



# BlueCastleProject

*IMMEDIATE RELEASE*

*January 20, 2012*

## *State of Utah Approves Use of Water Rights for Blue Castle Nuclear Plant Project*

**SALT LAKE CITY, UT** – Blue Castle Holdings Inc. (BCH) today received approval from the State of Utah to use existing water rights for the Blue Castle Nuclear Plant Project (BCP) in Green River. BCH leased the water over 4 years ago from the Kane County and San Juan County Water Conservancy Districts for the expected 60 years of plant operations. After a strict review of the Districts' applications for changing the points of diversion, places of use, nature of use, and storage of water, Utah's State Water Engineer approved the 53,600 acre feet of water per year from the Green River for the proposed nuclear electricity generation project.

The approved water for the BCP was allocated previously for electric generation by Utah's State Water Engineer for use in coal fired power plants that were not constructed. The proposed two-unit Blue Castle Nuclear Project would increase the electricity generated in Utah by approximately 50%, adding between 2,200 to 3,000 Megawatts of installed electrical capacity, using less than 1% of the State's current water diversion.

Aaron Tilton, CEO of BCH, commented on the decision: "We realized early on that there would be a detailed and deliberate process adjudicated by the State of Utah before the water rights were approved for use at the project. We are pleased that the State Water Engineer, after a thorough review of all requirements under State law, determined that the water was available for withdrawal from the river, that its use at the proposed new nuclear power plant site would not interfere with other water users, that the proposed plan is physically and economically feasible and would not prove detrimental to the public welfare and the environment."

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 year. 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 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 up to 3,000 workers will work during the projected six year construction of the dual unit plant.

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 surrounding environment, including the endangered fish in the Green River. As today's orders stated: "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 commented: "We recognize our responsibility for strong environmental stewardship throughout the lifetime of the project, including working diligently to assure protection of the Green River endangered species."

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Nuclear power is a competitive source of base-load electricity, with high initial capital costs and low production costs during its 60 year lifetime. The initial capital costs are high due to the inherent safety and security built into the new plant designs. However, the low fuel and operation costs balance this initial cost and lead to a very competitive and predictable overall cost. The approval of the use of water rights for the Blue Castle Project preserves the option of clean, safe and economical nuclear power for Utah and the Western US's future power needs.

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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 and Colorado. It is presently developing the leading new nuclear plant project site in the Western U.S. Through its wholly owned subsidiary, Willow Creek LLC (WC), the Company is also engaged in the construction, replacement and repair of natural gas, crude oil pipelines and fuel storage facilities for its customers located in Intermountain West.

More information about Blue Castle Holdings can be found at: [www.bluecastleproject.com](http://www.bluecastleproject.com)

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