

United States Department of State

Bureau of International Security and Nonproliferation Washington, D.C. 20520

January 25, 2024

Ms. Tina Seršen State Secretary Ministry of Environment, Climate, and Energy Langusova ulica 4 1000 Ljubljana

Dear State Secretary Seršen:

I would like to thank the Government of Slovenia for its keen interest in Project Phoenix—the coal-to-nuclear small modular reactor (SMR) conversion program that was announced by Special Presidential Envoy for Climate John Kerry at the UN Climate Change Conference in Sharm el-Sheikh (COP27).

Slovenia's application was favorably reviewed by our panel of experts and was competitively selected to receive SMR technical advisory and consultancy services funded by the United States. Though the program received many excellent applications, Slovenia's selection is testament to the high quality of the proposal. Our Project Phoenix implementing partner Sargent & Lundy, a global leader in power and energy services, was competitively selected to assist your government with coal-to-nuclear services.

To determine the scope of work provided under the terms of the award, the Department of State, through Sargent & Lundy, will work closely with any designated representatives of your government and other Slovenian stakeholders involved in the project to identify priority focus areas. Based on discussions between your government and Sargeant & Lundy, it is understood that you desire to use the services provided under Project Phoenix to facilitate your government's completion of a pre-feasibility study for potential future SMR deployment. Such services may include a comprehensive overview of various international approaches to the construction and operating

licensing of SMRs, e.g., the methodologies of international agencies, the U.S. Nuclear Regulatory Commission, French Nuclear Safety Authority, UK Office for Nuclear Regulation, and the International Atomic Energy Agency (IAEA). The scope of work may also provide technology assessment of SMR vendor technologies, following the guidelines laid out in the IAEA Nuclear Energy Series document NR-T-1.10. The result of this assessment will be a comparison of vendor technology capabilities to the goals and priorities identified by Slovenian stakeholders as agreed upon before the commencement of the assessment. Moreover, as part of the scope, Sargent & Lundy may be tasked with compiling information to aid in the analysis of the overnight cost, levelized cost of electricity, and/or economic benefits of SMR facility construction and operations in Slovenia. Depending on your desired outcomes of the project, Sargent & Lundy may also fill the role of expert-based reviewers of the Slovenian team-authored feasibility assessment outcomes. These services will be discussed with your government and may be revised as desired in accordance with the terms, budget, and conditions of the award and as agreed upon under the scope of work of the project.

We would like to express our appreciation for your government's participation in the Project Phoenix launch event, co-hosted by the Government of Slovakia, in Bratislava on November 9. Project Phoenix is a special project under the Foundational Infrastructure for Responsible Use of Small Modular Reactor Technology (FIRST) Program, which is implemented by my Bureau of International Security and Nonproliferation at the Department of State.

Thank you for your invaluable partnership in the launch of Project Phoenix. I am truly excited to commence this important partnership with Slovenia!

Sincerely,

C.S. Eliot Kang

Assistant Secretary