

PROTEST FEE PAID

17-05007
\$ 15.00

December 20, 2017

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BEFORE THE STATE ENGINEER OF THE STATE OF UTAH

RE: Fifty-Year Request for Extension of		
Time to Show Proof of Beneficial Use		
Application No. A37287a. Water Right		PROTEST AND HEARING
Number 91-5233 held by San Juan		REQUEST
County Water Conservancy District		

1. INTRODUCTION

Living Rivers and Uranium Watch hereby protest the San Juan County Water Conservancy District (SJCWCD, or District) Fifty Year Request for Extension of Time to Show Proof of Beneficial Use for Water Right 91-5233 (24,000 acre feet). Parties hereby also request a hearing.

The 50-year Proof Due Date for Water Right 91-5233 (formerly Water Right Number 09-462) was November 30, 2017. SJCWCD filed a timely Request for

Protest of SJ CWCD Fifty Year Request for Extension of Time to Show Proof of Beneficial Use for Water Right 91-5233

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Additional Time to Show Proof of Beneficial Use, received by the State Engineer on November 15, 2017.

The due date for protests on the KCWCD Fifty Year Request for Extension of Time to Show Proof of Beneficial Use for Water Rights 91-5233 is December 25, 2017. Since December 25 is a state holiday, the due date is December 26, 2017.

2. PROTESTING PARTIES

Living Rivers is a public interest organization that educates and advocates for the protection of the Colorado River Basin. Uranium Watch is a public interest organization that educates and advocates for the protection of public health and the environment from the nuclear industry facilities in Utah. The water right source of supply is the Green River and, if unused, the San Juan River. Parties have established a interest in the subject water rights in the protest proceedings changing the point of diversion, use, and place of use of Water Right Number 09-462. Sarah Fields of Uranium Watch is the primary contact for this Protest and Hearing Request.

3. LEGAL FRAMEWORK

3.1. The Utah statues applicable to a 50-year request for extension of time to show proof of beneficial use of a Utah water right are found at Utah Code Annotated Section 73-3-12 and Section 73-1-4. Section 73-3-12 states (in part):

73-3-12. Time limit on construction and application to beneficial use
-- Extensions -- Procedures and criteria.

(1) As used in this section:

(a) "Public water supplier" is as defined in Section 73-1-1.

(b) "Wholesale electrical cooperative" is as defined in Section 54-2-1.

(2)(a) Within the time set by the state engineer under Subsection 73-3-10(5), an applicant shall:

Protest of SJ CWCD Fifty Year Request for Extension of Time to Show Proof of Beneficial Use for Water Right 91-5233

- (i) construct works, if necessary;
- (ii) apply the water to beneficial use; and
- (iii) file proof with the state engineer in accordance with Section 73-3-16.

(h) The state engineer shall consider the holding of an approved application by a public water supplier or a wholesale electrical cooperative to meet the reasonable future water or electricity requirements of the public to be reasonable and due diligence in completing the appropriation for the purposes of this section for 50 years from the date on which the application is approved.

(i) If the state engineer finds unreasonable delay or lack of reasonable and due diligence in completing the appropriation, the state engineer may:

- (i) deny the extension of time; or**
- (ii) grant the request in part or upon conditions, including a reduction of the priority of all or part of the application.**

[Emphasis added.]

3.2. According to Section 73-3-12(2)(h), if the State Engineer finds unreasonable delay, or lack of reasonable and due diligence in completing the appropriation, the State Engineer may 1) deny the extension of time or 2) grant, in part or upon conditions.

4. SJCWCD APPLICATION

4.1. The SJCWCD Fifty Year Request for Extension of Time to Show Proof of Beneficial Use for Water Right 91-5233 (Application), designated Attachment A, includes The San Juan County Water Conservancy District 40-Year Water Use Plan (Plan), designated Attachment B, required by Utah Code 73-3-12. The Application reviews the time frame for Change application a35874 (Water Right Number 09-462)¹ filed August 27, 2009. Significant Water Right 91-5233 dates:

¹ <https://www.waterrights.utah.gov/cblapps/wrprint.exe?wrnum=09-462>

- a. October 14, 1965 — Parent Application filed for appropriation of water (A37287), Water Right 09-414, from the San Juan River.
- b. November 3, 1967 — Segregation Application (A 37287a) filed to segregate 24,000 acre feet from Water Right 09-414, Water Right 09-942.
- c. November 21, 1967 — Approval of Segregation Application (A 37287a) to segregate 24,000 acre feet (now Water Right 09-942). Proof due, February 28, 1970.
- d. State Engineer Orders Granting of Extensions of Time to Show Proof of Beneficial Use for Water Right 09-942: September 25, 1970 (5-year extension); August 25, 1975 (10-month extension); January 28, 1981 (6-year extension to end of 14-year period); April 14, 1982 (4-year extension); July 21, 1986 (4-year extension); July 11, 1990 (5-year extension); October 20, 1995 (5-year extension); July 19, 2000 (5-year extension); September 27, 2006 (5-year extension); and January 27, 2012 (5-year extension to end of 50-year period)
- e. April 21, 2000 — New Priority date, due to lapsed Water Right 09-942.
- f. November 30, 2007 — Water Rights Lease Agreement between San Juan County Water Conservancy District (Lessor) and Transition Power Development Inc., the predecessor of interest for Blue Castle Holdings Inc., for 24,000 acre feet, Water Right 09-942.
- g. August 27, 2009 — Application for Permanent Change (a35874) filed to change the use, nature of use, place of use, and point of diversion for Water Right 09-942 to the Green River for a nuclear reactor near Green River, Emery County, Utah.
- h. October 2009 — Protests of Change Application (a35874).
- i. January 12, 2010 — Change Application (a35874) Hearing.
- j. January 20, 2012 — State Engineer Order approving Permanent Change Application Water Right Number 09-462 (a35874).
- k. February 28, 2012 — State Engineer Order denying Request for Reconsideration filed by Living Rivers et al. on February 9, 2012.

- l. April 21, 2014 — Judge George M. Harmond, Utah Seventh District Court issues Order upholding State Engineer's approval of Change Application a35874.
- m. July 21, 2016 — Utah Court of Appeals issues Order upholding Seventh District Court ruling.
- n. August 25, 2016 — Utah Court of Appeals issues Notice of Remittitur, ending the appeals process.

4.2. The Application discusses "Work Completed Since Last Extension,"

which was granted January 27, 2012—shortly after the State Engineer approved the Change Application appropriating water for the proposed Blue Castle Holdings Inc. (BCH) Blue Castle Project (BCP) nuclear reactor at Green River. The Application provides information on BCH in support of the request for extension of time to put the 24,000 acre feet to beneficial use. According to the Application:

- a. The total direct dollar BCP investment to date is over \$20 million.
- b. Regarding Nuclear Regulatory Commission (NRC) site licensing, the Early Site Permit Data Collection and Application is about 50% complete.
- c. BCH has a revised MOU with Westinghouse Electric Company LLC to pursue nuclear development activities.
- d. BCH has participated in various interactions with utilities in the Western US region and has developed a Joint Venture Structure.
- e. BCH provided PacificCorp specific cost analysis information developed for PacificCorp's 2017 Integrated Resource Plan (IRP), dated April 4, 2017.
- f. BCH also developed projections of energy needs in the BCP region (within 350 miles).
- g. More time is needed to license and construct the power plant—the standard time frame in the nuclear industry is 10 to 15 years.

- h. Water will be placed to beneficial use as development occurs within the District.
- i. Under the lease agreement between BCH and the District, the District is allowed to use water in the interim. The District will file change applications as needed to meet future water development demands.

5. STATE ENGINEER AND DISTRICT COURT ORDERS

5.1. According to the State Engineer's January 20, 2012, Order:²

- a. BCH would acquire the estimated \$100 million for the permitting and licensing phase of the project.
- b. BCH has the ability to secure the funding necessary to capitalize the project and has the financial ability to complete the works.

5.2. According to Judge George M. Harmond, State of Utah in the Seventh District Court of Emery County, upholding the State Engineer's 2012 Order:³

- a. Blue Castle has secured sufficient property in Emery County on which to locate the BCP, "through a combination of purchase and options to purchase the such property."⁴
- b. The Project has completed approximately 50% of the NRC Early Site Permit Application, at a total cost of \$17.5 million to date.⁵

² Order of the State Engineer for Permanent Change Application Number 09-462 (a35874), signed by Kent L. Jones, State Engineer, Division of Water Rights, January 20, 2012.

³ State of Utah In the Seventh District Court of Emery County, Findings of Fact and Conclusions of Law and Judgement Approving Change Applications a35402 and a35874, signed by Judge George M. Harmond, April 21, 2014.

⁴ Id. Section 46, page 17.

⁵ Id. Section 48. page 17.

- c. The cost of obtaining approval for an ESP is estimated to be approximately \$50 million.⁶
- d. BCH has raised (and spent) \$17.5 million so far to obtain the ESP.⁷
- e. BCH has been working on the BCP for over 6 years and is on target.⁸
- f. BCH has not borrowed any money at this point and has met all of its financial obligations.⁹

6. KCWCD REQUEST FOR EXTENSION OF TIME TO SHOW PROOF OF BENEFICIAL USE.

6.1. On September 3, 2015, the Kane County Water Conservancy District (KCWCD) filed a Request for Extension of Time to Show Proof of Beneficial Use for Water Rights 89-74, 89-1285, and 89-1513 (A35818). These water rights, totaling 29,600 acre feet, were the subject of a Change Application (a35402) for the appropriation of water for the BCP. The State Engineer also issued a January 2012 Order approving the Change Application (a35402) filed by the KCWCD. The April 2014 Seventh District Court Order for Water Right 09-942 Change Application (a35874) also applied to the KCWCD Change Application (a35402).

6.2. The KCWCD 2015 Request also included information on the status of the BCP:

- a. Total direct dollar project investment to date: >\$19 Million.

⁶ Id. Section 74, page 23.

⁷ Id. Section 74, page 23.

⁸ Id. Section 74, page 23.

⁹ Id. Section 74, page 23.

- b. Blue Castle Project Status — 2008 to the Present. The BCP details includes a list the percent of completion for Meteorology, Geology, Hydrology, Senior Seismic Hazard Analysis Committee (SSHAC), Seismic, Geography, Alternate Site Analysis, and Emergency Plan.
- c. NRC Involvement in the BCP application process: NRC data collection progress letter, NRC participation in SSHAC Level 3 process, and multiple NRC visits to BCP.

7. PROTESTANTS' FINDINGS OF FACT

7.1. The SJCWCD has not provided new, detailed information on the status of the Blue Castle Project. With respect the ESP Application, the SJCWCD Extension Request Application only states that the Early Site Permit Data Collection and Application is about 50% complete. There is no detailed information on the activities since 2012, nor an update on the information provided by BCH to the KCWCD in 2015. One does not know how the percent of completion for Meteorology, Geology, Hydrology, Senior Seismic Hazard Analysis Committee (SSHAC), Seismic, Geography, Alternate Site Analysis, and Emergency Plan has changed over the past 2 years. The ESP activities described in 2015 are percentages of some of the Early Site Permit (ESP) Application requirements. The percentages do not shed light on the work done, when it was done, and the work yet to be done. Nor, do they describe all the required ESP application work and numerous other aspects of the application; for example, the important applicant Environmental Report which analyzes the environmental impacts of the project—over the life of the project.

Therefore, there is no evidence of “due diligence” over the past 2 years, or since 2012, to develop and ESP application.

7.2. The SJCWCD Extension Request does not contain any new information regarding NRC involvement in the ESP Application Process. The 2015 KCWCD Extension Request stated that there has been NRC participation in SSHAC Level 3 process, and “multiple” NRC visits to BCP. The Extension Request does not include an update with respect NRC involvement. NRC public records for the BCP Docket (PROJ0768)¹⁰ indicate that the NRC meeting regarding SSHAC Level 3 and other matters was held in October 2011. The NRC conducted site visits in August and October 2011. One can hardly say that 2 visits amounts to “multiple” visits. There have been no subsequent NRC visits to the BCP site. The last time BCH wrote to the NRC was March 8, 2011. That letter informed the NRC that BCH expected to submit and ESP application by the fall of 2012. There have not been any NRC meetings with BCH or their contractors since 2011. *See* list of NRC Documents on the BCP Docket No. PROJ0768, Exhibit A.

7.3. To the best of Protestants’ knowledge there has been no activity related to the state and local involvement in the emergency planning since the spring of 2012, when some emergency planning meetings were held in Green River. According to the Utah Division of Emergency Management, emergency planning for the reactor project is on hold.

7.4. The SJCWCD Extension Request states that BCH has raised over \$20 million. Two years ago BCH had raised about \$19 million. In 2012, BCH had raised about \$17.5 million. The costs of developing and ESP Application is from \$50

¹⁰ <https://adams.nrc.gov/wba/>

million to \$100 million. In testimony by BCH at the hearing before Seventh District Court Judge George M. Harmond in September 2013, BCH had raised \$17 million from the reactor project. Much of the funding came from a Colorado oil and gas pipeline company, Willow Creek LLC. BCH announced the acquisition of Willow Creek LLC in December 2010. However, BCH no longer owns Willow Creek LLC, and the company has reverted to its previous owner, Russ Fowles. Therefore, that source of funding is no longer available.

There is no evidence that BCH will be able to raise an additional \$50 to \$80 million within the next 40 years, let alone the billions of dollars necessary for a combined license to construct and operate a reactor, and actually construct and commence operation of such a project.

7.5. The SJCWCD Extension Request states that BCH has participated in various interactions with utilities in the Western US region and has developed a Joint Venture Structure. However, there is no indication that, after 10 years of efforts, that any utility in Utah or neighboring states has any intention of participating in the BCP as a joint venture partner or in any other capacity.

7.6. The SJCWCD Extension Request states that BCH provided PacificCorp specific cost analysis information developed for PacificCorp's 2017 Integrated Resource Plan (IRP), dated April 4, 2017.¹¹ BCH has not submitted that cost analysis information to the SJCWCD, so that it can be submitted to the State Engineer.

¹¹ <https://www.pacificcorp.com/es/irp.html>

Responsive to the information provided to PacifiCorp, the 2017 IRP states under ‘Nuclear’ (page 129):¹²

PacifiCorp revisited two of the nuclear options presented in the 2015 IRP: 1) the AP 1000 plant being developed by Blue Castle Holdings in Green River, Utah rated at 2,234 MW and 2) the 570 MW NuScale Small Modular Reactor (SMR) being developed for construction at the Idaho National Lab site. PacifiCorp participated in in-depth discussions with Blue Castle Holdings (BCH) and NuScale regarding the expected levelized cost of energy (LCOE) of each plant. The data used from BCH and NuScale in this IRP is publicly available.

BCH provided a detailed cost analysis of the Vogtle plant construction and eliminated unexpected costs which would not apply to the Green River site such as geotechnical problems encountered at the Vogtle site. The Vogtle plant was a first of a kind (FOAK) plant but the Green River plant will be an Nth of a kind (NOAK) plant based on the Vogtle plant AP 1000 design. PacifiCorp added a 3.7% delay cost to BCH’s capital cost estimate for potential unforeseen problems not encountered on the Vogtle project. Details of the BCH project can be found at www.bluecastleproject.com/.

PacifiCorp’s capital cost estimates include a 10.36% owner’s cost for the BCH and NuScale projects. **Despite the cost improvements due to the learning curve associated with the AP-1000’ previous installations or the NuScale SMR’s simplified design attributes, nuclear generation is still expected to have a high LCOE relative to other generation options.** [Emphasis added.]

PacifiCorp, the parent company of Rocky Mountain Power, the primary provider of electricity in Utah, maintains its position with respect the BCP: it has no interest in the project. Unlike the states of Georgia and South Carolina, where a total of 4 Westinghouse AP1000 reactors were under construction, Utah and the neighboring states do not allow utilities to charge rate payers upfront for the cost of

¹² https://www.pacificorp.com/content/dam/pacificorp/doc/Energy_Sources/Integrated_Resource_Plan/2017_IRP/2017_IRP_VolumeI_IRP_Final.pdf

reactor licensing, construction, and operation. At this time, due to construction delays and cost overruns, the 2 AP 1000 reactor projects in South Carolina have been canceled, and the 2 in Georgia may be canceled,¹³ after the expenditure of billions of dollars. Westinghouse filed for bankruptcy; its parent company, Toshiba, is undergoing financial problems; and there are still many unresolved legal, financial responsibility, and ratepayer issues related to the 4 AP1000 projects.

It is doubtful that any utility or any ratepayer would want to, or be able to, go through what the utilities and ratepayers in Georgia and South Carolina have been going through due the construction delays and high costs of AP 1000 construction and financing.

7.7. The SJCWCD Extension Request states that under the lease agreement between BCH and the District, the District is allowed to use water in the interim, and the District will file change applications as needed to meet future water development demands.

The lease agreement has been in effect for 10 years, yet the SJCWCD has not taken any steps to lease the subject water right to another party or parties, or put them to other beneficial use.

Further, the District does not explain what would happen if the Water Right were leased to one or more parties, which had become dependent on the water, if the water was then needed for the BCP and no longer available. Some water users would not want to be put in a position of losing their water should the water be called in by

¹³ <http://savannahnow.com/news/2017-12-15/plant-vogle-decision-nears-calls-cancel-grow>

BCH.

7.8. The April 2014 Seventh District Court Order states: “BCH has not borrowed any money at this point and has met all of its financial obligations.”

This is no longer the case. To the best of Protestants’ knowledge, BCH has not met its obligations under the lease agreements with the SJCWCD¹⁴ and the KCWCD.¹⁵ As of December 24, 2017, BCH owes \$189,000.00 to the SJCWCD and \$237,000.00 to the KCWCD, for a total of \$426,600.00, for the 1st and 2nd Pre-Operation Payments, 5% Late Payment Fee, and 18% Interest. *See Exhibit B.*

7.9. Therefore, Blue Castle Holdings has not complied with the provisions of the Lease Agreement with the SJCWCD. Apparently, BCH wants to re-negotiate the Lease Agreement. It is not known if or when such an amended Lease Agreement will be negotiated and approved, what the new Lease Agreement provisions will be, or how and when BCH’s obligations under the current Lease Agreement will be fulfilled.

In sum, BCH is in default of the Lease Agreements between the SJCWCD and KCWCD.

7.10. The April 2014 Order issued by Seventh District Court Judge George M. Harmond states that Blue Castle has secured sufficient property in Emery County on which to locate the BCP, “through a combination of purchase and options to purchase

¹⁴ http://www.uraniumwatch.org/sjcwcdprotests/lr_uw_protest.091014.pdf

¹⁵ http://www.uraniumwatch.org/kcwcdprotests/protest_livingrivers.090526.pdf

the such property.”¹⁶

BCH does not have an option to purchase the main property at the proposed reactor site, which is owned by the Utah State Institutional Trust Lands Administration (SITLA), and leased to Emery County. To the best of Protestants’ knowledge, BCP has not made any efforts to secure the SITLA lands for the proposed reactor site.

8. EXTENSION REQUEST REQUIREMENTS

8.1. Subsection 73-3-12. (4)(b)(i)(A) requires that works be constructed with which to make beneficial use of the water. The SJCWCD has not provided any information regarding the District water works that have been constructed to make beneficial use of the subject water rights over the next 40 years. There is no data or engineering analysis of the water works and their ability to provide water to the anticipated users and uses by transporting the water from various unknown sources to various prospective users at unknown locations. The District has not provided any information regarding the construction of water works for the BCP.

8.2. Subsection 73-3-12. (4)(b)(i)(A) requires that the applicant is a public water supplier or a wholesale electrical cooperative. Protestants agree that SJCWCD is a public water supplier.

8.3. The SJCWCD has not provided the necessary evidence to demonstrate that

¹⁶ State of Utah In the Seventh District Court of Emery County, Findings of Fact and Conclusions of Law and Judgement Approving Change Applications a35402 and a35874, signed by Judge George M. Harmond, April 21, 2014. Section 46, page 17.

BCH has exercised reasonable and due diligence in completing the appropriation. There is no substantive information regarding the steps taken over the past 5 years to further the ESP Application that will be submitted to the NRC. The District failed to mention that the Lease Agreement for the subject water rights has been in default since September 2016. The District failed to discuss the steps that will be taken in light of the Lease default. Will BCH delay payments on the amount owed, which will keep accumulating, unless the Lease Agreement is amended. Will BCH be "forgiven" the money currently owed? How, exactly, will this Lease default situation, which has developed for over a year, be resolved by BCH and SJCWCD?

8.4. The holder of the Water Right 91-533 has shown a lack of reasonable and due diligence in completing the appropriation:

- a. BCH has not contacted the NRC since March 2011 regarding the timing of the submittal of their ESP Application.
- b. BCH has not held any pre-application meetings with the NRC since 2011.
- c. BCH has not taken any steps to complete Emergency Plan since 2012.
- d. BCH has not contracted with PacifiCorp to conduct a feasibility study related to the transmission of electricity to the proposed reactor site for construction and operation of the power plant and the transmission of electricity from the site to the anticipated electrical customers in Utah or neighboring states.
- e. BCH failed to inform both the SJCWCD and KCWCD that they would default on the 1st Pre-Operation Payment in 2016.
- f. Most significantly, BCH has been default for over a year, with respect the Lease Agreements with the SJCWCD and KCWCD for the water necessary to develop the proposed reactor.

- g. BCH has not come forward with a plan—available to the public—regarding how they will correct the defaults and fulfill the Lease Agreements' Pre-Operation Payment requirements in the future.
- h. BCH has not taken any steps to obtain purchase agreement or option to buy the SITLA land west of Green River that is the proposed location of the BCP.
- i. BCH has not made any definitive agreement with any utility for the purchase of power from the reactor project or participation in the project in any manner.
- j. After 10 years, BCH has raised about 20% of the funds required to file an ESP Application with the NRC. In the past 2 years, BCH has raised approximately \$1 million, based on information BCH has provided. At this rate of approximately \$500,000 per year, it will take 100 years to raise an additional \$50 million. Currently, BCH owes almost \$500,000 to the SJCWCD and KCWCD (combined). If that is not paid and new Lease Agreements are not negotiated, BCH will owe an additional \$204,300 next September (3rd Pre-Operation Payment and interest on previous debt).
- k. BCH has not provided any information regarding how it will raise the additional money, nor a precise estimate of the total costs, for the ESP Application and the Pre-Application Payments and current Lease Payment debt. BCH is not a publicly traded company in the US or Canada, so it is not required to file financial information that is available to the State Engineer, the Water Conservancy Districts, and the public. Nor, has BCH provided this important information on its own.
- l. BCH has not raised, nor have any realistic information regarding how they will secure, at least \$10 billion that is needed to complete the construction and operation license and actually build the reactors.
- m. BCH has signed MOUs, held webinars, conducted studies, developed plans, and taken other measures—none of which have had any substantive impact on their ability to fund, license, and complete the BCP.

9. CONCLUSION

In conclusion, the SJCWCD has not met the statutory requirements for an extension of time beyond 50 years to show proof of beneficial use. The District has not shown:

9.1. That there are works constructed with which to make beneficial use of Water Right from the Green River. Subsection 73-3-12(4)(a).

9.2. That the District and BCH have demonstrated reasonable and due diligence in completing the appropriation. Subsection 73-3-12(2)(h).

10. REQUEST FOR RELIEF

10.1. For the reasons set forth above, Protestants request that the State Engineer Deny the SJCWCD's Fifty Year Request for Extension of Time to Show Proof of Beneficial Use for Water Right 91-5233.

10.2. If the State Engineer decides to approve the fifty-year extension request, it must be for a very limited period of time, not to exceed one (1) year. BCH and SJCWCD must demonstrate due diligence to put the water to beneficial use. BCH must also demonstrate that they have the financial and other resources available (not 30 to 100 years from now) to 1) put the water to beneficial use; 2) to pay the defaulted Pre-Operation Payments, Late Fees, and Interest; 3) to continue to pay Pre-Operation Lease Payments; 4) to apply for the required permits and license; and 5) to move forward in the physical development of the project, or otherwise put the water to beneficial use. Additionally, the SJCWCD must present a solid plan to lease Water

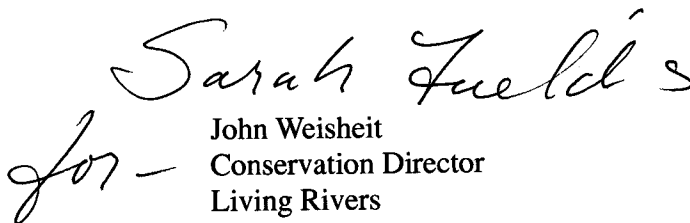
Right 91-5233 to other parties, given that the water will not be used at the Green River for the BCP in the foreseeable future, if ever.

These are reasonable requests, since the State Engineer can add conditions to the approval of the Extension Request.

Respectfully submitted,



Sarah Fields
Program Director
Uranium Watch



for - John Weisheit
Conservation Director
Living Rivers

Exhibits: As stated














Document Title	Accession Number	Date Added	Document Date	Size
 Transition Power Development, LLC - Submittal of ESP and/or COL Application, Blue Castle Generation Project.	ML080370387	03/18/2008 03:46 PM EDT	01/30/2008	37.78 Kb
 Transmittal of Replacement Letter Dated 01/27/2010 from Blue Castle Holdings, Inc., with Signed Copy.	ML100330389	02/12/2010 09:10 AM EST	01/27/2010	20.19 Kb
 Blue Castle Holdings, Inc. and Transition Power Development, LLC, Submittal of ESP and/or COL Application, Blue Castle Generation Project. (Replacement Letter)	ML100330390	02/12/2010 08:59 AM EST	01/27/2010	96.98 Kb
 Blue Castle Holdings, Inc. - Submittal of ESP and COL Application Blue Castle Generating Project.	ML110691038	03/18/2011 08:22 AM EDT	03/08/2011	110.12 Kb
 NRC Visit to The Blue Castle Project Site to Observe Early Site Permit Pre-Application Subsurface Investigation Activities.	ML11245A074	09/07/2011 01:25 PM EDT	09/02/2011	107.87 Kb
 10/27/11 Forthcoming Meeting To Discuss Blue Castle Holdings (BCH) Pre-Application Activities and Seismic Issues Involved With The Pending Blue Castle Project ESP Application.	ML112860680	10/14/2011 12:20 PM EDT	10/14/2011	95.02 Kb
 Sign In Sheet.	ML113540430	01/30/2012 08:39 AM EST	10/27/2011	436.24 Kb
 Presentation Slides BCH NRC HQ Visit 10-27-2011, 3 SSHAC.	ML113530762	01/30/2012 08:39 AM EST	10/27/2011	2.6 Mb
 Presentation Slides BCH NRC HQ Visit 10-27-2011, 1 Intro.	ML113530666	01/30/2012 08:39 AM EST	10/27/2011	2.2 Mb
 Presentation Slides BCH NRC HQ Visit 10-27-2011, 2 Site Characteristics.	ML113530693	01/30/2012 08:39 AM EST	10/27/2011	585.39 Kb
 Trip Report- October 2-6, 2011, Pre-Application Readiness Assessment (C-1) Visit for an Early Site Permit at the Blue Castle Project Site.	ML113410311	12/23/2011 09:17 AM EST	12/15/2011	109.06 Kb
 10/27/2011 Summary of Public Meeting with Blue Castle Holdings to Discuss Pre-Application Activities And Seismic Issues Involved with the Pending Blue Castle Project ESP.	ML113530617	01/30/2012 08:40 AM EST	01/20/2012	74.29 Kb
 Department of the Interior - Application for Utility Corridor and Road.	ML12256A828	09/20/2012 08:51 AM EDT	09/04/2012	78.76 Kb

Exhibit A

BLUE CASTLE HOLDINGS WATER RIGHTS LEASE AGREEMENT PAYMENTS

PAYMENT	PAYMENT DUE	DATE DUE	KANE COUNTY WCD	DATE PAID	SAN JUAN COUNTY WCD	DATE PAID
1st Pre-Operation Payment	Within 30 days of final judicial decision	September 24, 2016*	\$100,000.00	Unpaid	\$80,000.00	Unpaid
1st Payment Late Penalty - 5%			\$5,000.00		\$4,000.00	
1st Payment Late Payment Interest - 18% per annum	As of December 24, 2017		\$22,500.00		\$18,000.00	
2nd Pre-Operation Payment**	Annual payments on anniversary of 1st payment	September 24, 2017	\$100,000.00	Unpaid	\$80,000.00	Unpaid
2nd Payment Late Penalty - 5%			\$5,000.00		\$4,000.00	
2nd Payment Late Payment Interest - 18% per annum	As of December 24, 2017		\$4,500.00		\$3,600.00	
TOTAL OWED			\$237,000.00		\$189,600.00	
COMBINED TOTAL OWED	\$426,600.00					

Exhibit B

BLUE CASTLE HOLDINGS WATER RIGHTS LEASE AGREEMENT PAYMENTS

* Appeals Court Decision Issued July 21, 2016. Notice of Remittitur Issued: August 25, 2016. Appellate Case No. 20140429-CA. Trial Court Case No. 120700009. Seventh District

** Pre-operation payments after the First Payment shall be adjusted by the percentage increase or decrease, if any, in the Consumer Price Index since the First Pre-Operation Payment, calculated pursuant to the Lease Agreements. Therefore there may be some adjustment in the Additional Pre-Operation Payments.

Uranium Watch

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Moab, Utah 84532
435-260-8384

December 20, 2017

Kent L. Jones
State Engineer
Division of Water Rights
PO Box 146300
Salt Lake City, Utah 84114-6300

Re: San Juan County Water Conservancy District Fifty-Year Request for Extension of Time to Show Proof of Beneficial Use, Water Right Number 91-5233, Application No. A37287a.

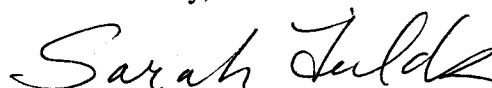
Dear Mr. Jones:

Attached please find Protest and Request for Hearing on the San Juan County Water Conservancy District Fifty-Year Request for Extension of Time to Show Proof of Beneficial Use, Water Right Number 91-5233, Application No. A37287a. Also enclosed is a Postal Money Order for \$15.00 for the Protest Fee.

The Protest and Hearing Request is filed by Uranium Watch and Living River and includes two Exhibits, A and B. Uranium Watch will be the primary contact for the Protest and Hearing. The Protest is due December 26, 2017, since December 25 is a holiday.

Thank you for your consideration of this protest.

Sincerely,



Sarah Fields
Program Director
sarah@uraniumwatch.org

Attachments: As stated