

# Ratepayers would help Utah go nuclear

By Judy Fahys The Salt Lake Tribune

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**Utilities • Backers say SB199 would bring nuclear power projects into parity; critics say bill would hurt consumers.**

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Utah's first nuclear power plant would get a helping hand from electric ratepayers under a controversial new bill.

But sponsoring Sen. Curt Bramble insists his SB199, written by advocates for the proposed Blue Castle nuclear plant, is only the starting point of a discussion that won't go anywhere without hearty input from affected stakeholders — many of whom are already weighing in against the legislation.

"The bill is not going to move in its current form," said the Provo Republican, who wants the proposal vetted in "the bright light of day" even though it's "not ready for prime time." "They [at Blue Castle] have already been put on notice."

As introduced on Friday, the bill would cut utilities slack on two bedrock principles:

- The requirement that the electric provider opt for the lowest-cost energy available.
- The requirement that ratepayers can't be asked to pay for a project until it's actually lighting up homes and running the machinery of businesses.

Blue Castle President and CEO Aaron Tilton insists SB199 is misunderstood.

An advocate for nuclear power since his time as a member of the state Legislature representing Springville eight years ago, he says it doesn't give his multibillion-dollar project a leg up. Rather, it puts projects like his on a level playing field with other types of energy resources.

"This would bring nuclear power into parity," said Tilton, a Republican who lost his legislative seat to a GOP challenger in 2008 when the nuclear project raised conflict-of-interest concerns. "It's actually copied from the renewables section of the code. It's not any different."

He noted that the bill specifies competitive bidding for zero-carbon emissions electricity that would be subject to a Public Service Commission review each year for up to 15 years, and it could apply to geothermal power. He also rejected the notion that SB199 mirrors an "advance fee" law that has sparked a ratepayer revolt in Florida over \$25 billion in reactors that might never be completed.

His Blue Castle Project, planned for School and Institutional Trust Lands Administration property near the intersection of Interstate 70 and State Road 6 west of Green River, has stumbled from an original timeline.

Tilton originally said the plant would be producing energy in 2012, but now he does not expect to hand in the first of a two-part application until next year at the earliest. And the original estimated cost already has jumped from \$3 billion to \$16 billion — just as abundant, low-cost, low-carbon natural gas casts a dark shadow on the economics of nuclear and as Blue Castle struggles for traction with investors and energy buyers.

Meanwhile, on Capitol Hill, the bill already has a lineup of critics. One is Rocky Mountain Power, a electricity provider in Utah and five other states that would be the most logical purchaser of Blue Castle power.

"Rocky Mountain Power does not support SB199," said company spokeswoman Maria O'Mara in an email. "The need for a nuclear power plant is not in the company's current long-term plan."

Consumer advocates who have seen the bill also criticize it.

Danny Harris, a lobbyist for the Utah Chapter of AARP, called energy rates a critical issue for seniors on fixed incomes who might be forced to choose between groceries or medical care to pay higher bills for energy they might never be able to use.

He likened the bill to having utility ratepayers pay a mortgage on a house before they move in — even if it's never built or they pass away before it's completed. Risks shift to the mortgage payer from the builder.

"Anyone who advocates for consumers or ratepayers," Harris said, "should be concerned about this."

Michelle Beck, director of the state Office of Consumer Services, shared similar concerns.

"Consumers have a strong interest in this issue," she said. "And I hope to be at the table when this is discussed."

Matt Pacenza, policy director of HEAL Utah, called it "wildly misleading" for Tilton to suggest that the bill echoes the renewables law, which applies to projects up to 300 megawatts — a dramatic contrast to the 3,000 megawatt Blue Castle plant. He also noted SB199 applies to projects that have secured water rights, as Blue Castle has, and that obtain federal permits.

"This bill offers a blank check to whoever would want to build nuclear power in Utah, regardless of how much it might cost," he said.

"We're pretty confident this State Legislature, which has been very clear it doesn't think government should be in the business of picking winners and losers, will see this bill for what it is — a cynical bid to exempt the Green River reactor project from the state's strong laws designed to protect ratepayers."

fahys@sltrib.com

Twitter: @judyfutah

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