

The Salt Lake Tribune

Nuclear energy project that Utah cities moves forward as environmental group warns of costs



(Photo courtesy of NuScale) An artist's rendering of NuScale Power's proposed small modular nuclear reactor plant, which is being built at the Idaho National Laboratory in Idaho.

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By Taylor Stevens • Published: July 25
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An effort to bring nuclear energy to Utah cities has cleared a number of government hurdles in recent weeks — even as an environmental group has continued to raise concerns about the



costs.



NuScale Power announced Monday that the U.S. Nuclear Regulatory Commission had completed the second and third phases of its review of the company's small modular nuclear reactor design.



That marks a “significant milestone” in NuScale’s efforts to create its first plant at Idaho National Laboratory in Idaho Falls, where it could help power the more than 20 Utah cities currently signed onto what’s known as the Carbon Free Power Project from hundreds of miles away.

The project reached another significant development earlier this month, when members involved through the Utah Associated Municipal Power Systems (UAMPS) signed contracts for more than 150 megawatts of energy from the plant. That move triggers continued evaluation of the project, as well as preparation of a license application to submit to the Nuclear Regulatory Commission.

“The design has been going very well; it’s stayed ahead of schedule,” said LaVar Webb, a spokesman for UAMPS, a consortium of municipally owned power systems in Utah and

several other Western states. “And achieving these two milestones, these phases, is a significant success in moving that project forward.”

The Idaho plant would have 12 individual 60-megawatt modules that will produce a total 720 megawatts of electricity, according to NuScale. That’s enough to power about seven cities the size of Murray, which has a population of about 50,000 people and is the only city in Salt Lake County involved in the project.

Construction on the plant is expected to begin in 2023, but municipalities won’t actually power their cities with nuclear energy until around 2026, when the first of those modules is expected to become operational.

Cities interested in the project — which span the state from Lehi and Kaysville to Beaver and Parowan — see the small modular technology as a smart investment in a future without coal, as well as a way to diversify their power supplies so the lights stay on even if other renewable energy sources fail. They also think the technology may take off, with financial rewards to those who invested early.

Murray has committed about \$40,000 so far to explore the new technology and will consider in the coming weeks whether to continue pursuing its investment to the tune of \$800,000 alongside a subscription increase from 1 megawatt of power to 10 megawatts, according to Murray Power Manager Blaine Haacke.

“That’s coming down the pipeline,” City Council Chairman Dave Nicponski told The Salt Lake Tribune on Tuesday. “I’m certainly going to be supportive of it. I think it’s good to have all of our energy options available to us and to be open to different resources.”

But HEAL Utah, a clean-air advocacy group, has opposed the project since its beginnings — citing the large monetary investment for cities, the newness of the technology and environmental concerns around safe disposal of nuclear waste.

To investigate the possible economic impacts of the project, the organization recently commissioned an independent study from Energy Strategies, a Salt Lake City-based energy modeling firm.

HEAL said it had no input on the methodology or outcome of the review, which found alternative power portfolios were roughly 40% cheaper than the projected costs of small modular nuclear reactors.

Overall, the study concluded the reactors would likely cost participating municipal ratepayers an excess of hundreds of millions of dollars over two decades.

“The major takeaway from the study is that ... if you’re looking at making sure the electric rates for your customers or your residents and your businesses remain low, this project makes zero sense,” said Michael Shea, a senior policy associate with HEAL.

Other power portfolio scenarios — which could include combinations of wind, solar, energy storage, market purchases and natural gas — could represent hundreds of millions of dollars in savings over a 20-year period in comparison to the reactors, the study concluded.

In light of the results, the organization is now urging Utah cities to delay their participation in the project until UAMPS can commission an independent cost comparison that includes all renewable options.

“When I talk to people about this project, their mind is boggled,” Shea said. “Because renewable energy right now is so cheap and gas is so cheap that it’s like, why would you conceivably think to

invest in a project like this? Especially for small towns. There's just no reason why smaller towns in Utah should be asked to invest in an unproven nuclear technology.”

In response to the analysis, UAMPS criticized HEAL for taking too wide of a lens and for not sitting down with its members and project leaders to better understand the particulars.

The organization also cast doubt on the study's findings, noting that the plant will produce 720 megawatts of electricity rather than the 600 megawatts cited in the analysis, “considerably” increasing its cost-efficiency.

“HEAL's main takeaway from the study was to recommend that UAMPS member communities undertake an independent study to determine the real costs and benefits of the project,” UAMPS wrote in a statement provided to The Tribune.

“In reality, that's precisely what members have been doing for the last seven years of project study and development. They have engaged the nation's best financial consultants and nuclear experts, and will be fully prepared to make informed decisions as various project phases are reached.”

If involved municipalities do have misgivings, they have plenty of opportunities to leave the project over the next few years, Webb said. And those that stay will have a very small percentage of nuclear as part of their overall power offerings.

“They have a diverse portfolio of energy sources and some cost a little more, some cost a little less,” he said. “Nuclear will be part of that portfolio, but it won’t be a large part for any member. [Nuclear energy] will provide stable, long term, reliable power that can complement the wind and solar, make them more practical.”

UAMPS MEMBERS INVOLVED IN THE CARBON FREE POWER PROJECT

- Beaver.
- Blanding.
- Bountiful.
- Brigham City.
- Enterprise.
- Ephraim.
- Fairview.
- Fillmore.
- Heber.
- Holden.
- Hurricane.
- Hyrum.
- Kanosh.
- Kaysville.
- Lehi.
- Logan.
- Monroe.
- Morgan.
- Mount Pleasant.
- Murray.
- Oak City.
- Paragonah.
- Parowan.
- Payson.
- Santa Clara.
- South Utah Valley Electric Service District.
- Spring City.
- Washington.
- Weber Basin.
- Utah Associated Municipal Power Services



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