

Nuclear in Idaho

ONE PROJECT ADVANCES

BY LISA COHN

ALTERNATE ENERGY HOLDINGS OF Eagle, Idaho is committed to building a 1,600-megawatt, \$4.5 billion nuclear and biofuels plant near Grand View, Idaho. However, MidAmerican Nuclear Energy Co. in late January pulled out of its proposed nuclear plant in Idaho, saying it would be too expensive.

Many in Idaho, as do citizens elsewhere, wonder about the future of nuclear power in their state.

Companies interested in building nuclear plants are attracted to Idaho in part because the state welcomes them. Paul Kjellander, administrator of the Idaho Office of Energy Resources, said, "We're open and receptive to nuclear plants. We're encouraged by AEH's project and disappointed MidAmerican pulled the plug."

The state is receptive because it sees nuclear power as one of the best opportunities for acquiring baseload power with no carbon footprint, he said. Idaho does not now offer incentives for nuclear plant developers, he said. However, it has little oversight over the siting process – a factor that attracts coal and nuclear developers, environmentalists say.

However, for MidAmerican – a subsidiary of MidAmerican Energy Holding, of Des Moines, Iowa – nuclear power did not pencil out. Bill Fehrman, president of MidAmerican Nuclear Energy, said, "Once we arrived at a view of the market and a view of this project, we determined from an economic perspective that it would not be good for our customers."

High demand for nuclear plants pushed the price up too high, noted Kjellander.

"We don't have any intention of pursuing other nuclear plants right now," said Fehrman. "We will continue to monitor the industry. We firmly believe nuclear energy must be part of this country's future." He added, "As we go forward with a push for a society that is trying to minimize the impact on our environment, nuclear energy is one of the few ways of generating electricity without generating carbon dioxide."

That's also the view of AEH, which has proposed the Idaho Energy Complex near Grand View, a merchant plant that would sell electricity in Idaho and the West. "We're in this for the long haul," said Martin



Johncox, a spokesman for Idaho Energy Complex Corp. "We were here one year before MidAmerican. We will be here after they leave. We intend to move forward, and hope to submit a combined license application to the Nuclear Regulatory Commission by the end of the year." The company is working with Unistar Nuclear, according to a letter it submitted to the NRC. It plans to use an evolutionary pressurized water reactor designed by Areva Nuclear Power, said the letter.

AEH intends to use excess heat from the nuclear plant to produce biofuels, Johncox said. "One-third of the cost of biofuels processing is keeping the biofuels warm. We'll use excess heat from the nuclear plant to do that." AEH believes it can produce biofuels for \$1 a gallon. Corn and dairy waste are two possible resources for the plant.

"We also want to provide economic opportunities for people in the area. If someone wants to operate a green-

NewsFlash

YUCCA MOUNTAIN FUNDS

The federal government has earmarked \$494.7 million for the Yucca Mountain nuclear waste storage project. The proposal is expected to draw fierce debate, reports the *Las Vegas Review-Journal*.

Sen. Harry Reid, D-Nev., said, "Despite the fact Congress cut his proposal by \$108 million last year, President Bush requested \$495 million again this year. Clearly, he will not get that funding."

The secretary of energy said that the Yucca Mountain federal license application will be completed this year.

www.energycentral.com

house and needs hot water, we can supply hot water," Johncox said.

A number of efforts are under way to prevent construction of nuclear plants in Idaho. Sen. Clint Stennett in January introduced a bill in the Idaho Legislature that would establish a moratorium on merchant thermal nuclear plants.

In addition, Idaho Families for the Safest Energy is collecting signatures for an initiative petition that would require voters to approve nuclear power plants.

About 20 companies are now pursuing nuclear plants nationwide, said Scott Burnell, spokesman for the NRC. Now that MidAmerican is out of the running, only two companies – including AEH – have proposed merchant power plants.

The interest is generated in part by provisions of the energy act of 2005 that allow the secretary of energy to provide loan guarantees for up to 80 percent of eligible project costs. The guarantee is for projects that avoid, reduce or sequester air pollutants or emissions of greenhouse gases and employ new or significantly improved technologies, including advanced nuclear technologies, according to the Department of Energy.

FINANCIAL FRONT

Gatherings

www.energycentral.com/events



To view any of these events, please go to www.energycentral.com/quicklink and type the quick link code (**QL:**) into the quick link box.

APRIL

7-9	Solar Power Finance & Investment San Diego	QL:	E17962
10-11	Electric Market Dynamics Houston	QL:	E17832
13-15	Global Power Markets Las Vegas	QL:	E17297
14-17	Billing and Metering World Africa Johannesburg, South Africa	QL:	E17814
22-23	Derivatives and Structured Products in Energy Markets Houston	QL:	E17792
24-25	Energy Risk Management Washington	QL:	E17957

MAY

12-14	Energy Risk Asia Singapore	QL:	E17919
19-21	Renewable Energy Finance and Investment Scottsdale, Ariz.	QL:	E17704
19-21	Utility Finance and Accounting for the Non-Financial Professional Las Vegas	QL:	E17711
30-31	Central and Eastern European Power Warsaw, Poland	QL:	E17846

Subscribe Online to *EnergyBiz*

Can your utility adapt

to face tomorrow's challenges?

Join the Utilities community at SAP for Utilities 2008. Embrace new technologies, fresh ideas, innovative strategies, and peer networking opportunities that deliver the information you need to run your utility business. Learn more or submit a paper: www.sap-for-utilities.com



SAP for UTILITIES

north american conference

October 26 - 29, 2008

Grand Hyatt San Antonio, San Antonio, TX

A collaboration of SAP, ASUG, and Eventure Events:



© 2008 by Eventure Events, LLC. All rights reserved. Eventure and SAP for Utilities 2008 logos are trademarks of Eventure Events, LLC. The SAP logo is a trademark or registered trademark of SAP AG in Germany and several other countries and is reproduced with the permission of SAP AG. All other products and service names mentioned are the trademarks of their respective companies.

Panasonic recommends Windows Vista® Business.

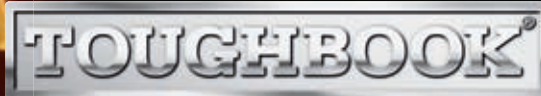


LEGALLY, WE CANNOT SAY, YOU'LL SET THE WORLD RECORD FOR TRUCK ROLLS.



While we aren't suggesting this is a major competition, taking a laptop computer on the road will surely enhance productivity and provide impressive results. We built the fully-rugged Toughbook® 30 to let field workers access information, organize workflow and dramatically increase productivity. It has a magnesium alloy case to protect the shock-mounted hard drive, spill-resistant keyboard, an easy-to-read LCD and optional GPS to help you get where you're going faster. The Toughbook 30. One for the record books, it outperforms more than we can legally say.

panasonic.com/toughbook/utilities 1.800.662.3537



THE RUGGED ORIGINAL.

Panasonic ideas for life

Intel, Intel logo, Intel Centrino, Intel Centrino logo, Intel Inside, Intel Inside logo and Pentium are trademarks or registered trademarks of Intel Corporation or its subsidiaries in the United States and other countries. Toughbook notebook PCs are covered by a 3-year limited warranty, parts and labor. To view the full text of the warranty, log on to panasonic.com/business/toughbook/support.asp. Please consult your Panasonic representative prior to purchase. ©2008 Panasonic Corporation of North America. All rights reserved. TruckRolls_Utilities_FY07-2