Public Information and Outreach in Galena, Alaska

Pacific Basin Nuclear Conference
March 23, 2004



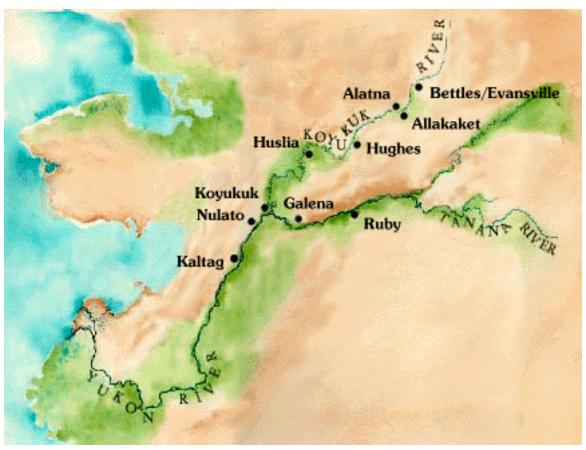
Opportunity

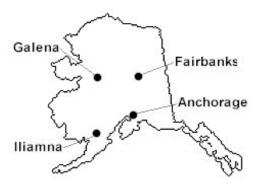
Power for rural Alaska

- Deploy new nuclear unit as the preferred option
- Turn "conventional wisdom" on its head
- Move "nuclear renaissance" out of the laboratory



Central Alaska









- Middle Yukon Region on the Yukon River
 - Homeland of the Koyukon Athabascan People
 - Approximately 750 residents
- No roads transportation by air or barge
 - Barge service limited to 3 to 4 ice-free months
- Center for World Class Educational Services
 - Charter school for youth from around the state
 - GM, Suzuki automotive shops
 - FAA flight school
- USAF Galena Air Station

X

Galena Energy Data

City Electric Utility

- Six (6) diesel electrical generators
- 4,300 kw capacity
- 8.7 miles of distribution system

Heating

- 62% Fuel Oil, Kerosene
- 31% Wood
- 3.5% Tanked Gas
- 3.5% Electric

Fuel Storage

- 2,000,000 gallons City and fuel suppliers
- 1,000,000 gallons U.S. Air Force



Galena Energy Issues

- Existing electrical generation facility built in 1988
- Fuel shipment and storage environmental concerns
 - Transfers from barge to storage tanks
 - 55-gallon drum handling (home fuel oil)
 - Risk from large capacity tanks
- Increasing fuel costs -- \$2 million year and rising
- Tightening regulation of diesel emissions
- City is conducting a review of alternatives

Galena Non-Nuclear Diesel Alternatives

- Coal bed methane
 - No proven reserves
- In-stream hydro
 - Unproven under artic conditions
 - Lacks hydraulic head
 - Diesels needed for stand-by
- Coal-fired boiler
 - Efficiency, economics of small facility
 - Environmental impacts
 - Mining
 - Transportation
 - Burning

Wind

- Lacks reliable wind resources
- Effects of extreme cold, icing
- Diesels needed for stand-by
- Solar
 - Cost issues
 - Months of limited sunlight
 - Diesels needed for stand-by

Problem

Extremes

- Small, isolated population centers
- Limited infrastructure
- Harsh conditions

Economics

- \$0.20 to \$1.00 / kw/hr
- Millions \$\$\$ annual "equalization" costs

Environment

- Diesel/fuel oil not environmentally benign -- no fishing in Yukon
- Coal-fired generation polluting/expensive
- Other energy alternatives unproven/unavailable/unreliable

Ideal Solution for Rural Alaska

Extremes

- Small, self-contained facility
- Limited infrastructure requirements
- Low visual impact

Economics

- Less than \$0.20 / kw/hr O&M costs
- Less than \$1.5 million annual fuel costs

Environment

- No or low emissions
- Modular/factory construction
- Reliable

4S Solution

- Toshiba and CRIEPI project
- Super Safe, Small, & Simple
- Sodium-cooled, metallic-fueled, small reactor
- Key features for Alaska
 - No refueling 30 year life
 - Passive safety no operator actions
 - Secure housed underground
 - Factory built delivered by barge
 - Reasonable cost

See T.Yokoyama (TOSHIBA), and N.Ueda (CRIEPI), ICONE11-36284, April 20-23, Tokyo, JAPAN, 2003.

4S Technology

- Output: 10 MWe (30 MWt)

50 MWe (135 MWt)

- Coolant: Sodium at 510 F / 355 C

Intermediate Heat Exchange Loop (IHX)

- Reactivity control: Movable reflectors

- Reactor Vessel: Integral type

Double boundary:
RV & GV

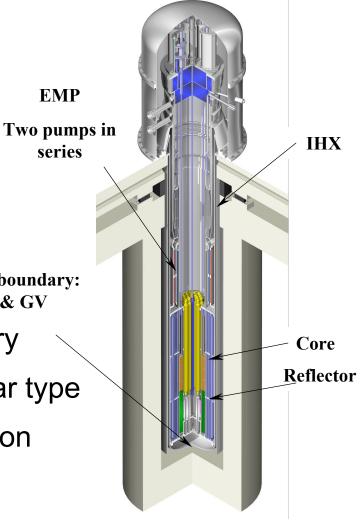
- Guard Vessel: Second coolant boundary

- Coolant Pumps: Electromagnetic annular type

- Emergency Cooling: Natural air circulation

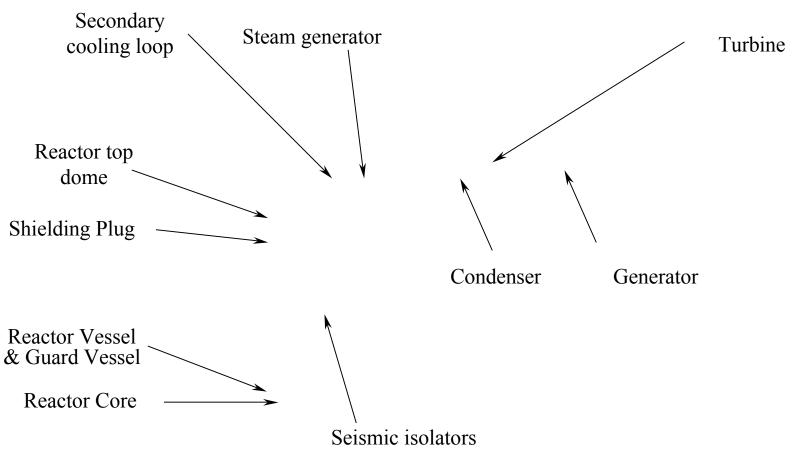
- Proliferation resistant fuel

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4S Cross Section

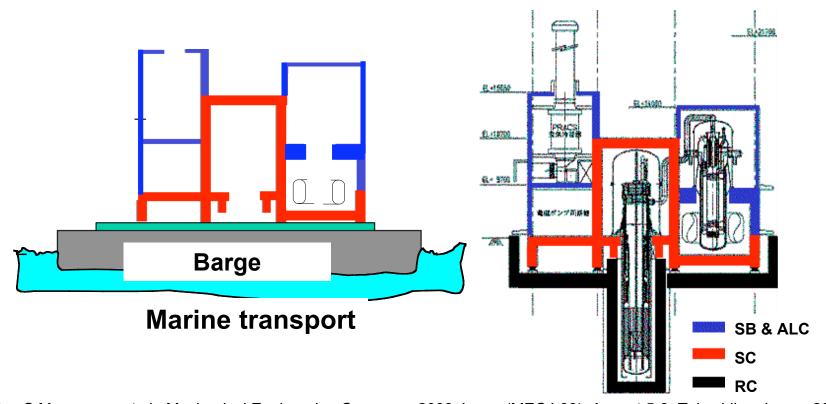


See S.Maruyama, et al., Mechanical Engineering Congress, 2003 Japan (MECJ-03), August 5-8, Tokushiba, Japan, 2003.

ShawPittman LLP



Modular Construction & Transportation



See S.Maruyama, et al., Mechanical Engineering Congress, 2003 Japan (MECJ-03), August 5-8, Tokushiba, Japan, 2003.





Environmentally Sound

Eliminate diesel air emissions

Eliminate fuel spills

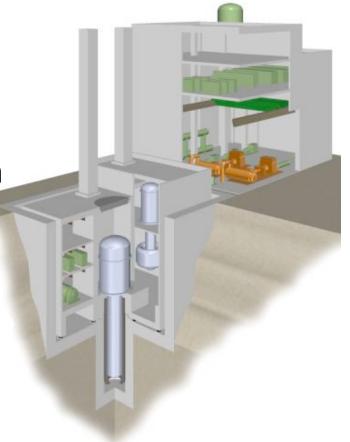
Enable hydrogen economy research

Produced by "excess" energy

Replace other hydrocarbon fuels

- Automotive conversion shop in Galena
- Infrastructure exists to supply hydrogen to nearby villages
- Generate own backup fuel source

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Our Up-Side-Down Approach

- Look to solve the problem not sell products of services
- Informal first contact at local level
- Personally visit the locality understand local issues
- Hold public discussion of all issues with all interested parties
- Do not limit scope or content of discussions
- Work 'with' community to select power source if it is not nuclear, help with the other solution
- Fund locality efforts they do not fund you
- Enlist community in developing outreach plan they know best
- Work for win/win solution regardless of result

Recognize Broader Impact

Fundamental Social-Economic Change

- Abundant electricity at low, fixed cost
- Shift to electric heat eliminate fuel oil, kerosene, wood burning
- Greenhouses
- Sewage lagoon operations
- Ice-free runway reduce machinery, fuel expenses

Hydrogen Economy

- Zero emission, marginal cost production
- Replace other tanked fuels
- Storage, distribution research



Grass Roots Success

- Local population engaged and championing
- Quickly shifted from "push" to "pull"
 - Growing interest and positive momentum
- State fully supports project -- NRC and DOE calling
- Environmentalists intrigued, willing to listen
- Critical design improvements identified
 - Arctic construction issues
 - Reliability
- Identified additional needs



- Mining/Resource Recovery
 - Many millions of gallons diesel consumed annually
 - Transportation of fuels difficult
- Seafood Industry
 - 90,000,000 gallons diesel consumed annually
 - Summer ice production cost exceeds product cost
- Other Industrial/Residential Users
 - Isolated, unreliable generation systems
 - Aging generating facilities
- New 'Clean Coal' plant never operated



Path Forward

- Form not-for-profit organization to coordinate the interest of Alaskan communities and industries
- Obtain initial funding for planning
 - Energy alternatives
 - Environmental impacts
 - Preliminary siting assessment(s)
 - Regulatory challenges
- Prepare "case" for deploying nuclear where it is needed
- Develop design certification/construction funding plan
- Implement

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