Scajola, the Italian minister for economic development, acknowledged that “[Italy’s] priority will be nuclear,” noting that it is the “direction the whole world is being forced to go” as energy demand and fuel prices continue to soar. The governments of South Africa and Vietnam echoed this concern by drafting and passing new legislation to promote civilian nuclear energy.

Finally, some key polls/surveys reinforced the general public’s growing support for nuclear power. In Italy, a recent poll showed 60% support for nuclear – a dramatic change from the 70% opposition recorded in 1991. In the U.K., a survey carried out by *Utility Week* found that British support for nuclear power has increased by 30% over the

last five years. Additionally, a recent Zogby Poll found that 67% of Americans are more likely to support building new nuclear power plants – instead of coal, natural gas or oil plants – in their communities.

Once again, these latest developments support our unique positioning as a source of solutions to address the major industry concerns – how to solve proliferation, reduce waste and improve profitability.

Very Truly Yours,  
Seth Grae  
Chief Executive Officer

## Thorium Power Ltd. News Update June 30, 2008

### Latest Industry News

**World Nuclear News – UK opinion swinging towards nuclear (06.25.08)** – WNN reports on a recent UK survey carried out on behalf of *Utility Week* magazine, which found that support for nuclear power in the UK has increased by 30% over the last five years.

**World Nuclear News – First concrete for new reactor at Novovoronezh-II (06.25.08)** – WNN reports that the first concrete for a new reactor has been poured at the Novovoronezh phase II nuclear power plant, marking the official start of construction. This is the first unit in Russia's new wave of construction, which could benefit in the future from foreign investment.

**AFP – UAE invites bids for nuclear power plant (06.23.08)** – The wire agency reports that the United Arab Emirates has invited bidders for the construction of a nuclear power plant. The article notes the UAE's recent Nuclear Energy white paper and cooperation agreements with France and the U.S.

**World Nuclear News – Brown calls oil producers to invest in nuclear (06.23.08)** – WNN reports on PM Gordon Brown's speech at the recent international summit in Jeddah. PM Brown called for oil producing countries to stabilize their market and secure long-term futures by investing in alternatives, including nuclear energy.

**Associated Press – McCain calls for building 45 new nuclear reactors (06.18.08)** – The wire service reports on recent comments by Sen. McCain. During a campaign stop, the Republican nominee called for the construction of 45 new nuclear reactors by 2030.

**Deutsche Welle – Merkel's Conservatives Advocate Return to Nuclear Energy (06.18.08)** – The German broadcaster reports on the recent meeting of Chancellor Merkel's conservative Christian bloc, and notes that the Chancellor and her bloc has come firmly in favor of a return to nuclear power. Merkel has called her Social Democrat predecessor Gerhard Schroeder's anti-nuclear legislation "absolutely wrong."

**World Nuclear News – South Africa's nuclear policy goes mainstream (06.13.08)** – WNN reports that the government of South Africa has eased its way onto the global nuclear stage with cabinet approval of its nuclear policy. The milestone paves the way to a focused nuclear energy future that seeks to increase nuclear reliance from 2 GWe to around 40 GWe by 2025.

**Zogby – 67% Favor Building Nuclear Power Plants in U.S. Energy (06.06.08)** – Zogby, the preeminent polling organization, reports that Americans are more likely (67%) to support a nuclear power plant in their own community than a coal, natural gas or oil plant; Nuclear, solar, and wind fuel sources are the most favored energy sources for federal funds.

**The Telegraph – Italy switches back to nuclear as soaring fuel bills bite (06.06.08)** – The leading UK newspaper reports on PM Silvio Berlusconi's new commitment to nuclear power. The article notes that Italy, the only G8 country with no nuclear power stations, is now turning to nuclear in the face of rising fuel prices. Claudio Scajola, the minister for economic development, reiterated the move and noted that "[Italy's] priority will be nuclear. It is a direction in which the whole world is being forced to go and we Italians must absolutely follow."

**AFP – Vietnam approves use of civilian nuclear power (06.03.08)** – The French news network reports that lawmakers in Vietnam have approved the use of atomic energy for civilian purposes, paving the way for the construction of its first nuclear power plant to feed the booming economy. A parliamentary official said the bill was passed by an "overwhelming majority."

**UK opinion swinging towards nuclear**  
**World Nuclear News**  
**June 25, 2008**

Over half of the respondents to a new public opinion survey feel that the UK should increase its nuclear capacity – and those living closest to existing nuclear plants are most strongly in favour of new nuclear.

The survey of 1100 people, carried out on behalf of *Utility Week* magazine and management consulting company Accenture in April 2008, found that support for nuclear in the UK has increased by 30% over the last five years. Some 88% of the respondents agreed it is important that the UK reduce its reliance on power generated from fossil fuels, with 33% wanting to do this by increasing use of nuclear power. While 85% of respondents would like to see the UK increase the use of renewables, only 25% thought that renewables alone could fill the gap in reducing the country's reliance on fossil-fuelled generated power.

The survey also found that over half of the respondents felt generally that the UK should increase its nuclear generating capacity. Attitudes were most positive amongst those already living near nuclear power plants. (Nuclear power plant employees were excluded from the survey.)

When asked who they would most trust most to deliver safe new nuclear power plants, 61% said they would trust UK-led consortia, while 7% opted for nuclear consortia with foreign leadership. 31% said they trusted no-one.

Radioactive waste handling and plant safety were highlighted as recurring reasons against nuclear growth cited by respondents. However, the survey found respondents were slightly more concerned about rising carbon dioxide levels over the next 20 years than they were about nuclear waste.

The UK has recently embarked on a program to pursue nuclear new build, and prime minister Gordon Brown recently told an oil producers' summit in Saudi Arabia that the UK is committed to the "biggest expansion of nuclear power in Europe." It has also embarked on a program to build a geological disposal facility for the country's higher level nuclear wastes, and has invited communities to register their interest as potential sites.

**First concrete for new reactor at Novovoronezh-II**  
**World Nuclear News**  
**June 25, 2008**

First concrete for a new reactor has been poured at the Novovoronezh phase II nuclear power plant, marking the official start of construction. This is the first unit in Russia's new wave of construction, which could benefit in future from foreign investment.

The concrete itself went towards producing the basemat for the reactor building of the first of four forthcoming Novovoronezh-II units, marking the official start of construction. Each of the units is to be a VVER-1200 class unit built to the AES-2006 design.

A ceremony was held at the construction site on 23 June, attended by the governor of Voronezh region, Vladimir Kulkov, and high-ranking officials from the Rosatom state nuclear company. Also in attendance were Vladimir Generalov, the director general of main contractor AtomEnergoproekt, as well as representatives of operator Rosenergoatom and the forthcoming giant company that will include virtually all of Russia's nuclear manpower, AtomEnergoprom.

Novovoronezh-II units 1 and 2 are pencilled in to start up in 2012 and 2013, while dates are yet to be set for units 3 and 4. The cost of constructing units 1 and 2, which will produce 2136 MWe, has been put at about \$5 billion.

The original Novovoronezh site nearby already hosts five reactors. The oldest two are in the process of decommissioning; units 3 and 4 have had 15-year license extensions which put their shutdown dates in 2016 and 2017; and unit 5 is still planned to close in 2010, although a license extension is expected.

The upsurge in nuclear construction in Russia, which is planned to total some new 42 reactors by 2020, similarly includes four new units at the new Leningrad phase II site. The majority of the new units will be standardized VVER-1200s but various other types are included, such as one fast-breeder and six small VBER-300s.

**Further build to draw foreign investment**

At a nuclear power conference in Moscow earlier today, Russia's deputy prime minister, Sergei Ivanov, said there could be opportunities for foreign firms to take part in the Russian build program. "In addition to large-scale investment of state funds, we have grounds to count on substantial private investment. The Russian nuclear sector is now open to cooperation, not only with domestic businesses, but also with foreign investors," he said.

Ivanov's words came during the opening day of the inaugural Atomcon conference, where Sergei Kiriyyenko, director general of the Rosatom company added that Russia would also invest in other countries. "We are ready to invest in the construction of nuclear power plants abroad, share risks and sell electricity," said Kiriyyenko.

**UAE invites bids for nuclear power plant**  
**AFP**  
**June 23, 2008**

The United Arab Emirates has invited bidders for the construction of a nuclear power plant, which if built would be the first in an Arab country, a local daily said Monday.

Nine bidders are competing for the contract, Emirates Business said quoting unnamed sources.

Amec, a British-based engineering firm, told the daily that it was one of the nine companies short-listed to manage the nuclear power plant.

"We were asked to submit the initial document and we have done so. There are many more stages to go. We are expecting the contracts to be in place by the end of the year," Graham Bellwood, Amec's Middle East regional director, told the daily.

He said the tender is now in the pre-qualification stage.

In April, the UAE issued a white paper on potential plans to develop peaceful nuclear energy, stressing it would import nuclear fuel for any reactor it builds and not enrich uranium at home.

France signed a deal to help the UAE develop nuclear energy for peaceful ends during a visit by French President Nicolas Sarkozy to Abu Dhabi in January. An atomic energy cooperation agreement was signed with the United States in April.

Amid concerns over neighbouring Iran's nuclear aims and regional clout, the Arab countries of the Gulf decided in December 2006 to develop a joint nuclear technology programme for peaceful purposes.

**Brown calls oil producers to invest in nuclear**  
**World Nuclear News**  
**June 23, 2008**

UK prime minister Gordon Brown thinks oil producing countries could stabilise their market and secure long-term futures by investing in alternatives, including nuclear – and has told OPEC leaders he will open up the UK's energy industry to such investments.

Speaking at an international summit on the current situation of the world oil market held in Jeddah, Saudi Arabia, Brown proposed his "new way forward" as a route to address the third oil shock in as many decades. He said that his proposals would lead to a better functioning, more stable oil market through clearer signalling of current and future supply and demand from both oil producers and consumers. There would also be commitments from producers to increase supply and investment, matched by a commitment from consumers to improve energy efficiency.

Demand for oil would remain strong over the medium term even in the face of proposed climate change measures, he noted. Rising demand for energy could in part be reduced by more efficient energy use plus the use of "alternative sources including nuclear and renewables," but this must be achieved in a way that would benefit both oil producers and consumers. He proposed that oil consumers should open their markets to new investments from oil producers in all forms of energy including renewables and nuclear, and in return oil producers should be open to increasing funding and expertise in oil development. This, he said, would provide increased oil supply in the medium term while growing economies adjust to a less oil-intense future in the longer term.

An interest in a diverse range of non-oil energy sources would give oil producers the chance to "hedge their future production by investing in the alternative energy sources that will be the bedrock of future low carbon economies," said Brown. Abu Dhabi and Qatar are both already involved in discussions on possible energy investments in Britain and the UK has already agreed to work with the United Arab Emirates on nuclear energy opportunities, he noted. "Our commitment to the biggest expansion of nuclear power in Europe is now clear and definitive," he told delegates, adding that 15 of the 27 countries in Europe are now engaged in nuclear power.

**Massive efforts needed**

A joint communiqué released at the end of the Jeddah summit by Kingdom of Saudi Arabia, the International Atomic Energy Agency, the International Energy Forum and the Organisation of Petroleum Exporting Countries (OPEC) agreed that all oil producing and consuming countries, oil industry sectors and other involved parties must make "massive efforts" to achieve stability in the world oil market, which would benefit everyone. Among other things, the statement called for increased work on oil market analysis and forecasting, and recognised "the need to promote energy efficiency in all sectors." A follow-up meeting is to be held in London before the end of 2008.

Some Middle Eastern states, including Saudi Arabia, have recently made moves towards establishing their own nuclear power sectors. In February 2007, the six member states of the Gulf Cooperation Council – Kuwait, Saudi Arabia, Bahrain, the United Arab Emirates (UAE), Qatar and Oman – agreed to cooperate with the IAEA on a feasibility study on a possible regional nuclear power and desalination program. The USA has bilateral nuclear energy cooperation agreements with Saudi Arabia, Bahrain and the UAE. The UAE has also signed cooperation agreements on nuclear power with the UK and France.

## **McCain calls for building 45 new nuclear reactors**

**By David Aspo**

**Associated Press**

**June 18, 2008**

SPRINGFIELD, Mo. (AP) — Sen. John McCain is calling for construction of 45 new nuclear reactors by 2030 and pledging \$2 billion a year in federal funds to make clean coal a reality. He says the measures will reduce American dependence on foreign oil.

In a second straight day of campaigning devoted to energy, the Republican presidential nominee-in-waiting also said Wednesday that the only time Democratic rival Barack Obama voted for a tax cut was for a "break for the oil companies."

During an appearance in Springfield, Mo., McCain said the 104 nuclear reactors currently in operation produce about 20 percent of the nation's annual electricity needs. He said they spare the atmosphere the equivalent of nearly all auto emissions in America.

**Merkel's Conservatives Advocate Return to Nuclear Energy**  
**Deutsche Welle**  
**June 18, 2008**

German Chancellor Angela Merkel's conservative Christian bloc has come out firmly in favor of a return to nuclear power, seeing a vote-getter ahead of federal elections due in 15 months.

Although Merkel has long championed a three-way mix in electrical power generation -- fossil, renewables and nuclear -- she has in the past been cautious in openly advocating a reverse in official government policy to phase out nuclear power by 2021.

That all changed at a top-level weekend meeting of her Christian Democrats (CDU) and its Bavarian sister-party, the Christian Social Union (CSU), in the Bavarian town of Erding.

The anti-nuclear decision, passed into law by the government of her Social Democrat predecessor Gerhard Schroeder, was "absolutely wrong," Merkel said as the meeting ended Monday.

**Prices at the pump affect voters**

Energy is moving up the priority scale of German voters.

One issue is price. Car fuel prices, whether diesel or petrol, surged through 1.50 euros (\$2.40) a liter this spring, drawing a growl of anger from motorists and their organizations.

This weekend, a junior government minister suggested natural gas prices could surge 40 per cent in the autumn, over and above a 25-per-cent hike already announced. Most Germans heat their homes with natural gas.

Even though it was immediately denied, the announcement by Environment Ministry state-secretary Michael Mueller sparked alarm.

**Germans concerned over dependency on Russia**

Another issue is energy security. The German public is increasingly aware -- and nervous -- of the country's dependence on Russian energy.

In 2007, Germany imported a third of its oil and gas from Russia, and the figure is set to rise when the Nord Stream gas pipeline under the Baltic sea goes onstream in 2011.

A third issue is environmental concern. Merkel has made sure that climate change has remained in the spotlight.

The chancellor pushed it to the top of the agenda during Germany's presidencies of the Group of Eight and the European Union last year, as well as making a highly publicized trip to Ilulissat in Greenland to view the dwindling Jakobshavn Glacier.

**Joining the bandwagon?**

Germany would not be alone in reversing an anti-nuclear policy.

Last month, newly elected Italian Prime Minister Silvio Berlusconi announced a return to nuclear power, rescinding a decision dating back to 1987, when Italians voted to phase out nuclear power just a year after the Chernobyl accident.

Sentiment in other anti-nuclear countries, such as Sweden and Belgium, is also changing in the light of indications that they cannot both generate the electricity needed and meet their emission targets under the Kyoto Protocol without nuclear power.

The small Baltic states are working on a plan to build a nuclear power station to cut their dependence on Russia.

### **Widespread change in attitude**

A sea change is taking place in European attitudes to nuclear power, as memories of Chernobyl and the 1979 Three Mile Island accident in the United States fade.

These factors lend support to Merkel's desire to reverse the decision taken by the previous SPD-Greens coalition to run down the nuclear sector.

Her scepticism is well known. Addressing parliament in the annual budget debate in November, traditionally an opportunity for the chancellor to take stock, she called for a "sensible course" on energy generation.

She predicted "problems" in attempting to reconcile the twin demands of no new coal-fired power stations and a simultaneous phase-out of nuclear power.

In terms of the law passed in 2000, Neckarwestheim 2, which went online in 1988 as the newest of Germany's nuclear plants, should be shut by 2021.

### **CDU craves independence**

That decision is an explicit part of the coalition deal hammered out between Merkel and her SPD coalition partners, and the SPD is sticking firmly to it, making a change of course in the current legislative session all but impossible.

Merkel would like nothing better than to shed her awkward coalition partner following the September 2009 elections and revert to the traditional centre-right arrangement with the minority FDP.

The liberal FDP, with around 13 per cent of the vote according to a recent poll, also backs reversing the nuclear phase-out.

By contrast, the SPD, under pressure from the socialist Left Party, has declined to around 24 percent support in the national opinion polls.

The CDU/CSU, on 34 percent, clearly believes it is onto a vote-winner that could help push it to a majority with the FDP, 15 months ahead of the elections.

**Nuclear Option: It's Not Verboten Anymore**  
**By Keith Johnson**  
**Wall Street Journal – Environmental Capital**  
**June 18, 2008**

A lot of politicians seem to love nuclear power—from John McCain to Angela Merkel and Silvio Berlusconi. But more importantly, public opinion everywhere is getting behind them.

Look at Germany. A few years ago, a center-left government beholden to Greens agreed to shut down Germany's nuclear power plants and build no more new ones—a wildly popular decision in a country where waylaying railcars carrying nuclear waste is considered sport. Last week, Germany's conservative leader Angela Merkel, still bound by the nuclear moratorium, called it “absolutely wrong.” A new survey published in Germany shows support for nuclear power is in a dead-heat with nuclear opponents. Just last year, only 7% of Germans wanted more nuclear power.

[UPDATE: Reader David Ahlport says we misread the German poll, which asked about the timeline for shuttering existing plants. Good point—that's not the same as support for more nuclear power. But when you compare Germany's present attitudes with those of just a year ago—in the Eurobarometer survey—it seems like high prices and environmental concerns are driving more Germans to question the nuclear shutdown. Last year, 50% of Germans wanted an immediate closure and only 39% wanted to keep existing plants operational.]

Or Italy, which swore off nuclear power for good after Chernobyl, even though that meant importing (nuclear-generated) electricity from Switzerland and France. Tomorrow, the new conservative Italian government will lay out the rules for jump-starting the country's nuclear industry, with the first groundbreaking expected for 2013. Support for more nukes has risen from less than one-third of the population in 1991 to more than 60% now, the Daily Telegraph says.

The U.S. public has supported nuclear power more than most Europeans for years. Recently, though, it's getting even more bullish. A new Zogby poll says 67% of Americans now want more nuclear power plants built (and 85% of Republicans) and they want more federal dollars spent on promoting nuclear power than on wind and solar power.

But even the Democrats are getting on board. California senator Barbara Boxer was wowed by nuclear energy in France, and figures it will have to be part of the energy mix as soon as the waste storage issue is sorted. It's not just about juice, or emissions—nuclear power's renaissance can also be a motor of job creation. That's the message today from the Clean and Safe Energy Coalition, a pro-nuclear lobby.

What gives? Higher electricity prices as the cost of coal, natural gas and oil all soar, for starters. That gives fresh legs to power that was once “too cheap to meter”, even if it's gotten a bit pricier since. And the fact that nuclear power has no emissions of carbon dioxide wins points with the global warming crowd; some recent studies suggest much of the recent uptick in nuclear support is because it doesn't emit CO<sub>2</sub>.

But overcoming public opposition is just one of the hurdles nuclear power faces. The storage question that vexes Sen. Boxer has vexed other politicians for almost two decades in the U.S., and even longer in Europe. The cost question may be the biggest worry, though. As we've noted before, skyrocketing capital costs threaten to make nuclear power economically inviable unless the government passes new laws to put a pricetag on carbon.

In fact, Sen. Boxer's comments suggest one of the aims of impending climate-change legislation is precisely to make nuclear power competitive: “[U]nder any scenario we are going to see more

nuclear power because it's going to be more cost effective once there is a price on carbon and that's why we need a global warming bill."

Now comes the real test. Will voters, having indicated they're willing to consider the nuclear option, be willing to pay for it?

**South Africa's nuclear policy goes mainstream**  
**World Nuclear News**  
**June 13, 2008**

The government of South Africa has eased its way onto the global nuclear stage with cabinet approval of its nuclear policy. This paves the way to a focused nuclear energy future that seeks to increase nuclear reliance from 2 GWe to around 40 GWe by 2025.

Almost one year after approval of the draft policy for public comment, the final document emerged from parliament in Cape Town this week. Nuclear custodian, the Ministry of Minerals and Energy, views this policy as reflecting government position on the extension of the existing nuclear energy program and not as a replacement or renewal of it.

The policy is an ambitious statement to take ownership of the full nuclear fuel cycle. This includes, in some cases, the inclusion of private sector investors together with government agents. The policy allows for flexibility for the country to gain more benefit from the uranium it mines from potential conversion and enrichment works. Ambitious in intent, the contents span the full nuclear fuel cycle including fabrication; used nuclear fuel and radioactive waste management, reprocessing and recycling devolving significant power to the South African Nuclear Energy Corporation (Necsa).

Given South Africa's current energy crisis, the policy makes allowances for the need to drive the energy situation forward and recognises that the 1998 white paper on energy policy has been "overtaken by events". That nuclear is the only viable energy resource at present for base load electricity production has been acknowledged by the state especially, in the light of the fact that South Africa is also one of the highest emitters of carbon dioxide (CO<sub>2</sub>) *per capita* in the world. The government continues to emphasise its commitment to public consultation as part of the environmental impact assessment and nuclear installation licensing process.

### **Refinements**

Aside from cosmetically, the policy differs from its predecessor draft in several areas. Greater emphasis is seen on the government's role in the full cycle for nuclear energy. This supports the publicly stated objective of building a uranium enrichment facility in the future and increasing human capacity.

For the uranium mining sector, the easing of government objectives from the draft to the final document should bring a sigh of relief. The latter has been amended to lift the control of uranium supplies, the uranium value-chain and unprocessed uranium ore for export purposes from the hands of government. It does however state that the government will play a role in restricting uranium exports to preserve a stockpile for the purposes of allowing for nuclear energy security of supply.

Investment has taken on new proportions with a dedicated clause to encourage private sector investment in "all aspects of the nuclear fuel cycle". This would be propped up by government financial support. Public-private partnerships are emphasised as options in the roll out of nuclear power plants and associated activities. Electricity utility Eskom is to retain majority stakes in nuclear power generating entities.

In its role as the only country on the African continent to host a civilian nuclear reactor, the country has added to its final policy a commitment to the African Nuclear Weapons Free Zone Treaty. Through the treaty, South Africa will establish the African Commission on Nuclear Energy as its compliance verification mechanism. The country, whether graciously or by agenda has included a commitment to actively seek to promote uranium beneficiation on a "regional basis".

With neighbouring Namibia streaking ahead with uranium exploration and mining in the region, the combination of these forces could wrest away dominance from Niger as the leading uranium miner in Africa.

The policy sets out the establishment of a number of supporting institutions; "safety regulator" and "security regulator" have been meshed into one "integrated national nuclear regulator". How this reflects on the present National Nuclear Regulator is unclear, but coordination of all activities will be directed by a National Executive which still has to be formed.

South Africa presently has a number of dedicated nuclear sites in reserve, while allowance is made for the further reservation of nuclear sites. Although the existing Koeberg nuclear power plant could accommodate several additional reactors, it remains essential for the country to establish a strategic reserve of nuclear sites and associated servitudes for transmission lines.

**Zogby Poll: 67% Favor Building Nuclear Power Plants in U.S.**  
**Zogby**  
**June 6, 2008**

*Survey finds Americans more likely to support a nuclear power plant in their own community than a coal, natural gas or oil plant; Nuclear, solar, and wind fuel sources most favored for federal funds.*

UTICA, New York – As a new summer and warm temperatures threaten to strain the nation's aging electricity generation system, two-thirds of Americans (67%) said they support the construction of new nuclear power plants in the U.S., with nearly half (46%) who indicated strong support for new nuclear plants, a new Zogby Interactive poll shows.

Republicans (85%) and political independents (70%) were more likely than Democrats (49%) to support the construction of new nuclear power plants. A majority of respondents of all ages – with the exception of those age 18 to 24 (47%) – expressed support for building new nuclear power plants, with the greatest overall support among those age 65 and older (78%). Men (82%) are more likely than women (52%) to favor building new nuclear power plants in the U.S.

Seventy-one percent of respondents support building new natural gas power plants in the U.S., while 51% support the construction of new coal power plants and 38% support construction of new oil power plants. Compared to the nearly half of respondents who expressed strong support for building nuclear power plants in the U.S., fewer respondents said they strongly supported the construction of new natural gas (34%), coal (27%), or oil (19%) power plants. The Zogby Interactive survey of 2,925 adults nationwide was conducted May 20-22, 2008, and carries a margin of error of +/- 1.8 percentage points.

**Many would support a nuclear power plant in their community**

Support for nuclear power remained significant when respondents were asked which type of power plant they would be most likely to support – coal, natural gas, oil, or nuclear – if a new electric power plant had been approved for construction in their community and they had a choice of the fuel source to be used. Respondents were more likely to say they would support a nuclear power plant (43%), over an electric power plant which had its fuel source from natural gas (26%), coal (8%) or oil (1%). Republicans (60%) and political independents (45%) were more likely than Democrats (28%) to say they would be most supportive of a nuclear power plant in their community. Democrats were most likely (36%) to favor the construction of a natural gas plant close to home over other types of electric power plants, compared to 28% of independents and 14% of Republicans who said the same.

The preference for the construction of a nuclear power plant in their community is greater among older respondents – 52% of those age 65 and older would most favor this type of electric power plant – and is the most favored choice among all age groups with the exception of the youngest respondents. Among those age 18 to 24, 27% would favor the construction of a nuclear power plant in their community, compared to more than half (52%) who said they would be most likely to support a natural gas power plant where they live. Men (60%) were more than twice as likely as women (28%) to be most supportive of a nuclear power plant.

The construction of a nuclear power plant in their community also received the strongest support from those who live in wealthier households – more than half (51%) of those with household incomes of \$75,000 or more would favor a nuclear power plant, compared to 22% of those with less than \$25,000 in household income.

## **Majority of government funding favored for nuclear, solar, and wind**

Respondents were most likely to believe the federal government should give the most financial support to nuclear (28%), solar (18%), and wind (12%) fuel sources. Just 8% believe most of the federal government's financial support should be focused on biomass, while 4% each favored geothermal, hydro, oil, coal, or natural gas. While Republicans overwhelmingly favored more funding for nuclear fuel sources (47%) over other options, Democrats are most likely to favor solar (28%) and wind (20%) – just 11% of Democrats believe the federal government should most heavily support nuclear power. Independents are most likely to believe the most financial support should be directed to nuclear (30%), solar (17%), or biomass (13%) fuel sources. Nuclear fuel is most favored for the majority of government financial support by all age groups, with the exception of those age 18 to 29, who give a slight edge to solar (20%) over nuclear (19%).

## **Italy switches back to nuclear as soaring fuel bills bite**

**By Malcolm Moore**

**The Telegraph (UK)**

**June 6, 2008**

***Silvio Berlusconi, the Italian Prime Minister, is to place nuclear power at the heart of a new energy plan this week as his country faces soaring fuel costs.***

Italy, the only G8 country with no nuclear power stations, decommissioned its four plants after a public referendum in the wake of the Chernobyl disaster.

Yet with fuel prices at record highs, Italy is spending twice as much as France on generating electricity each year, and has had to shut several power stations to save money.

It is also the world's biggest importer of electricity, buying 10 per cent of its power from nuclear plants in neighbouring countries.

The grim reality of paying the highest electricity bills in Europe has changed the public's attitudes towards nuclear power.

The latest poll shows a 60 per cent support among Italians – a dramatic change from the 70 per cent opposition recorded in 1991. "Our priority will be nuclear," said Claudio Scajola, the minister for economic development. "It is a direction in which the whole world is being forced to go and we Italians must absolutely follow."

Mr Scajola hopes to begin work on the first power station within four years. Planning permission already exists at the sites where two plants were on the verge of completion when they were halted by the 1987 referendum.

Giancarlo Aquilanti, the head of nuclear development at Enel, the partially state-owned power company advising the government, said six plants could be built and that nine sites were being considered.

No formal talks have yet taken place between the company and the government, but he said that English, American and French partners could be brought in to help with the project.

But there is still strong local opposition. The horrific memories of children and animals being disfigured by a nuclear leak at Garigliano, near Turin, in the late 1970s are still fresh. And recent problems at nuclear power stations in Slovenia and Japan have confirmed for many Italians that living close to a plant is a health hazard.

Italy has also failed to resolve the issue of what to do with nuclear waste. A proposed dump in Basilicata was shelved after thousands of demonstrators staged road blocks, marches and hunger strikes.

Instead, Italy paid Sellafield to reprocess the waste and asked if it could be dumped in Britain. Meanwhile, the Mafia has been caught trying to ship nuclear waste to both Eastern Europe and Somalia.

Umberto Guidoni, a member of the European Parliament's energy commission, asked: "We cannot even sort out the rubbish in Naples, how can we sort out radioactive rubbish?"

Giuseppe Onufrio, the head of Greenpeace in Italy, has pledged that he will fight "tooth and nail" to keep Italy nuclear-free.

Other environmentalists have also condemned Mr Berlusconi's three-year energy plan, due to be announced on Wednesday. But Mr Aquilanti believes nuclear power is the country's only viable option. "The amount of extra energy we can produce through wind, solar and geothermal is limited," he said.

Fearful of spoiling its picturesque countryside with wind farms, Italy has only a fraction of the turbines Germany and Austria have.

But at Lardarello, a geothermal plant uses steam that rises through the Earth's crust to power a quarter of Tuscany.

## **Vietnam approves use of civilian nuclear power**

**By Aude Genet**

**AFP**

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Lawmakers in communist Vietnam on Tuesday approved the use of atomic energy for civilian purposes, paving the way for the construction of its first nuclear power plant to feed the booming economy.

A parliamentary official said the bill was passed by an "overwhelming majority," putting a legal rubber stamp on a decision already taken at the top levels of the country's Communist Party.

Vietnam is heavily reliant on hydro-electric plants and is struggling to meet the growing energy requirements of consumers and an economy that expanded by 8.5 percent last year.

One industry representative said the move was only the "first step" down the road to fulfilling Vietnam's nuclear ambitions, and said authorities would need to devote "serious funding" to the plan to turn it into reality.

The draft version of the bill -- which one official said was very similar to the final draft -- said atomic energy would be used "for the purpose of peace and for socio-economic development."

It also outlined procedures to build nuclear plants to feed an economy whose power needs are rising by more than 15 percent a year.

But Vietnam's first nuclear plant, expected to be built in southern Ninh Thuan province, will not go up overnight.

Authorities aim to have the plant operational by 2020 with an initial turbine capacity of 1,000 megawatts.

State-run Electricity of Vietnam (EVN) has said it expects nuclear power capacity to grow rapidly, reaching up to 11,000 megawatts by 2025.

Phan Minh Tuan, who heads the EVN committee tasked with evaluating atomic energy projects, said the country hoped to increase its total electricity production capacity from the current 14,000 megawatts to 100,000 by 2020.

Several countries including Japan, France, South Korea, Russia and most recently China, are already lining up to build the nuclear plant, while Canada, India and the United States have also expressed an interest in the project.

Japan, capitalising on its 50 years' experience of nuclear power, said last month it had signed a major agreement with Vietnam to prepare the site of the plant, install controls and train specialists.

"The Japanese are pulling out all the stops at the moment in terms of resources and investment," said the industry representative, adding that the Chinese were "inexpensive and extremely determined."

Vietnam currently only operates a research reactor in Dalat in the south of the country, built by the Americans during the war and later renovated by Russia, and has been forging links with potential partners.

France has held conferences and seminars here to try to make its case to Vietnam's leaders. Several observers say an alliance with China could allow France to make a cheaper offer.

"If we buy our materials from the Chinese, the South Koreans or the Russians, it will be cheaper than if we buy from the French, the Japanese or the Americans," Phan Minh Tuan said recently.

But with construction of the nuclear plant not scheduled to start until 2013 at the earliest, that decision will not be made any time soon.