



## **FOR IMMEDIATE RELEASE**

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### **Third Utah City Withdraws from the UAMPS Small Modular Reactor Project**

The City Council of Kaysville, Utah, one of the largest subscribers to the Utah Association of Municipal Power Systems (UAMPS) Small Modular Reactor project, voted unanimously to withdraw from the project in a vote on August 25th. Kaysville joins Lehi and Logan, who withdrew earlier in the month, as the second major city to do so. Utah cities have until October 31st to withdraw from the project. Otherwise, the next phase of the project begins and cities that do not actively withdraw are automatically committed to further financial obligations.

The Utah Taxpayers Association commends the city council members of these three cities for making the right choice for their ratepayers and taxpayers. Many of our concerns were reflected in the discussions at both meetings.

- Municipal power companies should not be taking the financial risk that is built into this project by essentially acting as venture capital investors bearing the risk of cost overruns and delays. The potential risks far outweigh the benefits. If Small Modular Reactor power produced carbon free power at a competitive cost in the future, private industry would bear the risk to develop it. Municipal power companies could instead look to purchase power from such a project upon its completion without acting as a seed investor.
- The best case scenario for participating cities is that they someday (after 2029) get market rate power. The worst case scenario is a commitment at the next three phases of \$19.9 million, \$658.4 and then \$4.7 billion that could leave ratepayers and possibly even taxpayers of these municipalities holding the bag.
- Subscription levels to the project have been a key indicator of the projects' appeal and potential success or failure. The stagnant level of subscriptions at only 30% - where it has remained for quite some time - is a clear indication of why the project's risks are too high and why cities should withdraw. With the exit of Logan and Lehi that subscription level is now even much lower.

The remaining cities have until a recently extended October 31<sup>st</sup> deadline to withdraw. The Utah Taxpayers Association strongly urges city councils to end their financial obligations to this project and for the citizens in these cities to advocate for withdrawal.

The Utah Taxpayers Association continues to seek clarifications from UAMPS leadership about this project, but the delayed responses we have received have not changed the Association's opposition to cities' participation in this project.



NOTE: The Utah Taxpayers Association has no position on nuclear power. The Association's concerns revolve around the history of financial failures of similar power projects and the financial risk to ratepayers and taxpayers.

*The following are the Utah UAMPS members currently subscribed to the SMR project: Beaver City, Blanding, Bountiful, Brigham City, Enterprise, Ephraim City, Fairview City, Fillmore City, Heber City Light & Power, Holden Town, Hurricane City, Hyrum City, Kanosh Town, Kaysville City, Monroe City, Morgan City, Mt. Pleasant City, Murray City, Oak City, Paragonah Town, Parowan, Payson City, Santa Clara City, South Utah Valley Electric Service District, Spring City, Washington City, and Weber Basin Conservancy District*