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1 **INTRODUCTION AND QUALIFICATIONS**

2 **Q. PLEASE STATE YOUR NAME, EMPLOYER, AND BUSINESS ADDRESS.**

3 A. My name is David Williams. I am employed by the Utah Division of Public Utilities
4 (“Division” or “DPU”). My business address is 160 East 300 South, Salt Lake City, UT
5 84114.

6 **Q. BRIEFLY OUTLINE YOUR EMPLOYMENT BACKGROUND.**

7 A. I have worked for the Division for seven years, first as a Utility Analyst and now as a
8 Utility Technical Consultant. Prior to working at the Division, for seven years I was
9 employed as a Research Analyst in the Economics Group at an engineering firm that
10 served as a consultant to electric utilities and natural gas utilities.

11 **Q. WHAT IS YOUR EDUCATIONAL BACKGROUND?**

12 A. I received a Bachelor of Science in Nuclear Engineering from North Carolina State
13 University and a Juris Doctor from the University of Wisconsin-Madison.

14 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE PUBLIC SERVICE
15 COMMISSION OF UTAH (COMMISSION)?**

16 A. Yes, I have served as a witness for the Division in numerous natural gas and electric
17 utility dockets.

18 **SUMMARY AND PURPOSE OF TESTIMONY; OVERVIEW OF RECOMMENDATIONS**

19 **Q. PLEASE BRIEFLY SUMMARIZE THE WORK AND INVESTIGATIONS THAT YOU
20 HAVE PERFORMED IN THIS DOCKET.**

21 A. I have reviewed and analyzed Rocky Mountain Power’s (“Company”) Application, the
22 testimony of Company witness Mr. Link, workpapers and exhibits accompanying Mr.
23 Link’s testimony, and responses to data requests (“DRs”) submitted by stakeholders
24 in this docket.

25 **Q. WHAT IS THE COMPANY REQUESTING?**

26 A. The Application concerns a proposed Power Purchase Agreement (“PPA”) the
27 Company is considering for the output of the future 345 MW nuclear power plant
28 (“Natrium” or “KU1”) to be built near Kemmerer, Wyoming. The PPA will be with US
29 SFR Owner, LLC (“US SFR”), a subsidiary of TerraPower, which designed the plant.
30 The plant is currently projected to be online at the end of 2031. The Company
31 requests a waiver under Utah Code section 54-17-501. This waiver is required
32 because a PPA from a facility of this size qualifies as a “significant energy resource”
33 (“SER”) under Utah Code section 54-17-102(9)¹ and would typically (absent a
34 waiver) require a solicitation process under Utah Code section 54-17-201 and
35 related sections. If the waiver is granted the Company seeks approval of the SER
36 acquisition under Utah Code section 54-17-302. The Company also seeks approval
37 of an asset sale (water rights for the plant) under Utah Administrative Code R746-
38 401-3(B).

39 **Q. WHAT IS YOUR RECOMMENDATION REGARDING THE COMPANY’S**
40 **REQUEST?**

41 A. The Division recommends conditional approval of the waiver and of the decision to
42 enter into the PPA. The Division recommends that approval be conditioned on the
43 Company performing further analysis as described below, which is required to meet
44 the filing requirements and SER approval (specifically Utah Admin. Code R746-430-
45 4(1)(f)(ii) and Utah Code section 54-17-302(3)(c)(iv)). Overall, the PPA is structured
46 in a way to protect Utah ratepayers, and with the conditions noted, the Division
47 recommends that the Commission approve the waiver and the decision to acquire
48 the SER (in the form of the Natrium PPA). The Division commends the efforts of the

¹ Since nuclear energy is a “clean energy source” as defined in section 54-17-601(5), section 54-17-502(1) applies. Section 502(1) still requires a solicitation for clean energy resources over 300 MW, unless a waiver is obtained, and so Natrium requires a waiver if no solicitation is to be performed.

49 Company to protect ratepayers from the possible cost overruns from a new nuclear
50 power plant.

51 **Q. PLEASE SUMMARIZE BRIEFLY THE FACTORS THAT LED YOU TO THIS**
52 **RECOMMENDATION.**

53 A. As described below, The Division believes that for the most part, the Company
54 meets the filing requirements for the waiver and that the approval of Application is in
55 the public interest. However, the Division believes that the relevant statutes and
56 rules require the Company to submit some supplemental analysis, namely an
57 integrated resource planning (“IRP”) analysis showing that: (1) the project is likely to
58 result in energy at the lowest reasonable cost to Utah customers, and (2) that the
59 Natrium resource is consistent with the most recent Company IRP. The Division’s
60 suggested supplemental analysis meets these requirements. Previous IRP modeling
61 of the Natrium plant’s generation lacked key details because information was not yet
62 available.

63 **PROCEDURAL AND LEGAL BACKGROUND**

64 **Q. PLEASE BRIEFLY SUMMARIZE THE PROCEDURAL BACKGROUND OF THIS**
65 **DOCKET.**

66 A. On October 3, 2025, the Company filed a Notice of Intent in this docket, stating that
67 it intended to file a request for approval of an SER decision.² The Company also
68 stated an intent to file a request for a waiver of the solicitation process in Part 2 of
69 the Energy Resource Procurement Act, found in Utah Code section 54-17-201
70 through -203.³ The Company filed its Application on October 20, 2025, accompanied
71 by testimony, exhibits, and workpapers. At the Scheduling Conference, stakeholders
72 agreed to a Technical Conference to be held on January 13, 2025.

² Docket No. 25-035-55, Rocky Mountain Power’s Notice of Intent (October 3, 2025).

³ Notice of Intent at 1.

73 **Q. WHAT STATUTORY AND ADMINISTRATIVE CODE PROVISIONS APPLY TO**
74 **THE COMPANY'S REQUEST?**

75 A. The Company is seeking a waiver of the solicitation requirement under Utah Code
76 section 54-17-501(1).⁴ That section allows for a waiver of solicitation:

77 if the commission determines that waiving the requirement is in the public
78 interest because there exists:

79 (a) a clear emergency;

80 (b) a time-limited commercial or technical opportunity that provides
81 value to the customers of the affected electrical utility;

82 or

83 (c) any other factor that makes waiving the requirement in the public
84 interest.

85 The Company claims that Natrium is a time-limited opportunity and that section 54-
86 17-501(1)(b) applies.⁵ The Company also implies that a waiver is justified under the
87 broader "public interest" test of section 54-17-501(1)(c).⁶

88 **Q. IF THE COMPANY RECEIVES A WAIVER, WHAT IS THE NEXT STEP?**

89 A. If the Commission grants the Company a waiver, the Commission will then evaluate
90 the SER decision for approval under section 54-17-302, which includes an
91 evaluation of whether the acquisition is in the public interest, considering factors
92 listed in section 54-17-302(3)(c)(i)-(ix).

93 **Q. PLEASE BRIEFLY SUMMARIZE THE MATERIALS THE COMPANY SUBMITTED**
94 **IN SUPPORT OF ITS APPLICATION.**

95 A. Company witness Mr. Rick T. Link filed confidential direct testimony ("Link Direct
96 Testimony"). The Link Direct Testimony has three confidential exhibits: the proposed
97 PPA (Exhibit 1); the proposed Water Use Agreement (Exhibit 2), and a PacifiCorp

⁴ Application at 1.

⁵ *Id.* at 5.

⁶ *Id.* at 7-8.

98 Internal Governance Memorandum (Exhibit 3). The Company also filed four
99 confidential Excel file workpapers:

- 100 • An “Hourly Natrium Analysis” (“Workpaper 1”). This summarizes the projected
101 output of Natrium, along with projected locational marginal prices (LMPs) for
102 Naughton and expected contract payments by hour.
- 103 • A “Base MN” Excel file (“Workpaper 2”), which summarizes the cost
104 differences between the following two Workpapers 3 and 4. This is the source
105 of the confidential Figure 1 in the Link Direct Testimony ([REDACTED]
106 [REDACTED] ”).
- 107 • A “Cost Summary Base” Excel file (“Workpaper 3”), which summarizes
108 system costs of the 2025 IRP Preferred Portfolio, using [REDACTED]
109 [REDACTED]
110 [REDACTED].
- 111 • A “Cost Summary Base w/o Natrium” Excel file (“Workpaper 4”), which
112 represents the 2025 IRP preferred portfolio without Natrium.

113 The cost-benefit analysis in the Link Direct Testimony is summarized as follows:
114 “when included in the 2025 IRP preferred portfolio, the PPA provides present value
115 net benefits of [REDACTED] between the expected commercial operation date
116 (modeled as 2032) and the end of the IRP study horizon in 2045.”⁸ The PPA is
117 projected to “reduce the system-wide net power cost component of revenue
118 requirement by approximately [REDACTED] annually starting in 2032.”⁹

119 The benefits are derived by comparing the costs in the preferred portfolio from the
120 2025 IRP with and without Natrium: [REDACTED]
121 [REDACTED]
122 [REDACTED]”¹⁰

⁷ See Link Direct Testimony, Exhibit 3 at 2 (“ [REDACTED] ”).

⁸ Link Direct Test. at 11-12:243-45.

⁹ *Id.* at 12:251-53.

¹⁰ *Id.* at Exhibit 3, p. 5. Figure 1 in the Link Direct Testimony is the same chart as Figure 1 in Exhibit 3 to the Link Direct Testimony.

123 **THE NATRIUM PLANT**

124 **Q. PLEASE BRIEFLY SUMMARIZE THE RELEVANT OPERATING**
125 **CHARACTERISTICS OF THE NATRIUM PLANT.**

126 A. The Natrium design is a “sodium-cooled fast reactor coupled with a molten salt
127 integrated energy storage system.”¹¹ It will be designed to utilize “surplus”
128 interconnection service at the Company’s Naughton facility, a former coal generation
129 plant that is being converted to natural gas generation:

The proposed PPA gives the KU1 project priority access to the interconnection capacity at Naughton on a day-ahead basis using surplus interconnection service. Surplus interconnection service allows a generator to connect to the transmission grid at the same location as an existing resource so long as the total amount delivered to the grid at any given time does not exceed what is allowed in an existing interconnection and subject to the agreement of the owner of the existing resource.¹²

138 Thus, Natrium will use Naughton’s pre-existing interconnection, which has a capacity
139 of [REDACTED].¹³

140 The Company will have the ability to run [REDACTED]
141 [REDACTED]
142 [REDACTED].

143 Nuclear power plant types typically are differentiated by several system components,
144 including the type of nuclear fuel used, the type of material that serves as a
145 moderator (if a moderator is needed at all), and the type of material that serves as a
146 coolant. The Natrium plant will use liquid sodium metal as a coolant and will not
147 utilize a moderator. As described in more detail below, a moderator slows neutrons
148 to an appropriate energy level. The lack of need for a moderator results from

¹¹ Application at 3.
¹² Link Direct Test. at 4:78-83.
¹³ Link Direct Test., Exhibit 3 at 4.

149 Natrium’s design as a “fast” reactor. Natrium will use high-assay low-enriched
150 uranium (HALEU) fuel, which is not currently in use at any commercial U.S.
151 reactor.¹⁴

152 Natrium will also use a molten salt storage system, which will allow it to ramp its
153 power output up and down to a certain extent. The molten salt system can be
154 thought of as a battery that can charge and discharge based on the dictates of the
155 day-ahead market. The nuclear island¹⁵ itself will produce a nameplate capacity of
156 345 MWe, [REDACTED]

157 [REDACTED]
158 [REDACTED]. The output range to the grid will be 100 to 500 MWe.¹⁶

159 The 100 MW low end and 500 MW high end are only [REDACTED]

160 [REDACTED]
161 [REDACTED]
162 [REDACTED]
163 [REDACTED]
164 [REDACTED]

165 **Q. WHAT IS THE ROLE OF COOLANT IN A NUCLEAR POWER PLANT?**

166 A. In very general terms, coolant circulates in and around the core and transfers the
167 heat generated to another location; the heated coolant is then used either directly or

¹⁴ HALEU fuel was described in the Division’s comments for the 2021 IRP: *PacifiCorp’s 2021 Integrated Resource Plan*, Docket No. 21-035-09, Comments from the Division of Public Utilities at 28-29 (March 4, 2022).

¹⁵ The nuclear island is the portion of the plant facilities specifically designated for regulated nuclear energy activities. The nuclear island is separate from plant-related electrical operations, which will be located in a separate energy island. See Rocky Mountain Power’s Presentation for the January 13, 2026 Closed Technical Conference (“Technical Conference Presentation”) at slide 8.

¹⁶ Application at 4. As nuclear power plants don’t typically ramp their core thermal output up and down, during normal operation the core will produce a constant thermal output of 840 MW, which equates to 345 MWe. [REDACTED]

¹⁷ Descriptions of the Natrium thermal output can be found in the Company’s confidential Response to Division DR 3.1 (attached as confidential DPU Exhibit 1.1).

168 indirectly to produce steam, which then produces electricity.¹⁸ After the coolant is
169 used to produce electricity, it is sent back to the core at a lower temperature to begin
170 the process again. Natrium will be the first commercial power plant in the U.S. to use
171 sodium as a coolant.

172 **Q. WHAT IS THE ROLE OF A MODERATOR IN A NUCLEAR POWER PLANT?**

173 A. All currently operating power plants in the U.S. are driven by fission, which relies on
174 neutrons to sustain a chain reaction. Under most current reactor designs, the
175 neutrons need to be “slowed” (have their energy reduced) in order to produce the
176 desired rate of fission. Thus, in addition to coolant, most current reactors require a
177 “moderator,” which slows the neutrons down to the appropriate energy level. Not all
178 reactor designs require these “slow” neutrons; some produce fission using “fast”
179 neutrons that do not need to be slowed. These “fast reactors” do not typically require
180 a moderator; they just require a coolant. Natrium will be the first commercial fast
181 reactor in the U.S.

182 **Q. WHAT TYPES OF REACTORS ARE CURRENTLY OPERATING IN THE UNITED**
183 **STATES AT THE UTILITY LEVEL?**

184 A. All currently operating commercial nuclear reactors in the U.S. are either “boiling
185 water reactors” (BWRs) or “pressurized water reactors” (PWRs). In BWRs and
186 PWRs, water serves as both the coolant and the moderator.

187 **Q. HOW DOES THE NATRIUM PLANT DIFFER FROM PWRS AND BWRS?**

188 A. As mentioned above, the Natrium plant is different from all currently operating
189 commercial nuclear plants in the U.S. in at least two respects: (1) it will use liquid
190 sodium instead of water as a coolant; and (2) it is a “fast” reactor that does not

¹⁸ If water is used as a coolant, in some cases it can be used to power a turbine directly. In other cases, including Natrium, the coolant is used to heat water that flows in a separate closed loop via a heat exchanger; and the heated water drives the turbine.

191 require a moderator.¹⁹ The HALEU fuel that Natrium will use is also different than the
192 fuel used in U.S. BWRs and PWRs.

193 **Q. WHY ARE THESE DIFFERENCES RELEVANT TO THE COMPANY'S**
194 **APPLICATION?**

195 A. The differences are relevant because Natrium is a new design, and the Commission
196 and other stakeholders should be on the lookout for issues that might go along with
197 a new design, such as delays. For example, two recently completed nuclear units in
198 the U.S. (Vogtle 3 and Vogtle 4 in Georgia) were new designs at the time they were
199 built and were significantly delayed, despite the fact that they were merely a new
200 type of water-cooled reactor. As the U.S. Energy Information Administration ("EIA")
201 explains:

202 Construction at the two new reactor sites began in 2009. Originally
203 expected to cost \$14 billion and begin commercial operation in 2016
204 (Vogtle 3) and 2017 (Vogtle 4), the project ran into significant
205 construction delays and cost overruns. The total cost of the project is
206 now estimated at more than \$30 billion.

207 Both Vogtle Units 3 and 4 use a new reactor design, the Westinghouse
208 AP1000. ... Units 3 and 4 are the first U.S. deployment of the AP1000
209 Generation III+ reactor.²⁰

210 It should be noted that although the AP1000 was a new design, it was still a PWR,
211 whereas Natrium is a completely different type (a sodium-cooled fast reactor). No
212 sodium-cooled reactors have achieved commercial operation in the United States,
213 and so the possibility of delays and outages due to the new design must be
214 considered.

¹⁹ See Fast Neutron Reactors, World Nuclear Association, <https://world-nuclear.org/information-library/current-and-future-generation/fast-neutron-reactors.aspx>.

²⁰ First new U.S. nuclear reactor since 2016 is now in operation, EIA, August 1, 2023 (last visited Jan 16, 2026) <https://www.eia.gov/todayinenergy/detail.php?id=57280>).

215 **THE POWER PURCHASE AGREEMENT**

216 **Q. PLEASE SUMMARIZE THE POWER PURCHASE AGREEMENT.**

217 A. The PPA is for a 40-year term. The Company will pay for energy from Natrium at the
218 lower of two values:

219 [REDACTED]
220 [REDACTED]
221 [REDACTED]
222 [REDACTED]
223 [REDACTED]
224 [REDACTED]

225 Furthermore, there are PPA provisions that protect Company ratepayers from long-
226 term issues, including [REDACTED]

227 [REDACTED].²² If Natrium [REDACTED]
228 [REDACTED]
229 [REDACTED].²³

230 This payment structure ensures that for any given hour of the plant's operation,
231 "compensation for the KU1 project [REDACTED]
232 [REDACTED]...."²⁴

233 As the nuclear island output cannot be ramped or down, there will be cases when
234 the LMP at the Naughton node is negative, and the plant must still deliver power to
235 the grid, even though with other generation (e.g. natural gas or wind), the generation
236 would be shut off or curtailed. The Natrium output can be [REDACTED],
237 but after the storage tank is fully charged, [REDACTED]
238 [REDACTED]. In these situations, the PPA will still [REDACTED]
239 [REDACTED]

²¹ Link Direct Test. at 5:87-91.

²² *Id.* at 6:109-10.

²³ *Id.* at 5-6:105-08.

²⁴ *Id.* at 5:92:93.

240 [REDACTED]. In these cases, [REDACTED]
241 [REDACTED] on a monthly basis).²⁵

242 **DIVISION ANALYSIS OF THE APPLICATION**

243 **GENERAL ANALYSIS OF THE PPA**

244 **Q. WHAT IS YOUR “BIRD’S EYE” OPINION OF THE PROPOSED PPA,**
245 **CONSIDERING THE PROJECTED PPA PRICES AND HOW THEY COMPARE TO**
246 **OTHER NUCLEAR PLANTS?**

247 A. This is somewhat difficult to answer, as the levelized cost data for nuclear plants in
248 the U.S. is not nearly as robust as the cost data for wind, solar, coal, and gas. There
249 is no cost history for commercial fast reactors. However, if we take the projected
250 average \$/MWh over the whole PPA term from Workpaper 1, tab “Summary”
251 [REDACTED], the projected cost for Natrium [REDACTED]
252 [REDACTED].²⁶ For example, the most recent Lazard’s
253 Levelized Cost of Energy Analysis gives a range of \$141/MWh to \$220/MWh for U.S.
254 nuclear power.²⁷ EIA gives a simple average of the LCOE for advanced nuclear
255 entering service in 2030 as \$81.45/MWh (with tax credits).²⁸ These estimates are
256 mostly based on a different type of nuclear reactor than Natrium. However, just
257 looking at Lazard, the projected Natrium PPA [REDACTED]
258 [REDACTED] for U.S. nuclear power. By itself, that does not show that the Natrium plant

²⁵ Company’s confidential response to DPU Data Request 1.4 (attached as confidential DPU Exhibit 1.2).

²⁶ The figure is from Workpaper 1, tab “Summary”, cell F18.

²⁷ Lazard’s Levelized Cost of Energy A Analysis—Version 18.0 at 8 (last visited Jan. 16, 2026)

<https://www.lazard.com/media/5tlbhyla/lazards-lcoeplus-june-2025-vf.pdf>.

Footnote 2 to the referenced graph states: “Given the limited public and/or observable data available for new-build geothermal, coal and nuclear projects, the LCOE presented herein reflects Lazard’s LCOE v14.0 results adjusted for inflation and, for nuclear, are based on then estimated costs of the Vogtle Plant.”

²⁸ Levelized Costs of New Generation Resources in the Annual Energy Outlook 2025, April 2025, EIA at 8. The EIA Annual Energy Outlook appears to classify both “advanced light water reactors” (which would not include Natrium) and “small modular reactors” (which could include Natrium) as “advanced nuclear.”

See https://www.eia.gov/outlooks/aeo/electricity_generation/pdf/AEO2025_LCOE_report.pdf;
https://www.eia.gov/outlooks/aeo/assumptions/pdf/EMM_Assumptions.pdf

259 is or is not in the public interest (the alternatives to Natrium must be considered), but
260 it provides big-picture context.

261 **Q. IN GENERAL TERMS, HOW IS THE INFORMATION SUBMITTED FOR THIS**
262 **PROPOSED ACQUISTION OF A SIGNIFICANT ENERGY RESOURCE IN THIS**
263 **DOCKET DIFFERENT FROM INFORMATION SUBMITTED FOR PAST**
264 **ACQUISITIONS?**

265 A. In some past proposed acquisitions, the information submitted was buttressed by
266 more robust analysis that compared portfolios and alternate scenarios. For example,
267 in Docket No. 22-035-03, the Company sought a waiver from the requirement for
268 preapproval of SERs for three wind projects and one solar plus storage project.²⁹

269 In Docket No. 22-035-03, the Company sent out an all-source request for proposals
270 (2020AS RFP), and “determined the final shortlist using the System Optimizer and
271 Planning and Risk models and a range of CO2 and natural gas price scenarios.”³⁰
272 The Company developed a short list from the list of bids. First, the “portfolio-
273 development phase identified the least-cost combination of bids using a
274 methodology consistent with the approach used to produce resource portfolios in
275 PacifiCorp’s IRP.”³¹ In this process:

276 [T]he SO model was used to develop bid portfolios containing the least-
277 cost combination of bids over a 20-year planning horizon (2019 through
278 2038). The SO model optimized its resource portfolio selections from all
279 the bids included in the initial shortlist, **as well as from all other proxy-**
280 **resource** alternatives used to develop resource portfolios in
281 PacifiCorp’s 2019 IRP (e.g., front-office transactions or “FOTs,” RFP
282 demand-side management resources, etc.). PacifiCorp did not force the
283 SO model to select any bid or any combination of bids. PacifiCorp
284 initially developed bid portfolios for three price-policy scenarios, which
285 reflect different pairings among three natural-gas price forecasts and
286 three carbon-dioxide (“CO2”) price forecasts (i.e., a Low gas / No CO2

²⁹ *Application of Rocky Mountain Power for Waiver of the Requirement for Preapproval of Significant Energy Resource Acquisitions*, Docket No. 22-035-03, Application for Waiver (Clean) at 4 (Jan. 26, 2022).

³⁰ *Id.*

³¹ Docket No. 22-035-03; LaBray Direct Test. at 5:106-8.

287 “LN”, Medium gas / Medium CO2 “MM”, and High gas / High CO2
288 “HH”).³²

289 Next, the Company applied a scenario-risk phase:

290 The scenario-risk phase of the bid-evaluation process was implemented
291 by evaluating the different resource portfolios (those produced when
292 LN, MM, and HH price-policy assumptions were applied) under each of
293 the three price-policy scenarios. This step provides insight as to how
294 each of the three bid portfolios perform under a range of conditions. The
295 Company also performed sensitivities to test bid selections and system
296 costs under alternative market price assumptions, market sale
297 assumptions, and federal tax incentive assumptions.³³

298 The Company has not performed a similar type of analysis for the Natrium PPA as
299 compared to possible alternatives, and under different price-policy scenarios. It is
300 true that there was no RFP in the present docket and no list of other bids with which
301 to compare Natrium. But the Company could use proxy resources, as mentioned in
302 the quote above.

303 **WAIVER FILING REQUIREMENTS**

304 **Q. WHAT ARE THE FILING REQUIREMENTS FOR THE APPLICATION FOR A**
305 **WAIVER?**

306 A. The filing requirements for a waiver are described in Utah Admin Code R746-430-
307 4(1). The Company does not explicitly go through each factor and describe how it
308 was met. For example, it does not explicitly address “[e]vidence explaining and
309 demonstrating when the utility first became aware of the claimed emergency,
310 opportunity or other factors and how and when it pursued or responded to the same”
311 as required by R746-430-4(1)(e). However, the Division has gone through the filing
312 requirements and is satisfied the Company has met them for the most part, with one
313 exception.

³² *Id.* at 6:111-20 (bolded emphasis added).

³³ *Id.* at 6:122-28.

314 **Q. WHAT IS THE EXCEPTION?**

315 A. Rule R746-430-4(1)(f)(i) requires that the testimony and exhibits with the Application must
316 provide: “If the requested waiver is for a waiver of a solicitation process, evidence [...] that
317 the particular resource to be procured is consistent with the utility’s current Integrated
318 Resource Plan.” The Company states:

319 The Company has included the KU1 project in its preferred portfolio in the
320 2021 IRP, 2023 IRP, and 2025 IRP, demonstrating its consistency with
321 long-term resource planning. The KU1 project and PPA are consistent
322 with the analysis and modeling in the Company’s 2025 IRP, also
323 demonstrating that it is part of the least-cost, least-risk portfolio of
324 options.³⁴

325 It is true that the 2025 IRP included Natrium in its Preferred Portfolio.³⁵ However, the
326 Division’s understanding is that the Natrium project was not assigned a cost in the previous
327 IRPs or the 2025 IRP. The Division asked a DR on this issue in the IRP docket, and the
328 Company responded:

329 The Division of Public Utilities (DPU) is correct in its understanding that
330 the Natrium project (also known as Kemmerer Unit 1) was assigned no
331 costs in PacifiCorp’s 2025 Integrated Resource Plan (IRP) PLEXOS
332 modeling and that the model was able to endogenously select the
333 resource. While the zero cost nature of the Natrium project was certainly
334 a primary reason for the model to see the resource as valuable, assigning
335 zero costs to the Natrium project is not necessarily the **only** reason the
336 model endogenously selected Natrium. Natrium was not assigned any
337 Western Resource Adequacy Program (WRAP) contribution (i.e. capacity
338 contribution) in the model but was assigned an energy value which the
339 model saw as valuable.³⁶

340 It is not clear to the Division what “Natrium [...] was assigned an energy value which
341 the model saw as valuable” means, but the Company’s answer indicates that no
342 costs were assigned to Natrium when modeling. The Division understands this to

³⁴ Application at 15-16.

³⁵ 2025 Integrated Resource Plan Volume I (March 31, 2025) at 5, available at https://www.pacificorp.com/content/dam/pcorp/documents/en/pacificorp/energy/integrated-resource-plan/2025-irp/2025_IRP_Vol_1.pdf.

³⁶ *PacifiCorp’s 2025 Integrated Resource Plan*, Docket No. 25-035-22, Company Response to DPU Data Request 1.6 (Sept. 12, 2025) (attached to this testimony as DPU Exhibit 1.3).

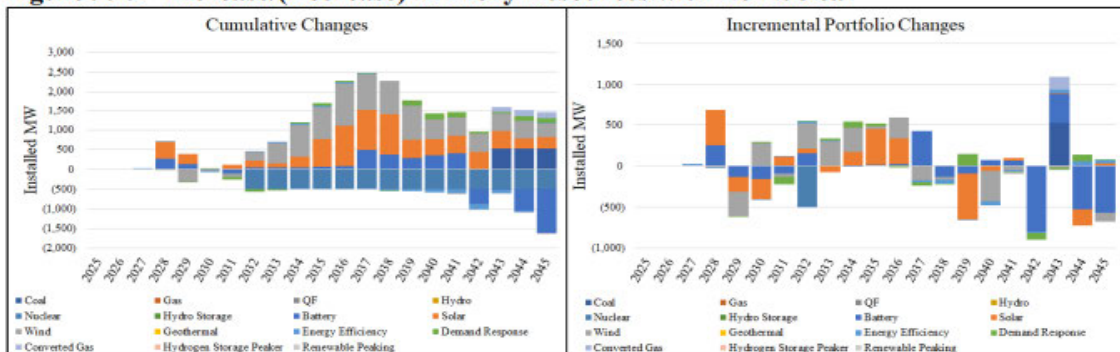
343 mean that Natrium was not selected to the Preferred Portfolio using the projected
344 energy payments as found in tab “Summary” of Workpaper 1 (or any other estimated
345 energy costs). Thus, the Company has not shown that Natrium “is consistent with
346 the utility’s current Integrated Resource Plan,” as required by the rule. While the
347 provisions addressing displacement of Naughton generation and protection from
348 some price risk are valuable contract terms, they do not satisfy the need for
349 evidence that the procurement is consistent with the IRP.

350 Natrium has never been selected as part of an IRP preferred portfolio using actual
351 projected costs. An IRP-style analysis would compare Natrium using the specific
352 Natrium costs and compare the acquisition of Natrium against other new resource
353 acquisitions (for example, wind, batteries, and gas), with alternate scenarios and
354 sensitivities if appropriate.

355 The Company did perform a “No Nuclear” variant in the 2025 IRP.³⁷ However, if no
356 costs were assigned to Natrium as described above, this analysis is not informative.
357 Figure 9.19 from the IRP, produced below, shows how the resource mix would
358 change without Natrium.

359 Figure 1 No-Nuclear Scenario from 2025 IRP

Figure 9.19 - Increase/(Decrease) in Proxy Resources with No Nuclear



360

³⁷ 2025 Integrated Resource Plan, Vol. I, pp. 263-64.

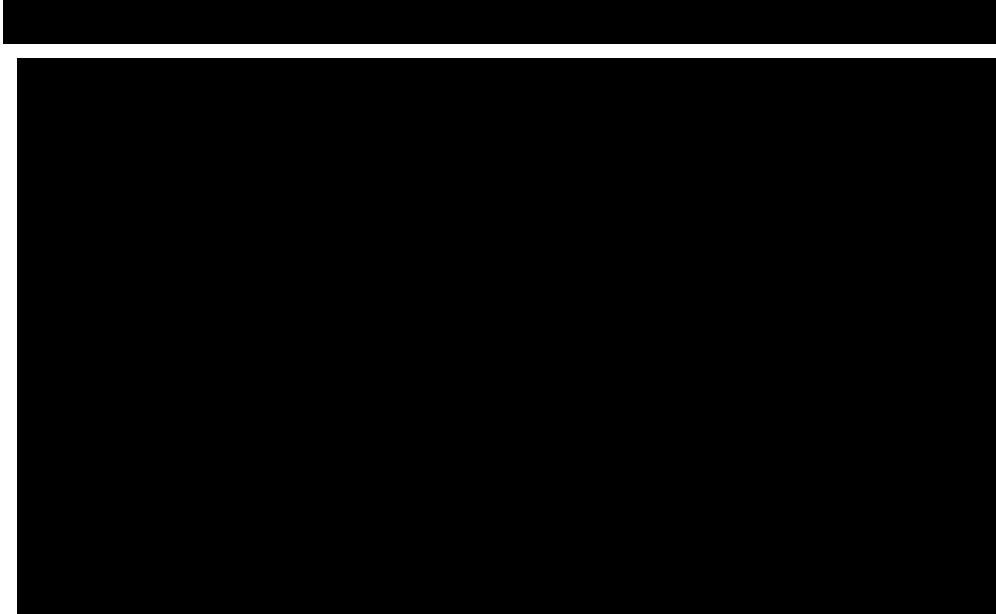
361 The no-nuclear portfolio shows the model selecting alternate generation resources in
362 the years leading up to 2032. It is this alternate scenario that should be compared to
363 the Natrium PPA.

364 **Q. DOES THE COMPANY’S ANALYSIS IN THE WORKPAPERS PROVIDE**
365 **EVIDENCE THAT NATRIUM IS “CONSISTENT WITH THE UTILITY’S CURRENT**
366 **INTEGRATED RESOURCE PLAN” AS REQUIRED BY RULE R746-430-4(1)(F)(I)?**

367 A. No. Neither the 2025 IRP nor the Company’s testimony and workpapers in this
368 docket identifies Natrium as part of a least-cost, least-risk portfolio as compared to
369 other portfolios, using reasonably concrete Natrium costs. The 2025 IRP did not do
370 this because it did not have costs assigned to Natrium. The workpapers in the
371 current docket do not compare a portfolio with the acquisition of Natrium to other
372 alternative portfolios. Workpaper 2 and Workpaper 3 are both based on the 2025
373 IRP Preferred Portfolio. For example, in his testimony Mr. Link states “when included
374 in the 2025 IRP preferred portfolio, the PPA provides present value net benefits of
375 [REDACTED] between the expected commercial operation date (modeled as 2032) and
376 the end of the IRP study horizon in 2045.”³⁸ However, Workpapers 3 and 4 do not
377 represent two separately formulated optimized portfolios. They are both the
378 preferred portfolio; one with Natrium and one without. This can be seen by
379 comparing Table 12 on tab “Cost Summary” in Workpaper 3 (Base MN with Natrium)
380 with Table 12 on tab “Cost Summary” in Workpaper 4 (Base MN without Natrium).

³⁸ Link Direct Test. at 11-12:243-45.

381

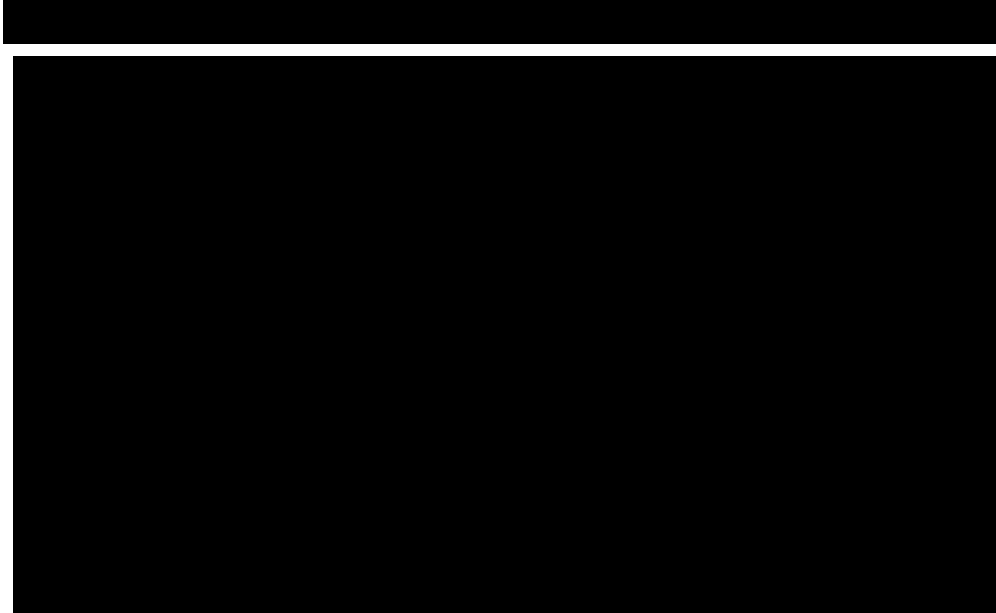


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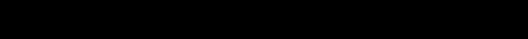
The same figures from Workpaper 4 (Base MN without Natrium) are as follows.

384



385

386

The "other System" total for 2032 in Figure 2 reflects a higher GWh production, due to Natrium  in Figure 3).

387

388 **Q. WHAT DO THE PREVIOUS TWO FIGURES SHOW?**

389 A. The energy mix in the previous two figures shows that Workpapers 3 and 4 have an
390 essentially identical energy mix up until 2032 (compare the 2031 columns) and then
391 differ in 2032 (with and without Natrium). This analysis may show that “Natrium
392 starting in 2032” is cost-effective compared to “Natrium not starting in 2032,” given
393 the same resource mix leading up to 2032. It does not show that Natrium starting in
394 2032 is more cost-effective than other portfolios, if different portfolios leading up to
395 2032 are compared.

396 **Q. WHAT ANALYSIS SHOULD THE COMPANY PROVIDE TO SHOW THAT**
397 **NATRIUM STARTING IN 2032 IS MORE COST-EFFECTIVE THAN OTHER**
398 **PORTFOLIOS LEADING UP TO 2032?**

399 A. One way would be to wait for the 2025 IRP update, which would presumably find a
400 preferred portfolio using the projected Natrium power costs from Workpaper 1.
401 However, the Company does not wish to wait that long. The Division is open to
402 suggestions from the Company or other stakeholders regarding what this analysis
403 should or could comprise. However, the Division’s opinion is that until IRP modeling
404 of some sort is run with plausible Natrium costs, it cannot be said that Natrium has
405 been shown to be “consistent with the utility’s current Integrated Resource Plan.” It
406 should also be noted that the preferred portfolio itself in the 2025 IRP was selected
407 using the assumption that Natrium did not have a cost. Would the preferred portfolio
408 have looked significantly different if Natrium had been assigned the PPA energy
409 costs as shown in Workpaper 1? It is not clear.

410 Another way would be to re-run the no-nuclear analysis depicted in Figure 9.19 from
411 the 2025 IRP with an optimized portfolio (reproduced above in Figure 1 of this
412 testimony), and comparing this to a scenario using projected Natrium power costs.
413 This would at least compare the two scenarios (Natrium vs. the alternative mix
414 leading up to 2032). This analysis should be done with multiple price/policy
415 scenarios (e.g. high gas, low gas, etc.).

416 Therefore, at minimum, the Company should provide some basic analysis
417 comparing: (1) the preferred portfolio with Natrium using projected Natrium costs
418 (essentially Workpaper 3); and (2) some other portfolio without Natrium, where other
419 resources (as optimized by the model) are used instead (in the years leading up to
420 2031). The Division assumes the latter case would involve some mix of wind, solar,
421 battery, and/or natural gas being built (as shown in Figure 9.19 from the 2025 IRP).
422 The analysis should consider different price/policy scenarios, such as natural gas
423 price cases. It should also use a plausible capacity factor for Natrium, as discussed
424 below.

425 At the Technical Conference, the Division did ask about why this analysis was not
426 performed. As the conference was not recorded, there is no record of the Company's
427 answer. The Division's recollection is that the Company in essence said "[REDACTED]
428 [REDACTED]
429 [REDACTED]
430 [REDACTED]." Similarly, in its response to a Division DR, the Company stated:

431 [For Workpaper 3 and 4], PacifiCorp did not reoptimize the generation
432 portfolio with and without the Natrium plant (Kemmerer Power Station Unit
433 1 (KU1).

434 ...
435 At this time, PacifiCorp cannot know whether KU1 will perform as
436 anticipated in 2032 and beyond or if it will ever generate. **A resource
437 portfolio that optimized with the expectation that KU1 will never
438 reach commercial operation would be sub-optimal if KU1 were to
439 reach commercial operation and operate as expected.** On the other
440 hand, a resource portfolio that was optimized with KU1 would be sub-
441 optimal if KU1 did not reach commercial operation.³⁹

442 The Division does not dispute the bolded statement, but the Division believes such
443 an analysis is required by Utah Admin. Code R746-430-4(1)(f)(ii) and Utah Code
444 section 54-17-302(3)(c)(iv).

³⁹ Company response to confidential DPU DR 5.4, at 1-2 (attached as confidential DPU Exhibit 1.4) (bolded emphasis added).

445 **Q. IF THE COST OF NATRIUM TURNS OUT TO BE HIGHER THAN THE**
446 **ALTERNATIVE IN THE ANALYSIS THAT YOU RECOMMEND THE COMPANY**
447 **PROVIDE, DOES THAT MEAN NATRIUM CANNOT BE PURSUED?**

448 A. The Division believes it could still be pursued. Section 54-17-302(3)(c)(i)-(ix) lists
449 factors the Commission must take into consideration. It does not appear that any
450 one factor would be dispositive.

451 **Q. DOES THE COMPANY OTHERWISE MEET THE REQUIREMENTS FOR A**
452 **WAIVER UNDER SECTION 54-17-501(1)?**

453 A. My answer here assumes the Company's filing requirements are supplemented as
454 recommended above. The Company's case for meeting the waiver under section 54-
455 17-501(1)(b) is somewhat incomplete. As US SFR has already begun construction at
456 the site, it seems unlikely that the Company is at imminent risk of losing the project
457 to another prospective utility. The Company claims that "the KU1 project's
458 dependence on federal ARDP funding imposes timelines that make immediate
459 action essential."⁴⁰ The Company goes on to say that:

460 The DOE's ARDP timeline and NRC financial qualification requirements
461 required the KU1 project to secure offtake. A delay in issuance or
462 rejection of the waiver request would be detrimental to the Company's
463 customers' interests, because it would jeopardize the federal funding and
464 potentially terminate the project entirely.⁴¹

465 However, the Company does not provide the referenced ARDP timeline or provide
466 the specifics of how much of a delay would jeopardize the project. Is the project in
467 jeopardy if the Commission approves the SER in three months? Six months? Until
468 after the 2025 IRP update? If the Company wishes to argue that section 54-17-
469 501(1)(b) applies, it needs more evidence. The Division has no reason to discount

⁴⁰ Application at 6.

⁴¹ *Id.* at 7. "ARDP" stands for Advanced Reactor Demonstration Program.

470 the assertions, but additional supporting evidence would significantly bolster the
471 record.

472 However, the Company is probably correct when it says that:

473 TerraPower’s selection of Wyoming as the proving grounds for
474 Natrium™ technology, combined with the KU1 project location in
475 proximity to PacifiCorp’s Naughton Plant, creates a unique opportunity
476 to use existing infrastructure that cannot currently be replicated
477 elsewhere.⁴²

478 The Company also notes that “the regulatory burden of a solicitation process would
479 be unnecessary as US SFR would be the only qualified applicant.”⁴³ For these
480 reasons, the Division’s opinion is that the waiver is justified (if the rule’s filing
481 requirements are supplemented as described above), because the project meets the
482 requirements of section 54-17-501(1)(c): it is a unique opportunity for the Company
483 to get baseload power from a new technology at a risk much lower than other
484 methods of obtaining similar power (such as purchase of the plant). This PPA also
485 aligns with the state energy policy described in Utah Code section 79-6-301(1)(a)(ii),
486 which lists dispatchability as the third highest priority for energy resources.

487 **APPROVAL OF THE SER UNDER SECTION 54-17-302**

488 **Q. ASSUMING THE WAIVER IS APPROVED, DOES THE COMPANY MEET THE**
489 **REQUIREMENTS OF SECTION 54-17-302 FOR APPROVAL OF THE SER**
490 **DECISION?**

491 A. For the most part, yes, with one exception. Section 54-17-302(3) states that:

492 (3) In ruling on a request for approval of a significant energy resource
493 decision, the commission shall determine whether the significant energy
494 resource decision:

495 [...]

(c) is in the public interest, taking into consideration:

496 [...]
497 [...]

⁴² *Id.* at 7.

⁴³ *Id.* at 8.

498 (iv) whether it will most likely result in the acquisition,
499 production, and delivery of electricity at the lowest
500 reasonable cost to the retail customers of an affected
501 electrical utility located in this state, including any lowered
502 costs resulting from the ability to sell excess energy
503 generated in an interstate energy market [...]

504 The factor mentioned in section 54-17-302(3)(c)(iv) is just one of nine factors that the
505 Commission should consider. The Division finds that the other factors have been
506 adequately addressed by the Application. However, section 54-17-302(3)(c)(iv) has
507 not been addressed sufficiently for the reasons described above. The Company has
508 not compared Natrium (using plausible projected costs) to the alternative (as in
509 Figure 9.19 from the 2025 IRP), so it cannot say that Natrium “will most likely result
510 in the acquisition, production, and delivery of electricity at the lowest reasonable
511 cost.” The Division believes the supplemental analysis mentioned above would be
512 sufficient to meet this requirement.

513 **RISKS OF A NEW NUCLEAR PLANT DESIGN**

514 **Q. DOES THE FACT THAT THE APPLICATION IS FOR A PPA (INSTEAD OF**
515 **COMPANY OWNERSHIP OF THE PLANT) HELP MITIGATE MANY OF THE**
516 **RISKS OF A NEW DESIGN?**

517 A. Yes. This is why the Division recommends approval of the Application, with the
518 noted conditions. Procuring the energy through a PPA greatly reduces the risks to
519 ratepayers of cost overruns and delays. It mitigates what the Division considers to be
520 the biggest risk with utility-owned nuclear plants—large cost overruns that the utility
521 passes on to ratepayers. The PPA allows the Company to take advantage of a new
522 technology while reducing the risk associated with that technology. However, even
523 with a PPA, some risks remain, as discussed below, and the Commission should
524 consider these risks under section 54-17-302(3)(c)(ix).

525 **Q. WHAT KIND OF RISKS DO YOU HAVE IN MIND?**

526 A. It is difficult to predict what issues might arise. There may be none. However, there
527 also may be some kinks to work out; for example, technical issues that arise with a
528 new technology. These types of issues would not be as worrisome with more mature
529 technologies such as wind or natural gas. To take one possible example, there could
530 be issues related to the sodium coolant loop. As all of the current U.S. reactors are
531 PWRs and BWRs, much of the coolant technology and expertise in the past has
532 been geared towards water-based coolant systems, whether it be pressurized water
533 or steam. There could be challenges involved with a sodium cooling system that
534 results in a bit of a learning curve.

535 **Q. HOW MIGHT THESE CHALLENGES MANIFEST IN THE OPERATION OF THE**
536 **NATRIUM PLANT, GIVEN THAT THE COMPANY WILL NOT OWN THE PLANT?**

537 A. My general point is that early adopters of new technologies have a higher chance of
538 facing down time and delays, due to the need to iron out kinks. I discuss the possible
539 specific risks to the Company below. The Company's analysis should reflect the fact
540 that this is a new technology. The Company's cost-benefit analysis needs to make
541 realistic assumptions about the operation of the Natrium facility.

542 **NATRIUM CAPACITY FACTOR**

543 **Q. PLEASE EXPLAIN IN WHAT WAY THE COMPANY MADE AN ASSUMPTION**
544 **THAT IS UNREALISTIC.**

545 A. One example is in its predicted [REDACTED]. In Workpaper 1,
546 Column H is titled "Dispatch MW "Gen_Natrium" and represents the expected hourly
547 generation of Natrium for all hours in 2032 through 2045. The Division analyzed this
548 column and found [REDACTED]
549 [REDACTED] are a model
550 artefact). Thus the projected capacity factor of Natrium is [REDACTED]. The
551 Division asked about this in the Technical Conference, and the Company stated that

552 a [REDACTED] would not change the analysis much; it did agree that a (for
553 example) [REDACTED] might result in the reduction of projected
554 benefits mentioned in the Link Direct Testimony ([REDACTED]
555 [REDACTED]
556 [REDACTED]) to [REDACTED] of their original value. However, these benefits
557 would [REDACTED] because of the way they are
558 calculated.

559 However, the benefits of Natrium [REDACTED] as compared to
560 alternate scenarios might change. This is why the comparison of Natrium with
561 alternate portfolios should be performed, as discussed above.

562 **Q. WHAT FACTORS COULD [REDACTED]**
563 **[REDACTED] ?**

564 A. There are several factors that could affect the capacity factor. One is the [REDACTED]
565 [REDACTED]. At the Technical Conference, the
566 Company stated that the plant [REDACTED]
567 [REDACTED].

568 **Q. WHEN WILL THE FUEL TRANSITION TAKE PLACE?**

569 A. The Division asked a DR about this, and the Company stated in its response that
570 [REDACTED]
571 [REDACTED], with full transition estimated between [REDACTED].”

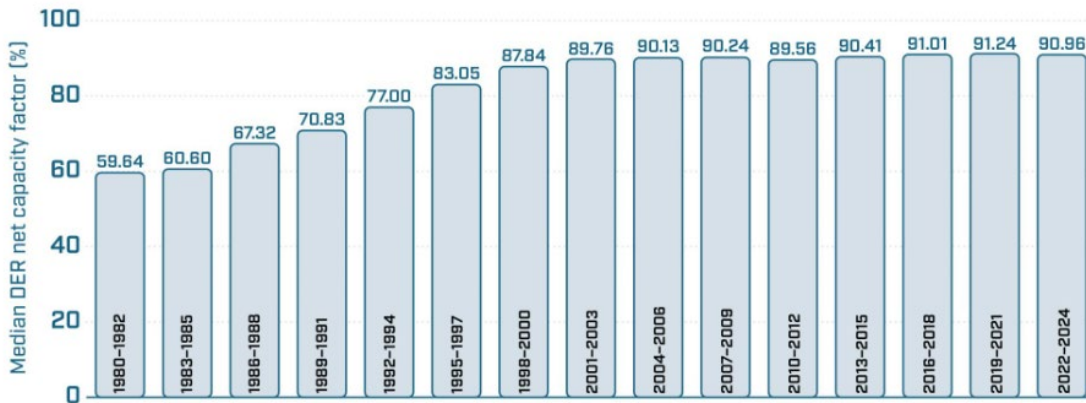
572 **Q. WHAT ELSE COULD AFFECT THE CAPACITY FACTOR?**

573 A. Another thing that could affect the capacity factor is down-time for scheduled or
574 unscheduled maintenance or technical issues.

575 **Q. WHAT IS THE MEDIAN CAPACITY FACTOR FOR THE CURRENT UNITED**
576 **STATES NUCLEAR PLANT FLEET?**

577 A. The figure below shows the median capacity factors for the U.S. nuclear fleet since the
578 Three-Mile Island incident.⁴⁴

579 Figure 4 Historical Capacity Factors of U.S. Nuclear Plants



580

581 **Q. WHAT CONCLUSIONS CAN WE DRAW FROM FIGURE 4?**

582 A. One reasonable conclusion is that capacity factors start off lower and get higher as
583 the technology matures and safety issues are considered. This indicates that in
584 performing a cost analysis for Natrium, the [REDACTED]
585 [REDACTED]. This could also be done as a sensitivity analysis. The Division
586 recommends that the analysis reflect a [REDACTED] for the term of the
587 PPA.

⁴⁴ U.S. nuclear capacity factors: Stability and energy dominance, Nuclear Newswire (last visited Jan 16, 2026) <https://www.ans.org/news/2025-05-02/article-6967/us-nuclear-capacity-factors-stability-and-energy-dominance/>.

588 **RISKS INVOLVED WITH THE PPA**

589 **Q. IF THE COMPANY IS NOT DIRECTLY AT RISK FOR COST OVERRUNS, DOES**
590 **THAT MEAN THERE ARE NO RISKS FOR THIS PPA?**

591 A. No. The risks have been alluded to above, and include the following categories:

- 592 1. Construction cost overruns.
593 2. Construction delays postponing the on-line date.
594 3. Plant offline time after a successful on-line date.
595 4. Miscellaneous risk related to the cost of the plant's energy or capacity as
596 opposed to the alternatives.

597 The first risk, construction cost overruns, is largely avoided by the proposed PPA.
598 The Company is not buying the plant, and so will avoid issues that plagued recent
599 utility purchases of nuclear power plants.⁴⁵ However, there is a risk that cost
600 overruns are so great that the project is abandoned or indefinitely shelved by
601 TerraPower.⁴⁶ In this case, the risk to the Company would merely be its plans to rely
602 on a resource that did not materialize, and so in replacing the expected power, its
603 portfolio could be more expensive than if it had never planned for Natrium in the first
604 place.

605 The second risk is also hard to quantify; the magnitude of the risk depends on when
606 the delay is first determined. The Natrium plant is scheduled to deliver power to the
607 grid in late 2031. If a delay of two years were announced in 2026 (so that Natrium
608 would be scheduled for start-up in late 2033), the risk would be minimal for the
609 Company. Four or five years is plenty of time to plan for the delay in the IRP
610 process, and it should be enough time to build (for example) wind plus battery or
611 facilities if needed to cover the gap in 2032 and 2033.

⁴⁵ These issues are discussed in *PacifiCorp's 2021 Integrated Resource Plan*, Docket No. 21-035-09, Comments from the Division of Public Utilities at 25-26 (March 4, 2022).

⁴⁶ Although this scenario may seem implausible, note that Units 2 and 3 at V.C. Summer power station in South Carolina were abandoned mid-construction. *Id.*

612 However, if a two-year delay is announced in November 2031, just as the plant is
613 scheduled to come on-line, the risk to the Company will be greater. It will use extra
614 generation from Naughton, gas, coal, wind, market transactions, and other
615 resources. These replacement resources may be more expensive than Natrium was
616 projected to be. It should be noted that although TerraPower and the current federal
617 energy administration seem committed to making Natrium happen, there are several
618 things that could cause year-long or greater delays. A new federal administration
619 could be less pro-nuclear. The fuel supply could be delayed. There could simply be
620 technical issues as the first-of-its-kind technology is built. A delay of a year or more
621 is a real possibility.

622 **Q. WHAT IS THE COMPANY’S PLAN TO REPLACE THE MISSING ENERGY IF THE**
623 **NATRIUM PLANT WAS DELAYED FOR A LONG PERIOD OF TIME RIGHT**
624 **WHEN THE PLANT IS SCHEDULED TO COME ON THE GRID?**

625 A. The Division asked this question at the Technical Conference, and the Division
626 understands that as of the time of the Application, the Natrium energy would be
627 replaced in a manner similar to the displaced energy shown in Table 12 of tab
628 “Delta” in Workpaper 2. A confidential portion of that is reproduced in confidential
629 Figure 5 below.

630

[Redacted]

[Redacted]

631

632 This graph represents the difference in generation by year between Workpaper 3,
633 which gives a cost summary of the preferred portfolio with Natrium starting in 2032,
634 and Workpaper 4, which gives the cost summary of the preferred portfolio without
635 Natrium. The 2032 Column shows that when Natrium begins operation, it is
636 expected to [REDACTED]
637 [REDACTED], and so on. The Division understands that if the plant was delayed for a
638 year (and it wasn't known until late 2031), this is what the energy to replace it would
639 look like.

640 **Q. WHAT ARE THE THIRD AND FOURTH RISKS?**

641 A. The third risk is similar to the second but occurs after the plant goes online. As noted
642 above, nuclear plants can be off-line for refueling, scheduled maintenance, or
643 unscheduled maintenance. If Natrium goes off-line for a few days or a week in (for
644 example) 2033, after it has been running for a year, the risk to the Company is not
645 large. The Company can run the Naughton gas generation when the EDAM LMP
646 process dictates, and can make up the rest of the energy using coal and the other
647 options shown in Figure 5. Again, as Naughton gas could be used to make up the
648 difference, the Company's risk of capacity shortfall is minimal, although energy could
649 be more expensive. However, the longer these down-times are, the larger the risk.

650 The fourth risk is a general risk of adopting the Natrium PPA, as compared to other
651 alternatives. This can take different forms. For example, in Figure 1 above, Natrium
652 is expected to [REDACTED] in 2032. This is due
653 to [REDACTED], [REDACTED].⁴⁷
654 Over the span of the analysis, Natrium is projected to result [REDACTED]
655 [REDACTED].⁴⁸ This obviously [REDACTED]
656 [REDACTED]. In the Technical Conference,

⁴⁷ Company response to DPU DR 3.5 (attached as confidential DPU Exhibit 1.5)

⁴⁸ Workpaper 2, tab "Delta", rows 90 and 91, columns K through X.

657 the Company stated that [REDACTED]
658 [REDACTED].

659 The Division is unsure if the entire cost of [REDACTED] is captured by
660 the Company's analysis, especially as it relates to comparing Natrium to other
661 portfolios. This is another reason to perform the analysis requested by the Division
662 above.

663 **CONCLUSION**

664 The Division recommends that the Commission approve the application for a waiver
665 under section 54-17-501, and approve the proposed PPA under section 54-17-302, with
666 condition: that the Company perform a basic IRP analysis comparing Natrium to an
667 optimized alternative portfolio, using projected costs from Workpaper 1. This analysis
668 should cover some basic price/policy scenarios and assume a Natrium [REDACTED]
669 [REDACTED]. This should satisfy the requirements of Utah Admin Code R746-430-4(1)(f)(ii) and
670 Utah Code section 54-17-302(3)(c)(iv).