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As discussed

1 message

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Mon, Mar 20, 2017 at 1:43 PM

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Hi David,

Here are the slides that Peabody presented at the March 1 meeting. A full summary of the Navigant report will be available next week.

Also, here is an outline of what we have been preparing for the meeting on Thursday. This is internal and is not meant for wide distribution at this time. Perhaps we could set up a time to discuss this tomorrow along with some of the other items you mentioned today?

1. NGS Economic Assessment (Navigant)
 - a. Will include NGS exit costs (plant decommissioning and mine reclamation) as part of the capacity replacement cost analysis
2. NGS Ownership and Operations Management Transition (Lazard, Law and Navigant)
 - a. Ability of BOR to increase ownership position
 - b. Discussion of potential new owners and operators
 - c. Requirements for prudent operation of plant by SRP through 2019 (can't start effectively winding it down in the near future and/or run it into the ground). BOR's capacity to enforce prudent operations.
 - d. Concept of planning for existing owners to exit and immediate escrow funding for plant decommissioning and mine reclamation. Plan for transition to new ownership in DEC 2019 as opposed to planning for retirement in 2019
3. Regulatory relief to ensure long-term operation of NGS (Law, GGA)
 - a. Need to lay out our view of the paths for regulatory relief
4. Update on SRP/Navajo negotiations for 2 year lease extension/amendment

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**NGS March 1 Meeting.pdf**

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