

CFPP Update

July 28, 2020
Joint Meeting of the
Board of Public Utilities and
County Council



LOS ALAMOS

Project History

- August 17, - 2015 BPU Approval of Study Phase Sitting Agreement
- April 10, 2018 - BPU and CC Approval of Power Sales Contract with 8 MW subscription
- Dec. 17, 2019 - Approval of JUMP Resolution for an additional 3.186 MW for total of 11.186 MW

Public Information and Involvement

- Dec. 1, 2016 - 1st CFPP Town Hall
- Jan. 12, 2017 - CFPP Town Hall
- July 12, 2017 - IRP Town Hall
- Jan. 25, 2018 - CFPP Town Hall
- August 2020 – CFPP Town Hall

Project De-risking

- CFPP Development Framework has matured to minimize risk
 - DOE Cost Share - Multi Year Award \$1.4 Billion (Approx. 23% of total cost)
 - Development Cost Reimbursement Agreement (DCRA)
 - Engineering Procurement Construction Development Agreement (EPC-DA)
- COLA Preparation – Licensing Period Phase I
 - DOE/NuScale Cost Share COLA Preparation \$110 M (85%)
 - UAMPS Participants Cost Share for COLA Prep \$20 M (15%)
 - Los Alamos Cost Share for COLA Prep \$1,046,849
- JUMP Shares discounted for early entry
 - 8 MW @ \$55/MWh
 - 3.186 MW @ \$39/MWh

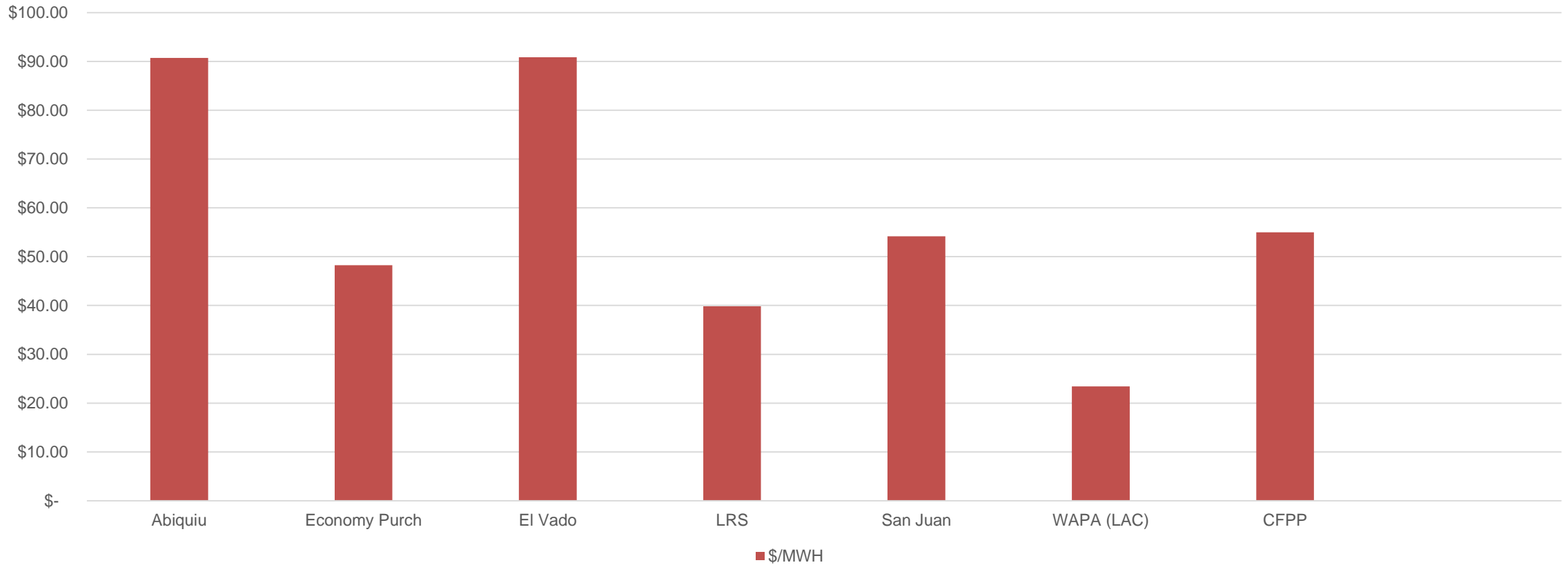
LAC Cost Commitments

CFPP Amended Budget & Plan of Finance July 14, 2020

| | 100% Cost | Net of Cost Share | Approx. LAC Share 11.186 MW |
|--|-----------------|-------------------|--------------------------------|
| Study Phase Sitting Agreement (Actual from Scott Fox spread sheet thru FY2019) | \$145,540 | | \$128,643 |
| Licensing Period 1st Phase (Max.) (Estimate based on 5.2516% share of \$1.5 M, subscription of 11.186 MW out of 213 MW) | \$6,000,000 | \$1,500,000 | \$78,774 |
| Licensing Period 1st Phase Amended BPF (Estimate based on 5.2516% share of \$1.0 M, subscription of 11.186 MW out of 213 MW) | \$3,000,000 | \$976,000 | \$51,256 |
| (1) LAC/DOE LANL cost-to-date | | | \$258,673 |
| (2) Licensing Period 1st Phase, COLA Prep, July 14 , 2020 BPF | \$129,931,556 | \$19,933,912 | \$1,046,849 |
| (3) Combined Licensing Period Phases 1 & 2nd (Est.) COLA Prep & NRC Submittal | \$1,375,150,348 | \$658,412,474 | \$10,229,169.35 |
| (4) Total Acquisition & Construction Cost | \$6,124,293,710 | \$4,759,535,481 | \$73,944,672.07 |
| Notes: | | | |
| (1) DOE LANL share approx. \$100,000 of \$258,673 as Power Pool Expense | | | |
| (2) LAC Share is based on 11.186 MW out of the current 213 MW subscribed | | | |
| (3) & (4) LAC Share of 11.186 MW of fully subscribed project of 720 MW | | | |

Comparing Cost of Resources

19 Yrs 00-18 Actual Resource Cost Vs. CFPP Targeted Price



Considerations for Continued Participation

- Low cost to continue for now
- Mitigate risk of future generation uncertainty by keeping CFPP as an option in a diverse portfolio
- Resource Adequacy in the West - 7 GW shortage 2024
- DOE has agreed to pay approximately 85% of UAMPS' Cost to develop the Class II Estimate
- CFPP Economic Competitive Test (ECT) \$55/MWh

Considerations for Continued Participation Cont.

- DPU continues to seek out and evaluate generation options
 - Renewables + storage not yet feasible
 - Currently no other carbon-neutral options
- 2017 Integrated Resource Plan - CFPP 2nd best Alternative @ \$65/MWh
- 2021 – 2023 IRP Updated prior to COLA Submittal to NRC

Project Schedule

- July 14, 2020 Budget & Plan of Finance (Off-Ramp)
- Licensing Period Phase I – Completion 2023 (Off-Ramp)
- Licensing Period Phase II – Completion 2025 (Final Off-Ramp)
- Construction Period 2026 – 2030, Commercial Operation Date – 2030

Generation Resource Plan to Meet Load

