



BlueCastleProject

IMMEDIATE RELEASE

December 2, 2013

Court Approves Water Use at Blue Castle Nuclear Project

PRICE, UT –A court ruling approved water for use at the proposed Blue Castle Holdings (BCH) new nuclear power project in Green River. Blue Castle is now the first new nuclear site in the Western U.S. with an approved water source, the single most important asset for deployment of a new nuclear power project.

The decision was issued last week on November 27th by Utah State Seventh District Court Judge George M. Harmond Jr. The Memorandum Decision stated, “The court finds that Blue Castle presented evidence sufficient to establish that there is reason to believe that each of the statutory criteria have been met regarding the applications.” Click here for entire [Memorandum Decision](#).

Judge Harmond's ruling also emphasized, “The court finds reason to believe that the project will not impair any existing water rights, nor will it interfere with a more beneficial use of water.” In the dry Western U.S. water availability dictates just about everything when it comes to planning life, including electric power generation. “Without a source of water you don’t have a project,” explained Aaron Tilton, BCH CEO. “The original approval by the State Water Engineer has now stood the test of an appeal where the relevant evidence was weighed. The ruling is a major de-risking milestone for the Blue Castle Project. It provides future utility participants greater certainty that the major asset, water for the deployment of a new nuclear plant, has been secured economically.”

The addition of new nuclear electricity generation will fit the Utah regional markets very well by the projected commercial operation date in 2024. The Utah region will then continue to benefit from the stable generation cost of large base-load power, in a similar manner to the extensive use of cheap coal for decades, which is now declining.

Clean nuclear generation will contribute to fuel diversification and enable the establishment of a multi-source energy portfolio with lower risk and higher cost predictability. The resurgence of natural gas with current low prices has added a competitive fuel option to the generating mix in Utah. Yet, the future price of natural gas is uncertain and this could jeopardize the low and stable electricity price regime that Utahans have come to expect. Nuclear generation would actually support more predictable electricity prices, even if gas prices were to increase as they have done historically with markets that currently have nuclear power.

“Nuclear power’s base load benefits fill the approaching market void very well. As more new transmission projects are undertaken and current transmission capacity is freed up by the coal-fired closures, utilities will have additional capability to deliver new nuclear generation from our site to their customers at competitive, stable prices,” noted Tilton.

The proposed multi-unit nuclear plant could increase the electricity generated in Utah by approximately 50% by adding 2,200 - 3,000 Megawatts of installed electrical capacity, using less than 1% of the State’s current water diversion.

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“We always believed that the decision made by Utah State Engineer, Kent Jones, on January 20, 2012 complied with the law by approving appropriated water for use at the proposed Blue Castle nuclear plant. Judge Harmond’s new review and subsequent ruling confirms that the decision by the State Engineer was in accordance with State law and was well thought-out. The ruling provides additional certainty that the State of Utah, its citizens and future power consumers will be the beneficiaries of this water use,” Mr. Tilton added.

The Blue Castle Project will have a significant beneficial economic impact on the State and the local communities. The region has economically benefited from the millions of dollars invested into the project site characterization over the past six years. BCH has hired several local and national firms for on-site and off-site investigations to prepare an Early Site Permit (ESP) application to the U.S. Nuclear Regulatory Commission (NRC). It is expected that about 1,000 permanent full-time employees will work at the plant for 60 years, and that more than 2,500 workers will work during the projected six year construction of the multi-unit plant. A recent study showed that a nuclear plant contributes about \$535 million annually to the local economy.

BCH has completed a significant portion of the ESP data collection and application preparation activities. The ESP requires a thorough Environmental Impact Study (EIS) to ensure that the use of the water at the proposed nuclear power plant will be protective of the public health and the surrounding environment, including the endangered fish in the Green River. As stated in the first approvals: ‘The State Engineer recognizes the NRC as the congressionally designated authority on use of nuclear power and protection of radiological health and safety such that there is reason to believe a nuclear power plant constructed and operated under its licensing regulations will not be detrimental to the public welfare.’ Mr. Tilton also commented, “We recognize our responsibility for strong environmental stewardship throughout the life time of the project, including working diligently to assure protection of the Green River environment and endangered species.”

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About Blue Castle Holdings

Blue Castle Holdings Inc. (BCH or the Company) is an energy infrastructure development company based in Utah. It is presently developing the leading new nuclear plant project site in the Western U.S.

More information about Blue Castle Holdings can be found at: www.bluecastleproject.com

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