



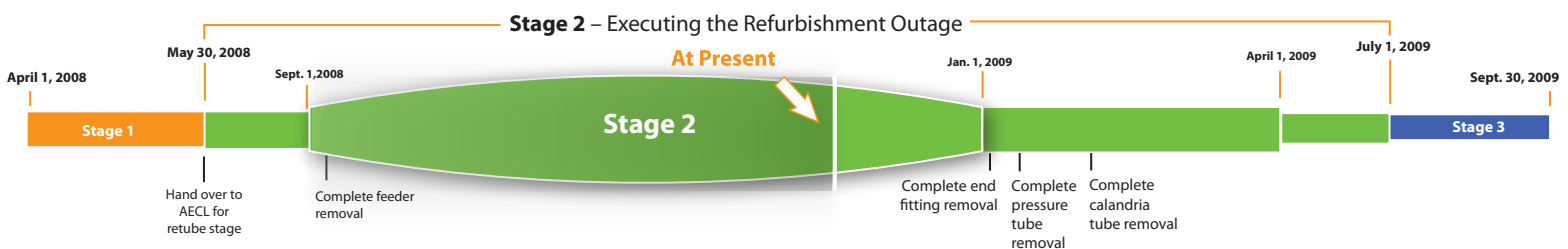
Refurb Report



December 4, 2008

Retube Update

Our refurbishment project work continues toward achieving our next milestone of completing the end fitting removal. The cutting of the pressure tubes is scheduled to be completed over the next few days. We are preparing for the next sequence, which is the removal of the end fittings. The end fitting removal tooling will be transferred into the reactor building, onto the working platforms, then installed and commissioned. This equipment will be operated by a team of AECL technicians and tradespersons.



All projects of this size face challenges, and this project faces unique challenges as it is the first of its kind. Difficulties with tooling performance have resulted in some milestones being moved into the next window in the timeline as noted above. Together with AECL, we continue to focus our attention on improving work and tool efficiencies and learning from our experience as we continue with the refurbishment activities. We continue to work safely towards our refurbishment completion date of September 30, 2009. We are still committed to developing innovative construction approaches to recover time on our schedule in order to meet our project objectives. Early in the new year, we will better understand whether these innovative approaches will allow us to recover time on the schedule.

Turbine Update

The turbine rotors have been recovered from the Saint John Harbour and initial inspections and analysis indicate that there is high potential that these rotors can be refurbished. All of the blades on the turbines have been removed and the rotors have been cleaned and shipped to the United Kingdom for more in-depth inspections and analysis. At this point, we are optimistic that the recovered rotors will be returned to the Station for installation within the project schedule.

Safety

NB Power staff and supplemental staff are extremely dedicated to the project and continue to demonstrate their commitment to the overall project success. We are almost half-way through the project and have worked over 2.2 million person-hours – that's equivalent to one person working approximately 275,000 eight-hour days. Safety remains our number one priority.

Jason Lowe, currently working for ALUMA Systems at the Station (see photo), has been working as a carpenter and scaffolder for the past 10 years. As scaffolders, Jason and his colleagues act as the first line for defence for workers' safety prior to executing a specific job in that area. They set up staging and prepare the work area by removing any obstructions that may be safety concerns. They mentally put themselves in the next worker's shoes by scrutinizing the complete work area for different safety concerns based on the nature of the upcoming work. "We walk the same path many times before the worker comes in to do the particular job," says Jason. "We understand the scope of their work and do our best to remove any obstructions they may encounter."

To remind himself of the importance of safety, Jason carries a photograph of his two children, Lauren and Simon, on the inside of his hard hat. "That way, they're with me all day long," he said.

Jason demonstrates one the core project values; that there is nothing more important than arriving home safe at the end of the day.



For further information or updates, please visit the Powering the Future website at <http://poweringthefuture.nbpower.com/en/default.aspx> or contact NB Power at 1-866-754-7727.