

HOLTEC HIGHLIGHTS

A Summary Report to Our Clients, Suppliers, and Company Personnel



Holtec's Small Modular Reactor Program *Will* Proceed without DOE's Funding

On December 12, 2013, the Department of Energy announced it would award funding for developing a small modular reactor design to the Oregon start-up NuScale. While we are disappointed with DOE's decision to exclude Holtec from the award, we remain confident that our reactor, the SMR-160, has the greatest potential to triumph in a global marketplace because it is designed to meet the highest expectations of safety and is uniquely engineered to compete economically with other sources of alternative energy in the evolving era of cheap fossil fuels. Accordingly, we remain firm in our decision to forge ahead on our own and bring SMR-160 to the world as a carbon-free alternative that, once and for all, would rid nuclear power of the stigma of Fukushima, Chernobyl and TMI.

We thank our partners PSEG and South Carolina Electric & Gas (SCE&G) for joining us in the DOE bid and we treasure their ongoing support of our program. Our resolve to finish SMR-160 continues to be reinforced by America's leading nuclear operators representing over 70% of the nation's installed nuclear capacity and America's leading architect-engineers/constructors who serve on our Advisory Board and admire our technology. We also thank the State of South Carolina and NuHub for their tremendous support and our supplier partners URS, CB&I and Kiewit for their input and participation to date.

We are gratified by the expressions of unwavering support offered by our partners immediately in the wake of DOE's announcement. The president of PSEG Generation and Chairman of Holtec's Advisory Board, Mr. William Levis, pledged continued support for Holtec's SMR-160 program, vowing to leverage PSEG Nuclear's operational and licensing know-how to the fullest extent to help SMR-160 realize its promise of utmost safety and operational excellence. PSEG's support was echoed by Mr. Steve Byrne who, as President of SCE&G's Generation and Transmission is building two AP-1000 reactors at V.C. Summer. "We continue to believe that the innovative SMR-160 design offers the best SMR option for domestic or international markets," said Byrne.

Reacting to the DOE's announcement, Holtec's President & CEO, Dr. Kris Singh stated, "Holtec's proposal to the Department of Energy included the offer to *refund all federal grant funding if we failed to license our reactor for commercial use*. While we are surprised that our proposal was not selected, Holtec is willing, ready and prepared to achieve success without federal funding and our team will redouble its efforts to achieve an NRC license on an expeditious schedule. We have a 30-year track record of developing and commercializing successful nuclear technologies used in dozens of countries around the world. Our wholly-owned, world-class nuclear manufacturing installations in Pittsburgh and Ohio have delivered over two billion dollars' worth of nuclear hardware in the past decade, and are poised to serve as the global citadel of SMR manufacturing in the next decade. Holtec supports seven NRC dockets with continuous licensing activity, and we are among the few major nuclear services companies that are still 100% American owned. We are committed to our mission to make carbon-free nuclear energy generation ubiquitous in all corners of the world and restore America's pre-eminence in commercial nuclear technology through our SMR-160 program.

SMR, LLC's President Mr. Pierre Oneid, adds, "We will continue to scour the land for the best and brightest to augment our SMR-160 development team and maintain our US-centric focus on technology development. We are confident that our SMR-160 program will, in due course, spawn thousands of well-paying manufacturing jobs in the United States and inaugurate the rebirth of nuclear renaissance in our country."

For more information please contact:
Ms. Joy Russell
Vice President, Corporate
Business Development

Telephone:
856-797-0900, Ext. 3655

Email:
J.Russell@holtec.com

Visit our website at:
www.holtecinternational.com



Holtec Center
555 Lincoln Drive West
Marlton, NJ 08053