

HOLTEC HIGHLIGHTS

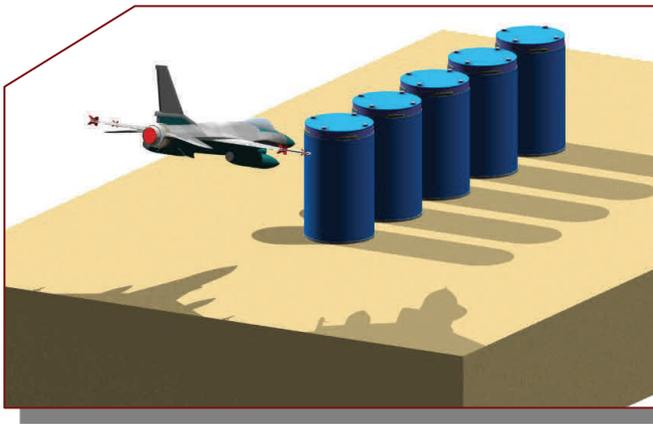
A Summary Report to Our Clients, Suppliers, and Company Personnel

America's Only NRC Licensed Consolidated Interim Storage Facility, Anchored on the HI-STORM Technology, Felled by Politics

We regret to report that the country's *first* NRC licensed consolidated interim storage facility planned for the Goshute reservation in Skull Valley, Utah, by Private Fuel Storage, LLC (PFS, LLC) has ceased due to opposition from the Department of Interior. PFS, LLC, an entrepreneurial group consisting of eight utilities in February 2006, secured a hard won approval from the NRC to build an autonomous consolidated interim storage facility comprised of up to 4,000 HI-STORM 100 systems, capable of storing a total of 40,000 tons of uranium. During the licensing process (1997-2006), the state of Utah litigated PFS's application before the NRC and following approval in 2006, appealed NRC licensing decisions to the D.C. Circuit Court of Appeals.

The resulting ASLB proceedings (ca. 2001-2005) were a spectacular success for PFS, LLC. The three panel Board agreed that the HI-STORMs buttressed steel and concrete cylindrical construction will maintain complete radiological confinement if struck by an F-16 aircraft laden with 1,100 gallons of fuel. The Board also ruled that the freestanding HI-STORMs will remain stable under a 10,000-year return earthquake postulated for the Skull Valley site. As a point of comparison, Fukushima, like most plants, was reportedly qualified for a 100-year earthquake.

Despite the NRC granted license and subsequent affirmation of the reliability of the dry storage system by the nation's highest nuclear board, the Skull Valley project died on December 21, 2012 when PFS, LLC withdrew their unused license in the face of implacable opposition from the Department of Interior, who refused to give transit passage to the railcars bearing HI-STAR off-site transport casks since the transport casks would need to pass over Indian lands overseen by the Department on the way to Skull Valley.



Analysis of F-16 Crash into HI-STORM Array

Over the past decade, since helping secure the license for Skull Valley, Holtec has moved on to develop a belowground version of HI-STORM; ushering in a storage technology that is orders of magnitude more resistant to missiles, aircraft, earthquakes, and other calamitous events than the aboveground counterpart certified by the NRC and approved by the ASLB. As the public becomes educated in the physical ruggedness and assured safety of the underground HI-STORM technology, perhaps the new HI-STORM CIS sites will hopefully be met with a hospitable political environment for the sake of our country's beleaguered used fuel management program.



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