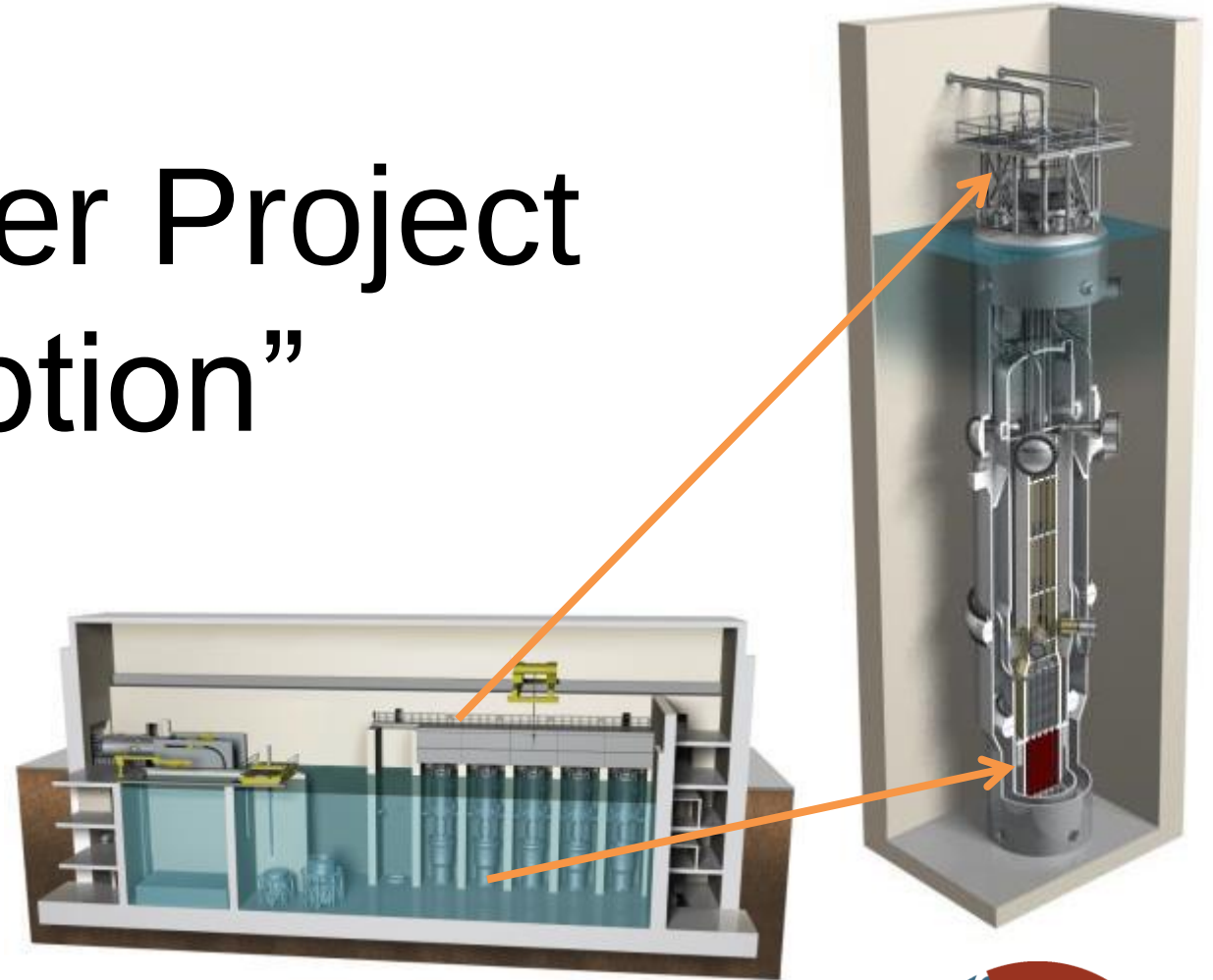


Carbon Free Power Project Resource “Option”

April 10, 2018
Joint Board of Public Utilities
and County Council



LOS ALAMOS

High-Level Overview

- UAMPS
- Who Are the Stakeholders
- PMC
- What we want to Accomplish this next year
- First-Of-A-Kind Risk Mitigation
- Take or Pay Contracts
- CFPP Benefits
- Decision points & dollars



46 municipal-owned utilities

- Join together through UAMPS to leverage capital, resources to be competitive (stronger by number).

Resource
Projects

Carbon Free Power Project

- 32 project participants / Owners
- Have control of the CFPP (voting)

Transmission

Government
& Public Affairs

Generation
Projects

Member
Services

Power
Scheduling

Who are the Stakeholders?



Utah Associated Municipal Power Systems



- Project developer / owner of the CFPP
- 46 municipal-owned utilities
- Join together through UAMPS to leverage capital, resources to be competitive (stronger by number).

FLUOR

Global Engineering and Construction Company
UAMPS to contract with Fluor to construct the CFPP facility

Fluor is parent company of NuScale
One of the largest, publicly-traded companies



- Developer of new SMR technology



Energy Northwest

- Energy Northwest to operate the facility
- Joint operating agency, similar to UAMPS
- Owns and operates the Columbia Generating Station (Nuclear facility in Washington State)



Department of Energy



Project Management Committee (PMC)

CFPP participants make up the PMC

- PMC members are just like DPU
 - Small municipal-owned utilities
 - Similar values and goals
 - Risk averse – e.g. the PMC voted to create the new “off-ramp” in March 2019 at the \$6 million cap – mitigate unknowns.
- PMC members have one vote and a weighted vote based on shares for super majority decisions.

What We Want to Accomplish This Next Year



- will continue to mitigate the risks
- will continue to seek cost sharing and plant subscription
- will pursue federal facility participation (LANL, SNL, INL.....)



April 2018

- will have more clarity on a post 2025 Electric Coordination Agreement

March 2019



- will have more clarity on how LANL can participate in the CFPP
- DOE-WAPA will have more clarity on how DOE/DOD facilities can participate in the CFPP

The participants expect to gain more information to make a more informed decision on continuing Licensing Phase 1



First-Of-A-Kind Risk Mitigation

- Comprehensive Testing of FOAK components
- Phased approach with off ramps
- DOE and NuScale cost share (existing and “New”)
- NuScale relationships with DOE & NRC
- DOE/UAMPS negotiating lease of first two modules “JUMP”
- LAC/UAMPS working with DOE/LANL and Western Area Power Administration on Power Purchase Agreements



RISK

First-Of-A-Kind

1/3 Scale Prototype and full scale critical component testing



NuScale Integral System Test (NIST-1) facility located at Oregon State University in Corvallis, Oregon



Critical Heat Flux testing at Stern Laboratories in Hamilton, Ontario Canada



Helical Coil Steam Generator testing at SIET SpA in Piacenza, Italy

Take or Pay Contracts

Take or Pay provisions are typical with all are existing resources

- San Juan Generating Station
- Abiquiu and El Vado Hydroelectric Plants
- Laramie River Station

DPU portfolio mix is diversified (San Juan, Laramie, Hydros, PV, Market).

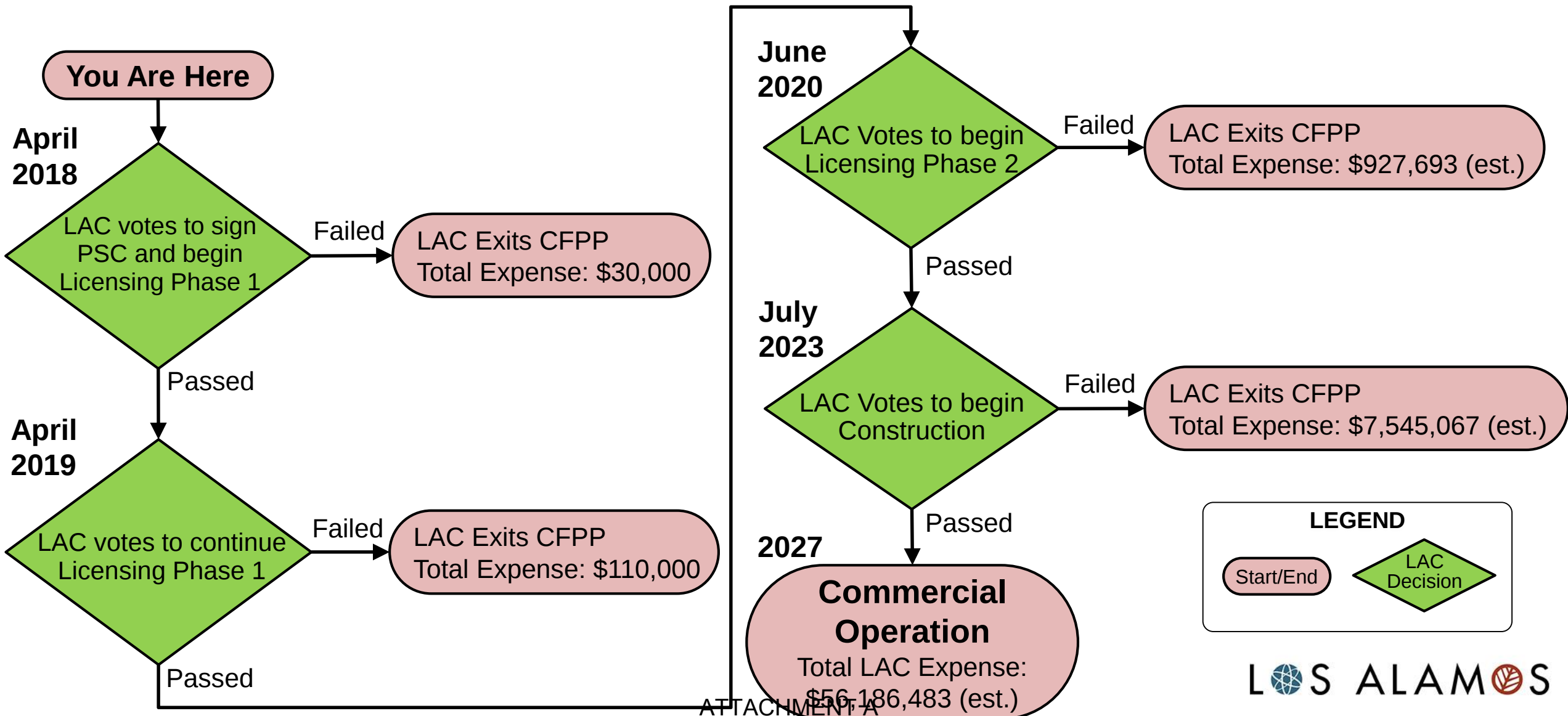
- Stability thru blended costs of diverse portfolio
- DPU has always kept retail electric rates competitive (per charter)

CFPP Benefits

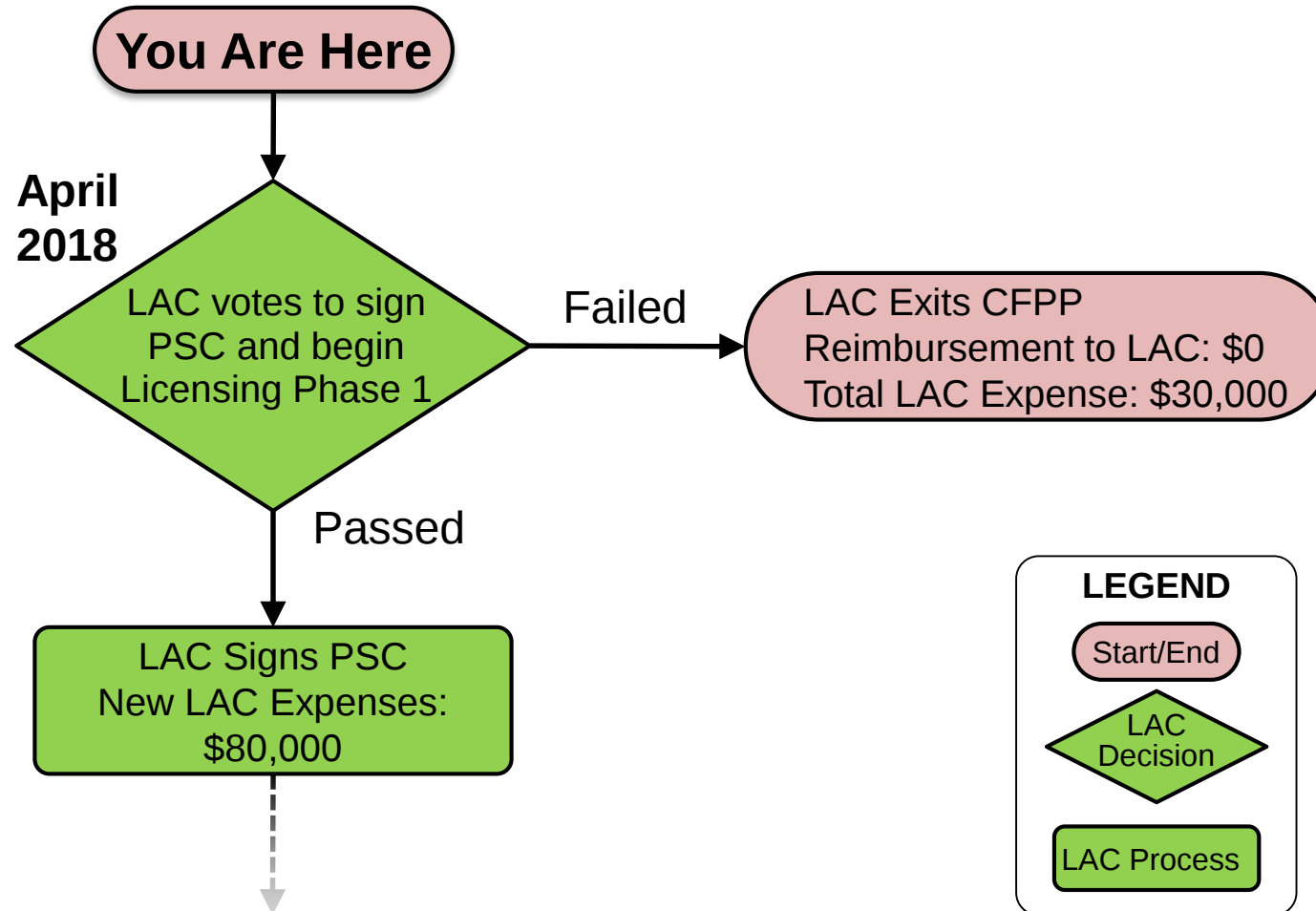
- County in control of its resource (owner/participant through UAMPS)
- Meets community desires for clean energy
- Meets carbon neutral goal for 2040
- Allows County to replace power lost when San Juan shuts down
- Is base load power – will compliment additional renewable energy DPU plans to add to the portfolio mix
- When debt service is paid off, County enjoys low-cost, reliable, clean energy



LAC Decision Points



Licensing – Phase 1

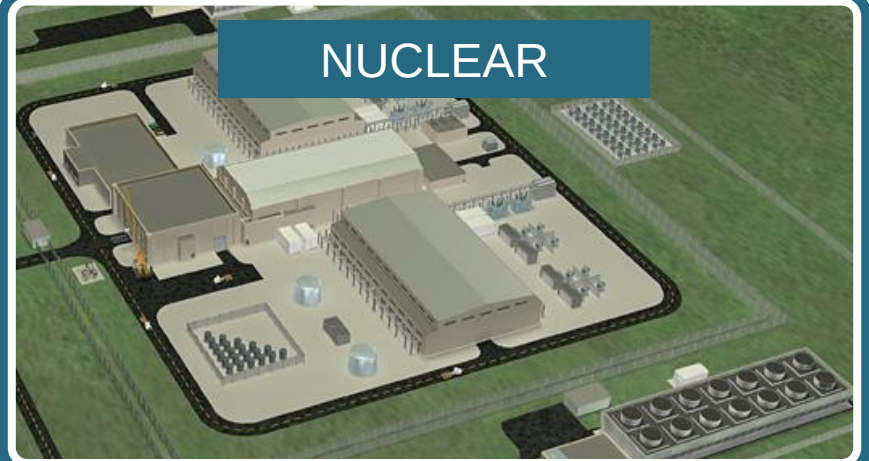


Carbon Free Power Diversity

WIND & SOLAR



NUCLEAR



STORAGE



HYDROELECTRIC



LOS ALAMOS

Questions ?



FLUOR



LOS ALAMOS



LOS ALAMOS NATIONAL LABORATORY



Energy Northwest



Department of Energy