

## **Nuclear Power Making a Comeback**

*By Alan Fein*

Oct. 1, 2007 (AXcess News) New York - Last week the first application in 34 years was submitted to the Federal Government for two US nuclear power plants and in all, 28 plants are expected to be constructed. But critics argue that uranium prices have gone through the roof while Wall Street wants the government to guarantee financing.

The American Spectator's William Tucker calls it a "Nuclear Renaissance", but Tucker notes that there is still plenty of opposition. But even so, 50 percent of the electricity generated in the US comes from coal-fired power plants that put three billions tons of CO2 into the atmosphere. That's 40 percent of the nation's greenhouse gases and 20 percent of the world's, notes Tucker.

Coal-fired power plants cost about \$1 billion to build while a nuclear power plant can cost three times that amount.

The Nuclear Regulatory Commission says building 28 nuclear power plants will cost in the neighborhood of \$90 billion to construct and the government is stepping in to guarantee investors against loan default, which is why a flood of applications is expected over the next two years.

Uranium is also a hot commodity and prices over the last five years shot up, though since July the spot uranium price has plummeted 38 percent, its first drop since 2003.

Uranium mining stocks also took a huge hit since spot prices began falling and last week, Raymond James predicted a further drop in uranium prices, after revising its near term forecast from \$153 per pound to \$75 in 2008, though with the rise in power plant applications, prices will most likely climb once again.

Bayswater Uranium (TSX.V: BAY) followed its peers lower due to the drop in uranium prices, though the Canadian mining company is one of the few with properties in the United States following a merger in the second quarter. The Company was then upgraded to Tier 1 position in mid-August and announced it was purchasing additional properties in Utah and New Mexico.