**South Texas Project Selects Holtec’s HI-STORM FW Dry Spent Fuel Storage System**

We are pleased to announce Holtec International has signed three separate contracts with STP Nuclear Operating Company (STPNOC) for engineering services, equipment supply, and equipment installation for the South Texas Project (STP) nuclear facility. The facility is located on over 12,000 acres near Bay City, Texas, about 90 miles southwest of Houston. It consists of two Westinghouse Pressurized Water Reactors, which combined produce about 2,700MW each.

Under the first of the three contracts, Holtec will perform criticality analyses for the fuel storage racks located in the new fuel vault, spent fuel pool, and in-containment storage area of each STP unit. The objective of the criticality analyses is to develop optimized fuel storage patterns. Holtec will also perform/update the existing SFP boron dilution analyses to account for the cask transfer channel and cask loading area being in use, and for water additions necessary for cask handling and cask decontamination activities. Under the second STPNOC contract, Holtec will perform the installation of four existing fuel storage racks. Holtec will relocate the racks from their current storage location at STP and install two of the spent fuel storage racks in the fuel storage pool of each Unit.

In a long-term contract extending beyond decommissioning of STP Units 1 and 2, Holtec will provide the HI-STORM FW (Holtec International Storage Module Flood and Wind) Dry Cask Storage System including the MPC-37, and perform pool-to-pad cask loading services. Holtec was awarded the dry storage contract through a competitive bidding process. Holtec’s contract includes the initial supply of twelve HI-STORM FW systems, one HI-TRAC VW (VW for Variable Weight) transfer cask, all necessary ancillaries, and the performance of pool-to-pad cask loading services to support STPNOC’s initial dry storage loading campaign in 2016. Holtec will also perform engineering services to support the deployment of the dry storage systems.

The HI-STORM FW system is currently licensed to store the long STP fuel (~14 ft. active length compared to ~12 ft. standard PWR fuel) eliminating any licensing risk for STPNOC. All equipment will be domestically fabricated at Holtec’s manufacturing facilities; namely at the 660,000 square foot Holtec Manufacturing Division (HMD), located in Turtle Creek, Pennsylvania and at the 300,000 square foot Orrvilon facility located in Orrville, Ohio.