

AFTER FOURTEEN YEARS
REQUEST FOR EXTENSION OF TIME TO FILE PROOF OF BENEFICIAL USE
STATE OF UTAH

WATER RIGHT NO. **89-74 (A35818)** APPLICANT: **Kane County Water Conservancy District**
190 West Center Street, Suite 200
P. O. Box 122
Kanab UT 84741

Provide all information requested below:

Construction completed to date:

Water Right No. 89-74 represents 13,670 acre-feet (the "water right") of the original Application to Appropriate Number A35818 filed by the predecessors to AMCA Coal Leasing, Incorporated ("AMCA"). AMCA planned to use the water in the development of coal resources for the Kaiparowits power project. Later, the coal power project was abandoned after the lands were included as part of the 1996 Grand Staircase-Escalante National Monument.

The Kane County Water Conservancy District (the "District") acquired the water right from AMCA for the purpose that the water right be placed to beneficial use for the benefit of the citizens of both Kane County and the State of Utah. At present, the water may be diverted from Lake Powell on the Colorado River drainage. The District will file a change application which seeks approval for use of the water at a nuclear power plant site.

Work completed since last extension:

In 2007, the District entered into a Water Rights Lease Agreement for the water right with Transition Power Development ("TPD"). TPD is a limited liability company which serves the electric power generation industry by identifying and developing new nuclear power plant sites in the western United States.

It is reported by TPD to the District that during the last 18 months, TPD has completed the following milestones and activities associated with its plan to develop the water and successfully deploy new nuclear power plants in Utah:

1. TPD has leased a total of 53,000 acre-feet of water rights from the water conservancy districts of Kane County and San Juan County to be used primarily for evaporative cooling of the condenser and for other uses typical of the process water needs for nuclear power plants.
2. A preliminary site evaluation report, including geotechnical analysis, was conducted by an industry-leading nuclear-site-evaluation consultant. Results support the TPD project plan.
3. A Notice of Intent was provided to the US Nuclear Regulatory Commission for Early Site Permit Application and/or Combined License application submittal by April of 2010. A copy of the notice can be found on the NRC web site at the following link. <http://www.nrc.gov/about-nrc/regulatory/adjudicatory/hearing-license-applications.html#1>
4. An option contract to purchase approximately 1,700 acres with Emery County is in place.

Reasons why the project has not been completed:

More time is needed to place the water to beneficial use. The water right is part of Utah's allocation under the Colorado River Compact. It is in the best interest of the State of Utah to utilize and place to beneficial use Utah's allocation from the Upper Colorado River drainage.

The District is a public water supply agency of the State and holds the water right to meet the future reasonable requirements of the public, and as such meets the requirement of exercising reasonable and due diligence.

More time is needed to complete the project. The District respectfully requests that the State Engineer grant an extension of time until August 31, 2015.

Estimated time for completion of project:

see above

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WATER RIGHTS
SALT LAKE

Extension Request