

Gearing up for revival



From top: Alstom's loading dock and lift system; the Alstom plant at the former Combustion Engineering site; Unit 1 turbines at the Bellefonte Nuclear Power Plant in Hollywood, Ala.; and Stephane Cai talks about the company's nuclear turbine production.

ABOUT ALSTOM

- **Headquarters:** Paris
- **Locations:** 70 countries
- **Employees:** 76,500 worldwide
- **Sales:** \$24.2 billion (2009-10)
- **Net income:** \$1.48 billion (2009-10)

BUSINESSES

- **Power-generation infrastructure:** Company focuses on integrated power plants, hydropower, air-quality control systems and services for electric utilities. Three of every 10 nuclear plants worldwide use Alstom turbines.
- **Rail-support infrastructure:** Alstom is big in high-speed trains and in urban transport equipment.

HISTORY

- **1928:** Alstom born from merger of Thomson-Houston and Societe Alsacienne de Constructions Mecaniques. First factory in Belfort, France.
- **1956:** Alstom equips Chinon nuclear power plant in France with first steam turbine.
- **1969:** Compagnie Generale d'Electricite becomes majority shareholder.
- **1989:** GEC Alstom formed with merger of power and transport activities of Compagnie Generale d'Electricite and the United Kingdom's General Electric Co.
- **1998:** Group changes name to Alstom.
- **1999:** Alstom and ABB merge energy businesses, marking Alstom's entry into Chattanooga.
- **2000:** ABB Alstom becomes Alstom.
- **2007:** Chattanooga expansion begins.

Source: Alstom

STAFF PHOTOS BY DAN HENRY, TIM BARBER AND MATT FIELDS-JOINSON

Alstom brings jobs, energy as it powers up for nation's nuclear resurgence

 **Online:** See video of the Alstom plant. Read previous stories. Comment.

By **MIKE PARE**
MPARE@TIMESFREEPRESS.COM

With completion of a new "flagship" Chattanooga factory, Alstom executives say they're ready to make the world's largest steam and gas turbines for power plants as the company prepares for America's nuclear revival.

"This is the latest and biggest," Stephane Cai, managing director of the turbine facility, said of the sprawl-

ing 350,000-square-foot factory built on the Tennessee River near downtown. "This is the flagship."

Already, the \$300 million plant on Riverfront Parkway has a two-year backlog of business retrofitting power plant components, Mr. Cai said.

On Thursday, the Paris-based company's top French leaders along with Tennessee and local officials will dedicate the plant, which Mr. Cai

said represents the largest worldwide industrial investment by Alstom in decades.

"It's equipped with the most advanced technology on the market," he said. "No Alstom factory has this luxury."

For Chattanooga leaders, Alstom's new plant is another brick in the wall of building job growth in the power generation sector.

The energy sector will be "a major contributor to our economy," said Tom Edd Wilson, the Chattanooga Area Chamber of Commerce's chief executive.

The company has hired about 200 people so far with plans to boost the work force to 350 by 2013. Alstom already employs 600 in the city at an adjacent plant that produces replacement components for coal-fired facilities.

"These are very high-quality jobs," Mr. Cai said of the new slots. The average salary for the jobs is about \$75,000, Alstom officials have said.

Work at the 75-acre site began almost three years ago. Alstom built its new plant

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amid older structures, tearing down and recycling tons of steel and concrete slabs as the company aims for Leadership in Energy and Environmental Design status for the manufacturing campus.

Alstom secured property tax breaks worth an estimated \$21 million for the new Chattanooga operation.

"Alstom is a great expansion," Hamilton County Mayor Claude Ramsey said.

Mr. Cai said the company's investment signals the global manufacturer's commitment to nuclear power, especially in the United States.

"The USA has the world's largest installed power plants," he said. "It has an aging fleet. The retrofit market is attractive."

The new plant is designed to build high-end products, or what Mr. Cai termed "the big potatoes." Projects planned for production likely will hit eight digits in terms of cost, the official said.

At plant capacity, he said he foresees 15 to 20 projects going on at any time.

NUCLEAR EXPANSION

There are about 100 operating commercial units in over 60 sites in the U.S.

Renewed interest and demand for nuclear power are driven by energy needs, environmental concerns, oil and gas prices, and tougher competition for dwindling fossil-fuel supplies.

About 20 percent of the United States' electricity, and 70 percent of its carbon-free generation of it, is from nuclear plants. However, it has been 30 years since America began construction of a new nuclear reactor.

Meanwhile, France gets 80 percent of its electricity from nuclear power. China starts building a new reactor every three months.

U.S. Sen. Lamar Alexander, R-Tenn., is advocating legislation with Sen. Jim Webb, D-Va., to help build 100 new nuclear power plants in the U.S. over the next 20 years.

In addition to Alstom's investment here, other companies are preparing for a nuclear renaissance:

■ Westinghouse Electric Co. has built a \$21 million training and office facility in the Centre South Riverport in



STAFF GRAPHIC BY LAURA W. MCNUTT

IN COMING DAYS

- **Tuesday:** Alstom and newest Riverwalk piece
- **Wednesday:** Alstom spends \$10 million on training
- **Thursday:** Company showcases plant
- **Friday:** Governor, Alstom CEO talk about the future

Chattanooga. Westinghouse, a division of Toshiba Group, could expand employment at the 65,000-square-foot facility to 230 employees if business grows as expected.

■ TVA plans either to finish one of the original reactors started at Bellefonte Nuclear Plant in Hollywood, Ala., or to build a next-generation reactor. The plant, which is expected to be completed within the next decade, would require nearly 1,000 employees to operate.

■ Atlanta-based Southern Co. has begun site work toward building two reactors just south of Augusta, Ga., a project that's expected to take seven more years to complete and cost \$15 billion. The company is to get about \$8 billion in federal loan guarantees.

TVA and other utilities have filed applications for potentially 27 new nuclear reactors at 18 sites across the country. Under the streamlined licensing process adopted by the U.S. Nuclear Regulatory Commission, federal regulators will approve the plant design and location before construction startup.

Yet the nuclear rebirth has been slower to take off than some expected as a result of the recession and enhanced conservation programs that cut energy demand.

TVA, for instance, pushed back its plans for Bellefonte for two years.

Alstom, however, believes in nuclear's future, Mr. Cai said. "We look 50 years ahead," he said.

Staff writer Dave Flessner contributed to this story.