

From: Anne Passarelli *cy*
To: David Vito
Date: 6/7/04 10:36AM
Subject: Fwd: Roy Anderson Resigns To Join British Energy

B-148

From: Marc Ferdas *ET*
To: A. Randolph Blough; Anne Passarelli; Brian Holian; Daniel Collins; Daniel Holody; Daniel Orr; George Malone; Hubert J. Miller; James Wiggins; Mel Gray; Richard Crlenjak; Scott Barber; Theodore Wingfield; Wayne Lanning
Date: 6/7/04 10:00AM
Subject: Roy Anderson Resigns To Join British Energy

Please see attached PSEG message that distributed throughout the site today (June 7).

It announces that Roy Anderson will be leaving PSEG Nuclear and joining British Energy. Chris Bakken has been named President/CNO of PSEG Nuclear.

This has been announced about a ½ hour ago. We do not have any reaction to the news yet.

Chris Bakken Will Succeed Anderson as President and CNO of PSEG Nuclear

Transition Is Effective on July 1, 2004

With more than 30 years of experience in the U.S. nuclear energy business, Roy Anderson has announced his decision to accept a position in England as the CNO of British Energy. The company owns and operates eight nuclear power stations in the UK with a combined capacity of some 9600MWs making it the largest generation company in Britain providing more than 20 percent of that nation's electricity.

Frank Cassidy, president and chief operating officer of PSEG Power made the announcement this morning and immediately named Chris Bakken, currently senior vice president-nuclear operations to succeed Anderson. In naming Bakken, Cassidy said, "It should come as no surprise to anyone that we have chosen Chris to lead this organization at this very critical time. From the time he returned to PSEG in August of last year, it was clear that he was doing so as part of the company's succession planning effort. He is one of the best and the brightest in all of Enterprise and we have every confidence he's the right choice to lead us through the safety and other work environment changes that need to occur at this station. He understands what's needed to bring our nuclear operations up to the high standards we expect."

Cassidy said, "Roy's decision to join BE is a choice we respect. He's helped us implement a new organization that establishes very clear accountabilities for improvement as well as all the steps it will take to assure that improvement happens." He added, "What's most important to me is that Roy's arrangements with BE will allow him to act as a consultant for PSEG Nuclear and to Chris so that we ensure a more formal and complete transition."

In discussing his decision to take on this new challenge, which includes seven stations with twinned advanced gas cooled reactors (AGR) and one station with a pressurized water reactor (PWR), Anderson said, "I have enjoyed my time at PSEG Nuclear and I have particularly enjoyed working with the PSEG team both here at the Station and in Newark. One of the strengths of this company is its ability to put diverse opinions to work and solve tough issues." He added, "I believe the basics of a good nuclear organization are in place. I have every confidence that this foundation coupled with the strong team of leaders we have in place will provide an excellent operating station."

Anderson said, "I am particularly pleased that Chris Bakken will be my successor. He's got all the right qualities of leadership: he's smart, he's a solid decision-maker, and he understands the importance of consensus and team. He is absolutely the right choice at the right time."

Bakken is very familiar with the organization he is about to head. He first came to Salem in 1995 as manager-Salem operations. He became a director in March 1997 and seven months later was named plant manager of Salem Station setting new records for continuous operation for Salem Unit 1. "This is a very exciting opportunity for me and I am grateful for the confidence that Frank has expressed in my ability to lead this organization to top quartile performance. The fact that I will still have the benefit of Roy's guidance and support is something that is important to me.

"I am mindful of the work environment issues we face at Salem/Hope Creek", said Bakken, "and the fact that the NRC is anxious for us to implement a strong improvement plan. We have made good progress in the last few months working to improve our equipment reliability and work environment for the long-term. While we have more work to do, I look forward to continuing to lead the organization that Roy put in place and to delivering the kinds of improvement results that our employees and our shareholders expect."

Bakken left PSEG Nuclear in April 1999 to join AEP as site vice president and left as senior vice president, CNO managing all its nuclear business interests which included the D.C. Cook Station in Bridgman, MI and the company's ownership interests in South Texas Project in Bay City, Texas. While at AEP, he worked to develop and implement a strategic plan that included returning the two D.C. Cook units to service from an extended regulatory shutdown. He holds an M.S. in industrial administration from Carnegie Mellon University and a B.S. in electrical engineering from Grove City College in Pennsylvania.