Nuclear Plant in Works for Utah; Coal Developer Joins Effort

Energy Prospects West Penelope Kern *October 30, 2007*

In the wake of tightening constraints on greenhouse-gas emissions from coalfired power plants and exploding load growth across the West, a Utah development team has decided it's time to take a fresh look at nuclear power.

Salt Lake City-based Transition Power Development is currently evaluating several sites in the state for a nuclear power plant with at least two 1,500-MW reactors and on-site storage.

Power from the plant would go to Utah and surrounding states, said Utah state Rep. Aaron Tilton (R-Springville), who heads Transition Power.

"The large utility that serves our state, Rocky Mountain Power, projects in their integrated resource plan that by 2016, they'll be about 3,500 MW short, under their current situation," Tilton said. "We think nuclear is the only viable alternative for baseload power that's cost effective. You're not going to get any more coal-fired permits in Utah."

Tilton estimates construction costs for the plant to be at least \$3 billion, but amortized over 80 years -- a nuclear plant's approximate lifespan -- "you'll beat all other baseload options, hands down," he said.

By early next year, Transition Power aims to have a site selected and be well on its way to getting its licenses, Tilton said.

He told *Energy Prospects West* that Transition Power has already acquired rights to 30,000 acre-feet of water for the project from the Kane County Water Conservancy District.

"That's more than enough for one of the units, and that water had previously been set aside for a coal-fired project in the district," he said, adding that negotiations for water from other sources are currently under way.

State Rep. Mike Noel (R-Kanab), who serves as executive director of the Kane water district, says water shouldn't be an issue down the road with the nuclear plant, even with increasing demands on the West's already-strained water supplies.

Noel chairs the Utah Legislature's Public Utilities and Technology Committee, and Tilton serves as vice chair. Also joining the effort as a principal in Transition Power is former Nuclear Regulatory Commission Chairman Nils Diaz. Reed Searle, general manager of Intermountain Power Agency, which runs the coal-fired Intermountain Power Project, will join Transition Power on Jan. 1 as strategic relations director.

Searle said he decided to leave IPA primarily because of the increasing political obstacles facing developers of coal-fired power projects. Recently, a 900-MW expansion of Searle's Intermountain Power Project was canceled, due to insurmountable regulatory hurdles.

"My interest is in developing new generation and I think nuclear out West is going to have to move ahead because of global warming issues," Searle said. "With gas and coal, I think new technologies are going to have to be developed and proven before those resources move forward. They'll be back, but it will be a number of years."

Searle foresees politics as the primary challenge for nuclear, as well.

"There's huge amounts of emotion involved, even though the nuclear power industry is the safest and cleanest of electric generating resources," he said. "People are just paranoid. They don't understand it."