

STURGIS Project Update, April 12, 2017

Dear STURGIS Stakeholders,

As part of our ongoing communications with the community regarding progress on the STURGIS decommissioning and dismantlement project, we wanted to provide an update regarding progress on site.

Crews are making good progress on site and completed the cutting and removing of the top section of the Reactor Containment Vessel by mid-March. This was originally anticipated to be completed this summer, so we are excited to report that incorporating the lessons learned from previous work on the project does appear to be resulting in real positive impacts on our current efforts.

To date, the STURGIS Decommissioning Project has had 35 shipments of waste totaling approximately 640,000 pounds. All wastes have been received at the disposal facility without incident. Now that we have gained access to the Reactor Containment Vessel, our focus will be the removal of large components. The team is making good progress on removing these items and will continue to coordinate future shipments of waste and recycled materials from the project site over the next several months.

The safety of the public and our crew is paramount and safety remains our number one priority during this effort. We will continue to mitigate risks as we improve our approaches using lessons learned going forward, but it is important to emphasize that safety will never be compromised during our activities. Additionally, we recently completed follow-up training with the Galveston Fire Department to meet our safety requirements and ensure these first responders are familiar with our activities in the small tanks on the lower levels of the vessel if they need to respond to an incident.

Environmental monitoring has been continuous since prior to the arrival of the STURGIS in Galveston and no evidence of radioactive material, lead or increased radiation exposure from the STURGIS has been documented outside of the reactor containment area to date.

After a thorough review of our schedule, we anticipate the major project milestones will be completed this Fall and anticipate moving to the shipbreaking facilities over the Winter.

We appreciate the continued support of our local partners and stakeholders as we carry out this project.