**Will Wade, Bloomberg News, 8 Nov 2023**

<https://financialpost.com/pmn/business-pmn/first-us-small-nuke-project-canceled-after-costs-climb-53>

BLOOMBERG —**NuScale** Power Corp., **the first company with US approval for a small nuclear reactor design**, **is canceling plans to build**a power plant for a Utah provider as costs surge. The move is a major setback to the burgeoning technology that has been heralded as the next era for atomic energy.

**The company and Utah Associated Municipal Power Systems agreed to cancel the [self-styled]  Carbon Free Power Project**, according to a statement Wednesday. NuScale shares slumped as much as 42%, the biggest intraday decline since the Portland, Oregon-based firm went public through a 2022 merger with a blank-check company.

The decision to terminate the project underscores the hurdles the industry faces to place the first so-called small modular reactor into commercial service in the country. NuScale is part of a wave of companies developing smaller reactors that will be manufactured in factories and assembled on site, a strategy that’s expected to make them faster and cheaper than conventional nuclear plants.

Salt Lake City-based UAMPS [Utah Associated Municipal Power Systems] supplies wholesale electric services to about 50 municipal utilities in the US West. The companies had said that UAMPS members or other utilities needed to commit to buying 80% of the project’s power for it to be feasible. **NuScale has agreed to pay UAMPS a termination fee of $49.8 million.**

“The customer made it clear we needed to reach 80%, and that was just not achievable,” NuScale Chief Executive Officer John Hopkins said on a conference call Wednesday. “Once you’re on a dead horse, you dismount quickly. That’s where we are here.”

Critics have warned that costs for the **NuScale** project were climbing. The company **said in 2021 it would deliver power for $58 a megawatt-hour, but that figure has jumped 53% to $89**, according to a report from the Institute for Energy Economics and Financial Analysis.

Read More: Nuclear Plant $16 Billion Over Budget Arrives for Atomic Revival

Nuclear energy has seen a recent resurgence as intensifying climate change boosts the appeal of the carbon-free power source. But the major**costs involved in building new plants have been a stumbling block for the industry**. **Southern Co.’s Vogtle project** is nearing completion and will be **the first newly constructed US reactors in decades** — but it **came in billions over budget**. **One of the promises of smaller reactors is that they were supposed to be easier to build, which would limit cost overruns.**

**The Carbon Free Power Project would have used six of NuScale’s 77-megawatt reactors, installed at Idaho National Laboratory. It had been expected to begin delivering power in 2029.**

**The project, which was granted a $1.4 billion cost-sharing award with the Department of Energy in 2020, has received $232 million of that funding, according to the department.**

“We absolutely need advanced nuclear energy technology to meet ambitious clean energy goals,” the DOE said in a statement. “First-of-a-kind deployments, such as CFPP, can be difficult.”

—With assistance from Ari Natter.ed Nov 08, 2023

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**NuScale ends Utah project, in blow to US nuclear power ambitions**

**By Timothy Gardner and Manas Mishra, REUTERS, November 9, 2023**

<https://www.reuters.com/business/energy/nuscale-power-uamps-agree-terminate-nuclear-project-2023-11-08/>

Nov 8 (Reuters) - (This Nov. 8 story has been corrected to show that the Energy Department provided $600 million to NuScale and others to commercialize small reactor technology, not $600 million provided to NuScale, in paragraph 2)

NuScale Power (SMR.N) said on Wednesday it has agreed with a power group in Utah to terminate the company's small modular reactor project, dealing a blow to U.S. ambitions for a wave of nuclear energy to fight climate change and sending NuScale's shares down 20%.

In 2020, the Department of Energy approved $1.35 billion over 10 years for the plant, known as the Carbon Free Power Project, subject to congressional appropriations. The department has provided NuScale and others about $600 million since 2014 to support commercialization of small reactor technologies.

NuScale had planned to develop the six-reactor 462 megawatt project with the Utah Associated Municipal Power Systems (UAMPS) and launch it in 2030, but several towns pulled out of the project as costs rose.

John Hopkins, NuScale's president and CEO, said in a release that the company will continue with its other domestic and international customers to bring American small modular reactor (SMR) technology to market and increase the U.S. nuclear manufacturing bases.

NuScale hopes to build SMRs in Romania, Kazakhstan, Poland and Ukraine. Critics have warned that Russia's takeover of the Zaporizhzhia nuclear plant in Ukraine -- along with repeated shelling near it, power cuts, and perils to the plant's water cooling resources -- means that reactors, which can release toxic, radioactive materials when disasters strike, should not be built in the region.

NuScale's Utah plant was expected to be the first SMR to win a license from the U.S. Nuclear Regulatory Commission for construction. But NuScale said it appeared unlikely the project will have enough subscription to continue toward deployment.

NuScale said in January the target price for power from the plant was $89 per megawatt hour, up 53% from the previous estimate of $58 per MWh, raising concerns about customers' willingness to pay.

An Energy Department spokesperson said it was unfortunate news, but added, "We believe the work accomplished to date on CFPP will be valuable for future nuclear energy projects.

"While not every project is guaranteed to succeed, DOE remains committed to doing everything we can to deploy these technologies to combat the climate crisis and increase access to clean energy," the spokesperson said.

Existing U.S. nuclear plants, which are larger, provide nearly half of the virtually carbon-free power generated in the U.S.

SMRs are meant to fit new applications such as replacing shut coal plants and being located in remote communities.

Backers have said the design was safer than today's reactors, but critics have said SMRs still produce hazardous nuclear waste.

So far, only NuScale's SMR design has been approved by the NRC.

The public U.S. money for NuScale was awarded through a non-competitive funding vehicle that came before the energy and climate bills passed during the Biden administration.

**Reporting by Manas Mishra in Bengaluru and Timothy Gardner in Washington; Editing by Shounak Dasgupta, Krishna Chandra Eluri and Leslie Adler**

**Our Standards: The Thomson Reuters Trust Principles.**

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**NuScale small nuclear reactor project in Idaho canceled**

**Customers "dodge a debacle" as Utah utility UAMPS pulls the plug on the US' first SMR**

**By Peter Judge,** **Data Center Dynamics** (data magazine,) November 9, 2023

<https://www.datacenterdynamics.com/en/news/nuscale-small-nuclear-reactor-project-in-idaho-cancelled/>

Plans to build the US' first small modular reactor (SMR) in Idaho have been canceled.

The power utility Utah Associated Municipal Power Systems (UAMPS), and the reactor company NuScale, have announced they will cancel the Carbon Free Power Project (CFPP), a small modular reactor (SMR) project that was to be built at the Idaho National Laboratory (INL).

The data center industry has recently been eyeing up SMRs as a cost-effective way to acquire low-carbon energy. NuScale has signed a deal with blockchain firm Standard Power to build 24 of the units, each providing 77MW. However, in recent weeks, NuScale has faced investigation by lawyers, after a short seller report claimed that the Standard Power deal was likely to fail.

“We're happy for the communities and ratepayers who have dodged a huge financial debacle as a result of the cancellation of NuScale and UAMPS' proposed SMR project," said David Schlissel, director of resource planning analysis at the Institute for Energy Economics and Financial Analysis (IEEFA) and author of a critical 2022 analysis of the project.

"As we have repeatedly shown, this project and the other SMRs that are being hyped by the nuclear industry and its allies are simply too late, too expensive, too uncertain, and too risky," said Schlissel. "There are less risky and more proven alternatives for addressing growing energy needs and the global warming crisis.”

Explaining the decision, a joint statement on the UAMPS site yesterday said: “Despite significant efforts by both parties to advance the CFPP, it appears unlikely that the project will have enough subscription to continue toward deployment. UAMPS and NuScale have mutually determined that ending the project is the most prudent decision for both parties.”

UAMPS, a non-profit utility owned by the State of Utah, which provides power to states in the inter-mountain region, originally planned the CFPP to include 12 NuScale SMR power modules delivering 720MW. The project was due to be funded by subscriptions from towns in the region, but it was scaled back to six modules (462MW) when these subscriptions lagged.

"All indications were that the project was on schedule for the first NuScale Power Module to begin generating power in 2029, with the remaining modules coming online for full plant operation by 2030" reports Aaron Larson on Power, "but the project came to an abrupt halt on Wednesday."

The decision was welcomed by Rusty Cannon, president of the Utah Taxpayers Association, in a statement: “As we have said for many years, taxpayer-funded entities should not be acting as venture capitalists on risky projects, no matter what the nature of the project is. This welcome news for taxpayers in Utah confirms what reasonable voices surrounding this project have known and spoken about for years- that it was doomed to fail.”

Warning bells had been sounded since at least November 2022, when Schlissel's IEEFA report said that the project's cost estimates had "ballooned" from $55 per megawatt-hour (MWh) to a "shocking" $90-$100 MWh, leaving the project’s future in serious doubt.

Schlissel pointed to "the long history of delayed and over-budget projects that have plagued the nuclear industry," warning that the project would require even bigger subsidies from federal taxpayers.

In 2020, the Department of Energy gave the CFPP a $1.4bn subsidy. Cannon commented: "It’s uncertain what will happen to federal subsidy now that the project has been terminated."

In recent CFPP project management meetings, CFPP project director Shawn Hughes had reported that CFPP had met or exceeded all planned milestones, and was on track to get the necessary license from the Nuclear Regulatory Commission.

UAMPS remained positive in October, saying: “The project’s progress not only represents major achievements for CFPP as a specific entity but also within the broader context of the development of small modular nuclear reactors.”

But potential subscribers were not convinced and refused to sign up for the higher power prices, leading to the decision to pull the plug. UAMPS CEO Mason Baker said (in the release): “This decision is very disappointing given the years of pioneering hard work put into the CFPP by UAMPS, CFPP LLC, NuScale, US Department of Energy, and the UAMPS member communities that took the leadership role to launch the CFPP."

NuScale CEO John Hopkins put a positive light on the decision: “Through our work with UAMPS and our partnership with the US Department of Energy [DOE], we have advanced our NuScale Power Modules to the point that utilities, governments, and industrials can rely on a proven small modular reactor (SMR) technology that has regulatory approval and is in active production."

Although CFPP had been canceled, he said that in 10 years of work, NuScale had reached a milestone of having an SMR ready for commercial deployment, and promised to build on this: “NuScale will continue with our other domestic and international customers to bring our American SMR technology to market and grow the US nuclear manufacturing base, creating jobs across the US. We thank UAMPS for the collaboration that has enabled this advancement.”

As well as the controversial Standard Power deal, NuScale has an agreement with Nucor Corporation, to explore using SMRs to power steel mills which create metal from recycled steel. NuScale is also researching using nuclear power to make hydrogen with Shell.

The company has also initiated a project aimed at building an SMR in Poland.

NuScale's shares had already fallen 80 percent, since a high of nearly $15 in August 2022, to around $3 yesterday. Since the announcement, they have dropped to around $2.

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