SETTLEMENT AGREEMENT

BETWEEN THE

COMMONWEALTH OF MASSACHUSETTS

AND

HOLTEC PILGRIM, LLC AND
HOLTEC DECOMMISSIONING INTERNATIONAL, LLC

REGARDING THE

PILGRIM NUCLEAR POWER STATION,
PLYMOUTH, MASSACHUSETTS

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PREAMBLE

The Commonwealth of Massachusetts (the "Commonwealth"), Holtec Pilgrim, LLC ("Holtec Pilgrim") and Holtec Decommissioning International, LLC ("HDI," and together with Holtec Pilgrim, collectively, "Holtec") (Holtec and the Commonwealth are collectively referred to herein as "the Parties") enter into this Settlement Agreement ("Agreement") to resolve issues surrounding the transfer of control of the Pilgrim Nuclear Power Station ("Pilgrim"), as well as the Pilgrim Independent Spent Fuel Storage Installation ("ISFSI"), from Entergy Nuclear Operations, Inc. ("ENOI") to Holtec, use of Pilgrim's Decommissioning Trust Fund, decommissioning and site restoration of Pilgrim, spent nuclear fuel management at Pilgrim, and emergency planning for Pilgrim.

WHEREAS, on July 30, 2018, Entergy Holding Company #1 and Entergy Nuclear Generation Company ("ENGC") entered into an Equity Purchase and Sale Agreement with Nuclear Asset Management Company, LLC ("NAMCo.") and Holtec International, under which NAMCo would acquire for a nominal cost 100% of the equity interests of ENGC, which would then be renamed Holtec Pilgrim (the "Transaction");

WHEREAS, on November 16, 2018, ENOI, ENGC, Holtec International, and HDI (the "Applicants") submitted a joint application (the "Application") to the U.S. Nuclear Regulatory Commission ("NRC") requesting, among other things, the NRC's consent to the direct and indirect transfers of control over the NRC-issued operating license for Pilgrim, and HDI requested an exemption from 10 C.F.R. § 50.82(a)(i)(A) to allow Holtec to use money from Pilgrim's Decommissioning Trust Fund to pay for site restoration activities and management of spent nuclear fuel at Pilgrim;

WHEREAS, on February 20, 2019, the Commonwealth filed with the NRC a Petition for Leave to Intervene and Hearing Request ("NRC Petition") regarding the Applicants' Application;

WHEREAS, on March 18, 2019, the Applicants filed their Answer opposing the Commonwealth's NRC Petition;

WHEREAS, by letter dated June 10, 2019, ENOI certified to the NRC that ENOI had permanently ceased operations at Pilgrim on May 31, 2019 and that it had permanently removed the fuel from the Pilgrim reactor on June 9, 2019;

WHEREAS, on August 20 and 22, 2019, the NRC Staff approved the Applicants' Application without acting on the Commonwealth's Petition ("NRC Staff Approval"), and, on August 26, 2020 the Transaction was finalized;

WHEREAS, the Commonwealth's NRC Petition is, nonetheless, still pending as of the Effective Date and the NRC retains the authority to rescind or modify the NRC Staff Approval;

WHEREAS, the Commonwealth filed a Petition with the U.S. Court of Appeals for the District of Columbia Circuit on September 25, 2019 (No. 19-1198), seeking judicial review of

the NRC Staff Approval and a second Petition with the U.S. Court of Appeals for the District of Columbia Circuit on January 22, 2020 (No. 20-1019), seeking judicial review of the NRC's denial of the Commonwealth's application for a stay of the NRC Staff Approval and the NRC Staff Approval ("D.C. Circuit Petitions");

WHEREAS, the Parties to this Agreement agree that withdrawal of the NRC Petition and D.C. Circuit Petitions, if all terms and conditions described in this Agreement are met, is in the best interests of Holtec and the Commonwealth;

WHEREAS, in consideration of the good faith and arm's length compromises made by and between the Parties to this Settlement Agreement, the Parties have made the commitments described below;

NOW, **THEREFORE**, the Parties agree as follows:

I. DEFINITIONS

1. Capitalized terms shall have the meaning specified in the Preamble or as otherwise described below:

(a) "CDI" shall mean Comprehensive Decommissioning International, LLC.

(b) "Chapter 21E" shall mean the Massachusetts Oil and Hazardous Material Release Prevention and Response Act, Mass. Gen. Laws c. 21E, §§ 1-22.

(c) "Day" shall mean a calendar day. A "business day" shall mean a day other than a Saturday, Sunday, or a Massachusetts or Federal holiday.

(d) "DEP" shall mean the Massachusetts Department of Environmental Protection.

(e) "DPH" shall mean the Massachusetts Department of Public Health .

(f) "DOE" shall mean the U.S. Department of Energy.

(g) "EEA" shall mean the Massachusetts Executive Office of Energy and Environmental Affairs.

(h) "Effective Date" shall mean the date when this Agreement becomes effective according to the terms of Paragraph 43.

(i) "Fiscal Year" shall mean a Massachusetts fiscal year, which begins on July 1 of each year and ends on June 30 of the following year (for example, FY 2020 covers the period from July 1, 2019 to June 30, 2020).

(j) "GTCC" means Greater Than Class-C waste.

(k) "Holtec Decommissioning Cost Estimate" shall mean the Pilgrim DECON-Site Specific Decommissioning Cost Estimate included as Enclosure 1 to the Holtec PSDAR

(l) "Holtec PSDAR" shall mean the Revised Post-Shutdown Decommissioning Activities Report and Revised Site-Specific Decommissioning Cost Estimate for Pilgrim, as filed with the NRC on November 16, 2018 in Docket. Nos. 50-293 and 72-1044, and available at ADAMS Accession No. ML18320A040.

(m) "ISFSI" shall mean the consolidated Independent Spent Fuel Storage Installation designed and to be constructed for the interim storage of Spent Nuclear Fuel in casks at the Site, construction for which began in 2019 and which will be located at 75 feet above mean sea level adjacent to Rocky Hill Road, including all components and systems associated with the containers in which the Spent Nuclear Fuel is stored, as well as the storage pad, Central Alarm System ("CAS") building, and security infrastructure for the new Security Owner Controlled Area ("SOCA"). For clarity, the term ISFSI does not include the original Independent Spent Fuel Storage Installation pad constructed by Entergy in 2014 with an administrative capacity of thirty-eight casks, which will be decommissioned at the time of Partial Site Release and must otherwise comply with the terms of Paragraphs 10(d) and 10(e).

(n) "License Termination" shall mean the date that the NRC terminates the general or specific license (whichever is applicable) for the Pilgrim Site, including the ISFSI, all radiological waste stored on the Pilgrim ISFSI has been removed and transported out of Massachusetts, and the Site, including the ISFSI, has been decommissioned and restored for unrestricted use in accordance with all NRC requirements and the terms of this Agreement.

(o) "MCP" shall mean the Massachusetts Contingency Plan, 310 C.M.R. §§ 40.001 to 40.1600, which consists of the regulations promulgated to implement Chapter 21E.

(p) "MEMA" shall mean the Massachusetts Emergency Management Agency.

(q) "OHM" shall mean Oil and/or Hazardous Material.

(r) "OU" or "Operable Unit(s)" shall mean discrete, geographically defined areas at the Site that will be remediated.

(s) "Partial Site Release" shall mean the date on which the NRC approves, pursuant to 10 C.F.R. § 50.83, HDI's application for partial release of the Pilgrim Site (with the exception of the ISFSI) for unrestricted use in accordance with 10 C.F.R. § 20.1402.

(t) "Pilgrim" shall mean the Pilgrim Nuclear Power Station located in Plymouth, Massachusetts, including the land and associated facilities (including the ISFSI) and equipment transferred to Holtec on the closing date.

(u) "Pilgrim Decommissioning Trust Fund" or "Trust Fund" shall mean the nuclear decommissioning trust fund maintained by Holtec Pilgrim in accordance with the Amended and Restated Holtec Pilgrim, LLC Master Decommissioning Trust Agreement for Pilgrim, dated March 10, 2020, with The Bank of New York Mellon acting as trustee, and having an amount of no less than $979 million as of December 31, 2019.

(v) "Pilgrim Supplemental Fund" shall have the meaning set forth in Paragraph 3(c).

(w) "Site" or "Pilgrim Site" shall mean Pilgrim and any place or area where radiological or non-radiological oil or hazardous material (as defined by the Massachusetts Contingency Plan) has been deposited, stored, disposed of or placed, or otherwise come to be located.

(x) "Switchyard" shall mean the 345 kV transmission switchyard and appurtenant facilities, including the real property upon which such facilities are located.

2. Unless otherwise expressly provided in this Agreement, terms used in this Agreement that are defined by Chapter 21E and the MCP, shall have the meaning assigned to them in Chapter 21E and the MCP.

II. FINANCIAL ASSURANCE REQUIREMENTS

3. Holtec shall comply with the following Trust Fund management obligations:

(a) Prior to Partial Site Release (Phase 1):

(1) To provide added assurance that the funds necessary to complete decommissioning, site restoration, and spent nuclear fuel management remain in the Trust Fund through Partial Site Release, Holtec will, in its annual 10 C.F.R. § 50.75(f)(1) report to the NRC, provide the estimated amount in the Trust Fund at Partial Site Release. If the estimated amount in the Trust Fund at Partial Site Release is ever less than the value of $193.3 million in 2019 dollars ("Phase 1 Minimum Balance" and a "Phase 1 Triggering Event"), Holtec will, within thirty (30) days following submission of the annual NRC filing, deposit an amount sufficient to increase the estimated value of the Trust Fund at Partial Site Release to an amount equal to the Phase 1 Minimum Balance. To do so, Holtec shall use money equivalent to that which it recovers through litigation or settlement from DOE. If DOE recoveries are insufficient to make-up any shortfall, Holtec will utilize funds from an alternative source or other financial assurances of equivalent value in the form of a parent guarantee, letter of credit, or other mutually acceptable instrument. Holtec shall deposit the money into the Trust Fund or a separate fund meeting the requirements of Paragraph 3(c) below or, in the event this obligation is satisfied through one of the financial assurance mechanisms

described above, provide to the Commonwealth a copy of the financial assurance instrument.

(2) Assuming there is a Phase 1 Triggering Event, no later than thirty (30) days after the NRC annual update is provided to the NRC, Holtec shall notify the Commonwealth in writing that its obligation has been triggered, including in such notice the amount that has been deposited or otherwise satisfied by one of the alternative financial assurance mechanisms described in Paragraph 3(a)(1) above if necessary together with a copy of the financial assurance instrument, and provide the Commonwealth with an updated version of the cash flow analysis for the Trust Fund demonstrating that the Phase 1 Minimum Balance has been restored.

(b) After Partial Site Release (Phase 2):

(1) To provide added assurance that the funds necessary to transfer spent nuclear fuel and GTCC from the Site, pay for the disposal of GTCC, and complete the ISFSI decommissioning and site restoration remain in the Trust Fund, or a separate fund meeting the requirements of Paragraph 3(c), after Partial Site Release through License Termination, Holtec will calculate each year from its annual 10 C.F.R. § 50.75(f)(1) report to the NRC the estimated amount required to pay for those activities in accordance with the calculation methodology and cost category inputs included in the spreadsheet attached as Exhibit 1. If the amount in the Trust Fund is ever less than that established under Paragraph 3(b)(3) below (the "Phase 2 Minimum Balance" and "Phase 2 Triggering Event"), Holtec will, within thirty (30) days following submission of the annual NRC filing, deposit an amount sufficient to increase the value of the Trust Fund, or separate fund meeting the requirements of Paragraph 3(c), to an amount at least equal to the Phase 2 Minimum Balance. To do so, Holtec shall use money equivalent to that which it recovers through litigation or settlement from DOE. If DOE recoveries are insufficient to make-up any shortfall, Holtec will utilize funds from an alternative source or other financial assurances of equivalent value in the form of a parent guarantee, letter of credit, or other mutually agreed instrument. Holtec shall deposit the money into the Trust Fund or a separate fund meeting the requirements of Paragraph 3(c) below or, in the event this obligation is satisfied through one of the financial assurance mechanisms described above, provide to the Commonwealth a copy of the financial assurance instrument.

(2) Assuming there is a Phase 2 Triggering Event, no later than thirty (30) days after the NRC annual update is provided to the NRC, Holtec shall notify the Commonwealth in writing that its obligation has been triggered, including in such notice the amount that has been deposited or otherwise satisfied by one of the alternative financial assurance mechanisms described in Paragraph 3(b)(1) above if necessary together with a copy of the financial assurance instrument, and provide the Commonwealth with an updated version of the cash flow analysis for

the Trust Fund demonstrating that the Phase 2 Minimum Balance has been restored.

(3) The Phase 2 Minimum Balance is initially set at $38.4 million in 2019 dollars and may be adjusted annually, either up or down, as set forth in this subparagraph after the date of Partial Site Release. Any adjustment will be based on the estimated future costs reflected in Holtec's annual submittal to the NRC, which will be informed by evidence of actual or invoiced costs at Pilgrim or other facilities if available, and calculated based on the methodology and cost category inputs included in the spreadsheet attached as Exhibit 1. Holtec shall respond to reasonable informal requests by the Commonwealth for data or other information relating to Holtec's adjustment. If the annual recalculated amount based on the annual NRC submittal indicates an increase in future costs, the Phase 2 Minimum Balance shall be increased and funded in accordance with the terms of Paragraph 3(b)(2) in the amount equal to the calculated cost increase. If the annual recalculated amount based on the annual NRC submittal indicates a decrease in future costs, Holtec will be entitled to adjust the Phase 2 Minimum Balance, effective after providing thirty (30) days written notice to the Commonwealth, if the change is less than 17.5% of the Phase 2 Minimum Balance from the prior year. Otherwise the parties must mutually agree on the adjustment. If the Parties are unable to reach agreement on the adjustment after thirty (30) days or such longer period of time as mutually agreed, either Party may initiate binding arbitration to resolve the dispute in the Commonwealth of Massachusetts before a single arbitrator in an arbitration administered by JAMS. An award of arbitration may be confirmed in the Massachusetts Superior Court. The Parties agree to equally share the costs of any arbitration, except that each Party shall bear its own attorneys' fees.

(c) Pursuant to Paragraphs 3(a) or 3(b), if Holtec is required to set aside any money, including money recovered from DOE, for the benefit of Pilgrim decommissioning, site restoration, spent nuclear fuel management, ISFSI decommissioning and site restoration, spent nuclear fuel loading, and/or GTCC loading and/or disposal, and if Holtec is unable or deems it unadvisable to deposit such money into the Trust Fund for whatever reason, Holtec shall establish and maintain a new fund dedicated solely to Pilgrim decommissioning; site restoration; spent nuclear fuel management costs; ISFSI decommissioning and site restoration; spent nuclear fuel loading; and GTCC loading and/or disposal ("Pilgrim Supplemental Fund") with a commercial bank or trust company authorized to conduct business under the laws of the United States, or any state thereof. For purposes of this requirement, BNY Mellon, JPMorgan Chase, Northern Trust, and BMO Harris shall be deemed acceptable institutions. Other institutions may be selected, subject to the requirements of maintaining an office or branch in New York, New York, having an aggregate capital surplus in excess of $25 billion, and having a senior unsecured debt rated at least "A" by Standard & Poor's corporation or "A2" by Moody's Investor Service. Within five (5) days of the date that the Pilgrim Supplemental Fund is created, Holtec shall provide

notice to the Commonwealth that the Pilgrim Supplemental Fund has been created and the bank where it has been created.

4. No later than thirty (30) days after the Effective Date, Holtec shall obtain a $30 million insurance product that names the Commonwealth as an additional insured party and that will provide coverage for "Contractor's Pollution Liability" (for non-radiological contamination exacerbated by certain decommissioning and Site restoration activities) and "Pollution Legal Liability" (for previously unknown non-radiological conditions identified at the Pilgrim Site after August 26, 2019. For the Contractor's Pollution Liability Coverage, the policy term shall be six (6) years plus completed operations coverage for ten (10) years. For the Pollution Legal Liability coverage, the policy term will be eight (8) years.

5. Except with regard to Holtec's existing contract for Pilgrim reactor segmentation with GE-Hitachi Nuclear Energy and Holtec's contract for Pilgrim radioactive waste management (including disposal and transportation), Holtec shall cause CDI, the decommissioning general contractor, to require all its subcontractors, including affiliates, with subcontracts with a value of $25 million dollars or greater to post performance bonds or equivalent performance assurance issued by Treasury-rated surety companies to guarantee performance of work scope at customary amounts not less than 25% of the specified contract value. Bond and other security instruments shall be provided in customary forms with such terms and conditions as the sureties or other issuers would typically provide other comparably sized projects. Upon request, Holtec shall cause CDI to make any performance bonds or equivalent performance assurance available to the Commonwealth, subject to the confidentiality terms in this Agreement.

6. On or before March 31 of each calendar year following the Effective Date, Holtec shall provide copies to the Commonwealth, EEA, DEP, DPH, and MEMA of Holtec's annual decommissioning and spent nuclear fuel management funding assurance reports filed with the NRC pursuant to 10 C.F.R. § 50.75(f)(1) and 10 C.F.R. § 50.82(a)(8)(v) (NRC Annual Trust Fund Status Reports). Holtec's NRC Annual Trust Fund Status Reports shall take substantially the same form and include the same information as Holtec's March 31, 2020 Report, which is available at ADAMS Accession No. ML20091M858, including Table 2 (Pilgrim Nuclear Power Station Annual Decommissioning Cash Flow Analysis), except that Holtec shall report the cash flow in thousands of dollars, and Figure 1 (Pilgrim Nuclear Power Station Decommissioning Schedule Timeline), unless that information is provided separately to the Commonwealth and the Commonwealth agencies identified in first sentence of this Paragraph. Holtec shall provide copies to the Commonwealth, EEA, DEP, DPH, and MEMA of Holtec's decommissioning funding plan submitted to the NRC pursuant to 10 C.F.R. § 72.30(c) within fourteen (14) days of submittal. If the deadline for the submittal of any reports mentioned in this Paragraph to the NRC changes, Holtec's obligation under this Paragraph 6 shall correspondingly be modified to match the submittal date required by the NRC.

7. On or before March 31 of each calendar year following the Effective Date, Holtec shall provide to the Commonwealth a report detailing the status of the Pilgrim Supplemental Fund if one has been created pursuant to the terms of Paragraph 3(c), including the bank or trust company where the account resides and the balance of the aforementioned account, and certify that any other financial assurance mechanisms used pursuant to Paragraphs 3(a) or 3(b) remain

valid and of a sufficient amount to offset any shortfall in the Phase 1 or Phase 2 Minimum Balances. In addition, on or before March 31 of each calendar year following Partial Site Release, Holtec shall provide to the Commonwealth the spreadsheet used to recalculate the Phase 2 Minimum Balance described in Paragraph 3(b)(3). The foregoing spreadsheet shall include a column for each of the cost-categories identified in the spreadsheet attached as Exhibit 1 (unless categories are added to account for any financial assurance required under Paragraphs 10(d)(2)(v) or 10(e)(2) or both) and report the costs in thousands of dollars.

8. Subject to the confidentiality terms in Paragraph 32, no later than the last business day of each month, Holtec shall provide to the Commonwealth Holtec's monthly project status reports, which shall include safety record, status of major project activities (e.g., reactor vessel segmentation, building demolition, and spent nuclear fuel loading), project schedule, project budget (including comparison of budgeted costs against actual costs), staffing, waste management, and regulatory assurance and compliance. Following the submission of each monthly project status report, Holtec shall make one or more members of its team available at a mutually agreeable time and place (which may be in-person or by teleconference or videoconference) to answer any questions the Commonwealth may have about the report. In addition, and without limiting the scope of the terms in Paragraphs 20(b) (regarding MEMA access to Pilgrim's control room), 33 (Site Access), or 34 (Regulatory Authority), upon reasonable advance notice but no more than quarterly unless mutually agreed, the Commonwealth may send a representative(s) to the Site to confirm the activities described in the aforementioned monthly project status reports and review a copy of reasonably requested documentation supporting the information included in the aforementioned monthly project status reports.

9. Notwithstanding the submissions required by Paragraphs 6 to 8 of this Agreement, following the Effective Date, Holtec shall notify the Commonwealth within thirty (30) days of:

(a) Any notices provided to NRC pursuant to 10 C.F.R. §§ 50.9, 50.54(bb), 50.82(a)(7), or 72.30(g). With regard to events, including schedule changes, that occur between the Effective Date and the date of Partial Site Release and that could have adverse financial consequences of greater than $30 million, Holtec shall provide a written notification to the Commonwealth that describes the event, the financial consequences of the event, and the steps Holtec plans to take to mitigate the financial consequences of the event and to otherwise address it. The aforementioned notification may take the form of a submittal to the NRC if the schedule or cost event triggers an NRC submittal and such submittal includes the required information or in a supplement to the NRC submittal if necessary to fully address the requirements of this subparagraph 9(a);

(b) Any insolvency, reorganization, bankruptcy, liquidation, or government investigations of Holtec, Holtec Power, Inc., NAMCo, Holtec Pilgrim, HDI, or CDI, except that notifications regarding government investigations shall be limited to government investigations by the United States or any State related to decommissioning, site restoration, spent nuclear fuel management, and regulatory compliance. For the avoidance of doubt, this reporting obligation does not include

routine NRC staff inspections that will be conducted throughout the decommissioning project, the results of which will be publicly available on the NRC Pilgrim docket. In addition, for any investigations conducted by the NRC's Office of Investigations, Holtec shall only have an obligation to report upon receipt of a Notice of Apparent Violation, and prior to issuance of a formal Notice of Apparent Violation, any information disclosed by Holtec to the Commonwealth regarding a matter shall be subject to the confidentiality terms in Paragraph 32.

III. SITE RESTORATION AND ENVIRONMENTAL REQUIREMENTS AND REPORTING

10. The Parties agree that the site restoration standards and requirements identified below shall apply to the Pilgrim Site:

(a) Within sixty (60) days of the Effective Date, Holtec shall provide to DEP and DPH all documents referenced in section 10 of the Historical Site Assessment for Pilgrim dated December 8, 2018 ("HSA") and any other document related to radiological and non-radiological contamination at the Site that it or Holtec International possesses or may come to possess through a request to Entergy within the sixty-day (60) period;

(b) Within thirty (30) days of the Effective Date, Holtec shall provide notice to DEP and DPH that it is has retained a Massachusetts Licensed Site Professional ("LSP"), as that term is defined in 310 C.M.R. § 40.0006, along with the identity of the LSP. Holtec shall retain the LSP until Partial Site Release. If Holtec hires a different or additional LSP prior to Partial Site Release, then Holtec shall provide another notice to DEP and DPH within thirty (30) days of the new or additional LSP.

(c) Within sixty (60) days of the Effective Date, Holtec shall schedule a meeting with DEP and DPH to meet and confer about compliance with the terms of this Section III. Holtec shall ensure that the LSP it retains under Paragraph 10(b) attends the meeting with DEP and DPH.

(d) Holtec shall comply with the following requirements for addressing radiological contamination at the Site:

(1) At the time of Partial Site Release under the Renewed Facility Operation License No. DPR-35 for Pilgrim and in regard to the land where the ISFSI is located, at the time of License Termination, Holtec shall (i) meet applicable NRC standards for radiological contamination, including the criteria in 10 C.F.R. § 20.1402, "Radiological criteria for unrestricted use" and (ii) demonstrate compliance, or progress toward compliance, with 105 C.M.R. § 120.245, the Massachusetts radiological standard for unrestricted use of <10 millirem per year for all pathways, and reduction of residual radioactivity to levels that are otherwise as low as reasonably achievable ("ALARA") . In the event Holtec does not expect to demonstrate compliance with the Massachusetts radiological

standard in accordance with Paragraph 10(d)(5) below (excepting the land where the ISFSI is located) at the time of Partial Site Release, Holtec shall file a plan with DPH as provided in Paragraph 10(d)(2) below.

(2) If Holtec needs to file a plan with DPH under the last sentence of Paragraph 10(d)(1), then Holtec shall file that plan with DPH within one year of the date Holtec submits its application to the NRC for Partial Site Release for any necessary control and maintenance of the Site (with the exception of land where the ISFSI is located) and to perform any additional work necessary to comply with the requirements of Paragraph 10(d)(5) below within five (5) years of Partial Site Release. If Holtec files a plan under this Paragraph and Paragraph 10(d)(1), it shall be subject to DPH approval, which shall not be unreasonably withheld by DPH, and shall include:

(i) a description of the conditions of the site sufficient to evaluate the acceptability of the plan;

(ii) a description of planned remediation activities;

(iii) a description of methods used to ensure protection of workers and the environment against radiation hazards during the remediation;

(iv) a description of the planned final radiation survey; and,

(v) sufficient financial assurance for any necessary control and maintenance of the Site (with the exception of the land where the ISFSI is located) and to perform any additional work necessary to meet the Massachusetts radiological standard if radioisotope decay is by itself insufficient to comply with those requirements during the five (5) year period. In the event that financial assurance is required under this Paragraph, the spreadsheet attached as Exhibit 1 shall be modified to include a new "State Radiological Standard Financial Assurance" column, the Phase 2 Minimum Balance that Holtec must maintain under Paragraph 3(b) shall be increased by the financial assurance amount accepted by DPH under this Paragraph, and the portion of the Phase 2 Minimum Balance attributable to State Radiological Standard Financial Assurance shall be reserved only for use to satisfy the requirements of Paragraphs 10(d)(1)-(5) if needed and may be eliminated on the date DPH determines that Holtec has complied with Paragraphs 10(d)(1)-(3).

(3) Notwithstanding Paragraph 10(d)(2), the five (5) year period from Partial Site Release to comply with the requirements of Paragraph 10(d) may be extended by mutual agreement, which shall not be unreasonably withheld by DPH, for a reasonable period of time in the event of unforeseen conditions or circumstances beyond Holtec's control. Such conditions or circumstances shall be described in writing as soon as Holtec is aware of them but no later than in the plan filed

pursuant to Paragraph 10(d)(2), and Holtec shall provide information documenting the additional time necessary to meet the standards.

(4) In all events, Holtec shall not sell, transfer, and/or lease control, use, or ownership of or over the Site prior to compliance with the terms of Paragraph 10(d).

(5) To demonstrate compliance with Paragraph 10(d), Holtec shall use (i) the Multi-Agency Radiation Survey and Site Investigation Manual, NUREG-1575, Rev. 1 (2000) ("MARSSIM") (or any successor standard at the time of Partial Site Release, if the successor standard is more restrictive) to determine the amount of residual radioactivity that remains in all pathways and (ii) consistent with NRC NUREG-1727, NUREG/CR-5512 (vol. 1) (or any successor standard, if it is more restrictive), and 105 C.M.R. § 120.245, the "resident farmer scenario" and "basement inventory model" to model the potential exposure to residual radioactivity in all pathways, provided, however, that the Parties may mutually agree to an alternative standard for modeling if an approved future reuse supports the use of such an alternative standard. If Holtec opts not to use its NRC partial license termination report to demonstrate compliance with Paragraph 10(d), then it may rely on both its NRC partial license termination report and a supplement to that report for purposes of demonstrating compliance with Paragraph 10(d).

(6) Holtec shall not be subject to general or specific licensing requirements under 105 C.M.R §§ 120 *et seq*. if Holtec complies with the terms of Paragraph 10(d) within five (5) years of the date of Partial Site Release or such extended period as determined under Paragraph 10(d)(3). Holtec reserves the right to challenge any subsequent license determination.

(7) If either the Massachusetts Legislature or DPH shall make more stringent the current Massachusetts radiological standard set forth in Paragraph 10(d)(1) above, then Holtec shall provide notice to DPH and the Commonwealth of the change and Holtec, DPH, and the Commonwealth shall thereafter meet and negotiate in good faith any reasonable amendments to this Agreement regarding compliance with the Massachusetts radiological standard and the related financial assurance requirement in Paragraph 10(d)(2)(v).

(e) Holtec shall comply with Chapter 21E and the MCP as applicable. In support of this requirement:

(1) Holtec shall conduct a site-wide Initial Pilgrim Environmental Site Assessment, as described in Paragraph 11 below, under the direction of the LSP retained in accordance with Paragraph 10(b) for both radiological and non-radiological contamination consistent with the requirements of ASTM International Standard E1527-13 ("Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process"), MARSSIM, the

criteria specified in Paragraph 10(d) above, and with reference to the recommendations detailed in the HSA;

(2) Any response actions required by the MCP following the identification and notification of a release or threat of release of radiological and non-radiological contamination pursuant to 310 C.M.R. § 40.0300 shall follow the schedule and phases in the MCP. If response actions (as defined by 310 C.M.R. § 40.0006) are required at the Site (excepting the Switchyard, which is addressed under Paragraph 14 below) and Holtec will not comply with the requirements of Paragraph 10(e)(3) at the time Partial Site Release, Holtec shall submit to DEP within one (1) year of the date Holtec submits its application to the NRC for Partial Site Release an estimate of the costs to comply with Paragraph 10(e)(3) and such estimate, once accepted by DEP, shall establish the amount of financial assurance necessary under 310 C.M.R. § 40.0170(5). In the event that financial assurance is required under this Paragraph, the spreadsheet attached as Exhibit 1 shall be modified to include a new "Sitewide Chapter 21E Financial Assurance" column, the Phase 2 Minimum Balance that Holtec must maintain under Paragraph 3(b) shall be increased by the financial assurance amount accepted by DEP under this Paragraph, and the portion of the Phase 2 Minimum Balance attributable to Sitewide Chapter 21E Financial Assurance shall be reserved only for use to satisfy the requirements of Paragraph 10(e)(3) if needed and may be eliminated on the date DEP determines that Holtec has complied with Paragraph 10(e)(3); and

(3) Holtec shall remediate the non-radiological and radiological contamination at the Pilgrim Site to comply with the requirements for a Permanent Solution with No Conditions under 310 C.M.R. § 40.1041(1), provided, however, Holtec may comply with the requirements for a Permanent Solution with Conditions under 310 C.M.R. § 40.1041(2) to the extent mutually agreed upon by the Parties (which agreement shall not be unreasonably withheld, conditioned, or delayed) for one or more discrete portions of the Site to accommodate any beneficial use determination issued by DEP pursuant to 310 C.M.R. § 19.060 or based on 310 C.M.R. § 40.0860 in regard to an approved future reuse that is compatible with a Permanent Solution with Conditions.

(f) For any releases of oil and hazardous material reported pursuant to Paragraph 11 below, Holtec shall demonstrate compliance with Paragraphs 10(d) and 10(e) by submitting to DEP and DPH a Site-wide Permanent Solution Statement in accordance with 310 C.M.R. § 40.1056. Holtec shall include in the Permanent Solution Statement the confirmatory radiological surveillance and analytics referred to in Paragraph 11(f) and may also rely on the materials and data Holtec submits to the NRC to support its application to the NRC for Partial Site Release.

(g) Holtec's obligation to remove Site structures shall be as follows:

(1) By the Partial Site Release date, Holtec shall remove all structures at the Pilgrim Site necessary for Partial Site Release (including the shoreline and in-water structures), other than the seawall, water intake structure, ISFSI and associated security facilities or other structures approved by DEP to remain on Site and, in the case of structures subject to Mass. Gen. Laws ch. 91, authorized by a non-expired Chapter 91 license (or amendment or minor modification to an existing license to the extent applicable);

(2) By the License Termination date, Holtec shall remove all structures that remain at the Pilgrim Site including the ISFSI and associated security facilities, other than the Switchyard and those structures DEP approves to remain on Site. With regard to shoreline and in-water structures subject to Mass. Gen. Laws c. 91 only and the seawall (whether or not it is subject to Mass. Gen. Laws c. 91), Holtec may retain them as long as they are licensed by DEP or, in the case of the seawall, otherwise approved by DEP and Holtec demonstrates to the satisfaction of DEP that the environmental impacts of their removal will exceed the environmental harm of leaving them in place;

(3) The requirements in this Paragraph 10(g) apply to all underground structures, including building foundations, buried piping, and contained piping, unless retention of such structures is approved by DEP through issuance of a beneficial use determination pursuant to 310 C.M.R. § 19.060. For the avoidance of doubt, DEP understands that Holtec will seek approval through a beneficial use determination to leave clean, uncontaminated underground structures, such as concrete foundations and similar structures, in place at depths of three (3) feet or more below the grade existing on the Effective Date as established by the plan submitted under Paragraph 10(j), and such determination will not be unreasonably conditioned, withheld or delayed;

(h) Holtec shall remove the radioactive waste materials from the Site necessary to meet the NRC radiological release criteria and the terms of this Agreement and legally dispose of them or otherwise contain the materials in dry cask storage located on the Pilgrim ISFSI until removed from Massachusetts. Holtec may not dispose of any radioactive waste materials on the Site or use rubbleized radioactive waste materials as fill at the Site;

(i) Notwithstanding any other provision in this Agreement, Holtec shall abate all asbestos and lead containing materials prior to any demolition activities and remove all asbestos and lead containing material from the Site for disposal at an authorized off-Site location, unless otherwise approved and agreed to in writing by DEP;

(j) Holtec shall, unless otherwise approved by DEP and DPH, fill all subsurface voids, regrade the land to the currently existing-site ground elevations, and reseed the land. The currently existing-site ground elevation shall be demonstrated by submission

of one or more plans to DEP and DPH within one hundred and eighty (180) days of the Effective Date that shows the pre-decommissioning and site restoration surface levels at Pilgrim. Within sixty (60) days of the completion of the land surface restoration work, Holtec shall submit to DEP and DPH one or more post-restoration site plans that show that the land-surface has been restored in accordance with the terms of this Paragraph, unless a variation is approved by DEP, which variation shall not be unreasonably withheld. Holtec may use excavated soil from the Site as fill on Site if the excavated soil does not have a detectable radiation level equal to or greater than 10 millirem per year for all pathways and/or contain OHM equal to or greater than the Category S-1 Reportable Concentration and is placed back in its original location or reused elsewhere at the Site where existing radiation levels are not significantly lower than the levels of those present in the soil being reused;

(k) Holtec shall address polychlorinated biphenyl (PCBs) contamination at the Site in accordance with the Toxic Substances Control Act (TSCA), 15 U.S.C. §§ 2601-2692, and its regulations, and Chapter 21E and the MCP;

(l) Holtec shall comply with all applicable environmental and human-health based standards and regulations of the Commonwealth;

(m) Holtec shall copy DEP, DPH, and MEMA on Holtec's formal submittals to the NRC related to decommissioning and/or site restoration; and

(n) If either the Massachusetts Legislature or DEP eliminates or restricts the applicability of a beneficial use determination pursuant to 310 C.M.R. § 19.060 as contemplated under this Agreement, then Holtec shall provide notice to DEP and the Commonwealth of the change and Holtec, DEP, and the Commonwealth shall thereafter meet and negotiate in good faith any reasonable amendments to this Agreement regarding compliance with the Site restoration requirements set forth in this Section III.

11. Within one hundred and twenty (120) days of the Effective Date, Holtec shall submit to DEP and DPH for their review and approval the Initial Pilgrim Environmental Site Assessment work plan prepared by the LSP retained in accordance with Paragraph 10(b). The plan shall be, at minimum, consistent with recommendations contained in the HSA, and shall include (though does not need to appear in this precise order), at a minimum, the following:

(a) An inventory of all structures, buildings, rooms, equipment, workspaces, land areas, and groundwater resources to be assessed, together with any proposed Operable Units. Consistent with the Atomic Energy Act, HDI shall delineate Operable Units in a manner that maximizes areas available for immediate site characterization, remediation, and release;

(b) A description of all proposed assessment activities to address data gaps identified by the LSP's review of the HSA;

(c) A proposed schedule of all proposed activities to be undertaken under the plan (including characterization, demolition, on-site management, regrading, and reseeding);

(d) A proposed schedule for completion of site-wide environmental assessment activities for the Site;

(e) A proposed list of potential radiological and non-radiological contaminants for which sampling and testing will be conducted at the Site or, in the event Holtec designates Operable Units, each Operable Unit at the Site and the sampling and analysis protocols for the Site or each Operable Unit, if any;

(f) A proposed plan for testing and demonstrating compliance with the radiological cleanup standard set forth in Paragraph 10(d), which shall include a plan to submit confirmatory radiological surveillance and analytics to DPH and DEP with the Permanent Solution Statement required by Paragraph 10(e) above;

(g) A proposed plan to perform initial groundwater sampling of radiological and non-radiological contamination, including a plan for the installation of any additional monitoring wells necessary to characterize the scope and extent of radiological and non-radiological groundwater contamination; proposed sampling and independent analysis protocols, including the frequency with which sampling will occur, the contaminants to be tested, and the results of the independent laboratory analysis reported to DEP and DPH; protocols for quality assurance and split sampling with DEP and DPH; and proposed protocols in the event a radionuclide or hazardous material is identified;

(h) A proposed plan to perform initial soil sampling of radiological and non-radiological contamination, including a plan for the location of surficial soil samples, soil borings and/or test pits necessary to characterize the scope and extent of radiological and non-radiological soil contamination; proposed sampling and independent analysis protocols, including the frequency with which sampling will occur, the contaminants to be tested, and the results of the independent laboratory analysis reported to DEP and DPH; protocols for quality assurance and split sampling with DEP and DPH; and proposed protocols in the event a radionuclide or hazardous material is identified;

(i) A proposed plan to perform initial sampling of radiological and non-radiological contamination in environmental media other than soil and groundwater consistent with the recommendations contained in the HSA and the data gap review;

(j) A proposed schedule for submitting a plan that complies with the MCP and the Massachusetts Solid Waste regulations for use of off-site materials proposed to be used as fill on Site, including a proposed plan to characterize off-site materials that includes, at a minimum, the following: a list of all non-radiological contaminants for which the off-site materials will be characterized and the specific sampling and analysis methods and processes that will be used to characterize the off-site materials;

(k) A proposed schedule for submitting a detailed description of how concrete material will be processed, managed, and removed from the Site, including how concrete materials will be processed (removal of rebar and other reinforcing materials) and resulting size of specification of resulting aggregate material; and

(l) A description of a process to characterize each below grade structure and the steps that Holtec would need to take if removal of those structures is necessary for Partial Site Release or under the terms of this Agreement.

12. Following DEP and DPH's review of the Initial Pilgrim Environmental Site Assessment work plan described in Paragraph 11, Holtec shall meet and confer with DEP and DPH to discuss the terms of the work plan and a reasonable schedule for conducting the Initial Pilgrim Environmental Site Assessment. Following the date on which DEP and DPH meet and confer with Holtec under this Paragraph, DEP and DPH will complete their review of the draft Initial Pilgrim Environmental Site Assessment work plan and either approve it or provide comments to Holtec on it if the work plan otherwise complies with the requirements of Paragraph 11. If DEP and DPH provide comments to Holtec on the draft Initial Pilgrim Environmental Site Assessment work plan then, within thirty (30) days of Holtec's receipt of those comments, Holtec shall submit a revised Initial Pilgrim Environmental Site Assessment work plan that addresses DEP and DPH's comments. Upon approval of the revised work plan, Holtec shall, under the direction of the LSP retained under Paragraph 10(b), perform all actions in the Initial Pilgrim Environmental Site Assessment work plan and submit an Initial Pilgrim Environmental Site Assessment report in accordance with the schedule approved by DEP and DPH in the final Initial Pilgrim Environmental Site Assessment work plan together with any release notifications required by Paragraph 13 and the MCP.

13. Following the identification of radiological or non-radiological contamination in the Initial Pilgrim Environmental Assessment conducted pursuant to the work plan approved by DEP and DPH under Paragraph 12 and subsequent to timely notification of any Reportable Conditions as defined in the MCP and Chapter 21E to DEP and DPH, Holtec shall perform comprehensive site assessment and response actions in accordance with the MCP and under the oversight of the LSP retained by under Paragraph 10(b). In determining the need for alternative deadlines for response actions, DEP and DPH shall consider the complexity of the decommissioning and site restoration process and the need to sequence activities within any defined Operable Units at the Site. DEP shall determine the level of Department oversight required for response actions conducted pursuant to the MCP, including the need for DEP approval of reports and plans submitted to it.

14. The site restoration requirements set forth in this Agreement apply to the Switchyard, except that if the Initial Pilgrim Environmental Site Assessment report indicates that response actions (as defined by 310 C.M.R. § 40.0006) are required at the Switchyard, then Holtec shall not be required to undertake those response actions at the Switchyard if it demonstrates to DEP's satisfaction that it is not feasible based on the criteria in 310 C.M.R. § 40.0860 and considering any relevant DEP guidance to perform those actions while the in-place equipment remains in the Switchyard. If response actions are required for the Switchyard and a Permanent Solution Statement with No Conditions has not been submitted to DEP by the date of Partial Site Release

because it is not feasible, based on the analysis required by the foregoing sentence, to perform those actions while the in-place equipment remains on the Switchyard, then Holtec shall submit to the DEP a Permanent Solution Statement with Conditions or a Temporary Solution Statement (as those terms and the related processes are defined and described in the MCP) for the portion of the disposal site defined to be the Switchyard, pursuant to 310 C.M.R. § 40.1003(3) and § 40.1003(4). Holtec may need to provide a financial assurance mechanism pursuant to 310 CMR § 40.0170(5) approved by DEP to ensure sufficient financial resources are available to perform that work in the future to remediate any radiological contamination and/or any oil or hazardous materials within the Switchyard when it becomes feasible to do so and it shall perform that work in compliance with the radiological and non-radiological site restoration standards in this Agreement.

15. Following the Effective Date, Holtec shall provide to DEP and DPH:

(a) the Annual Radioactive Effluent Release Report and the Annual Radiological Environmental Operating Report for Pilgrim at the same time they are submitted to the NRC;

(b) the reports and/or written correspondence regarding events described in sections 3.2.2 (p.3/4-13), 3.2.3 (p.3/4-14), and 3.5.1 (p.3/4-24) of Pilgrim's Offsite Dose Calculation Manual, Revision 9 (2003) (NRC Adams Accession No. ML041400430) at the same time they are submitted to the NRC;

(c) as to DEP only, notwithstanding the Notice requirements in Section VII (Notices) of this Agreement, Holtec shall transmit the foregoing by electronic mail to David Johnston, MassDEP Southeast Regional Office, david.johnston@mass.gov, and Cathy Vakalopoulos, MassDEP Surface Water Discharge Permitting Program, catherine.vakalopoulos@mass.gov, or other contact as may be identified by DEP;

(d) the reporting requirements in Paragraph 15 shall supersede and replace state conditions 4 and 5 in Part I.H. of the National Pollutant Discharge Elimination System ("NPDES") Permit and the state surface water discharge permit ("SW"), which were issued by the U.S. Environmental Protection Agency ("EPA") and DEP respectfully as a combined document on January 30, 2020 ("SW / NPDES Permit"), and numbered conditions 2 and 3 of the related Water Quality Certification ("WQC"), which was issued by DEP on January 10, 2020, and when the SW / NPDES Permit and DEP's WQC are modified or reissued, whether such modification or reissuance occurs before or at the conclusion of the challenges to the SW / NPDES Permit pending currently before EPA's Environmental Appeals Board ("EAB"), those two conditions shall be removed from the SW / NPDES Permit and DEP's WQC, except that DEP may note in the WQC that the conditions removed from the WQC and the SW / NPDES Permit were replaced and superseded by the conditions in Paragraph 15 of this Agreement.

16. Nothing in this Agreement shall release any person from the obligation to investigate and remediate new, undiscovered, or undisclosed releases of radiological contamination or non-

radiological oil or hazardous materials in accordance with federal or Massachusetts statutes and regulations.

IV. PAYMENTS, RADIATION MONITORING, ISFSI, AND WASTE TRANSPORTATION

17. Within ninety (90) days of the Effective Date of this Agreement, Holtec shall initiate negotiations into an Alternative Fee Agreement with DEP pursuant to 310 C.M.R. § 4.05, except with respect to all fees incurred pursuant to Chapter 21E, so that DEP may process multi-programmatic permits and facilitate oversight in a more expeditious manner. This provision shall not limit or eliminate any fees payable pursuant to Chapter 21E.

18. Holtec shall make payments to DPH and MEMA in accordance with Table 1 (DPH) and Table 2 (MEMA) and the payment instructions received from DPH and MEMA, except that DPH and MEMA, after requesting in advance and obtaining Holtec's concurrence, may make reasonable adjustments to the amounts specified in Table 1 (DPH) and Table 2 (MEMA), respectively, if the schedule included in Figure 3-1 of the Holtec PSDAR is delayed by three (3) or more months for any identified phase. Holtec shall make each payment identified in Table 1 (DPH) and Table 2 (MEMA) no later than thirty (30) days after the start of each Fiscal Year. If an act of the Legislature for the Commonwealth of Massachusetts requires Holtec to make any payments to DPH or MEMA that duplicate the payments in Table 1 (DPH) or Table 2 (MEMA), then the amounts set forth in Tables 1 or 2 shall be offset by the legislatively required payment and Holtec shall be responsible under this Agreement only for the remainder of the payment due under Tables 1 or 2.

Table 1: Payments and Payment Schedule for DPH

Fiscal Year	Agency	Funding	Scope of Work
2021	DPH	$522,471	Annual expenses for emergency planning and environmental monitoring.
2022	DPH	$386,236	Annual expenses for emergency planning and environmental monitoring. If all spent nuclear fuel is not on the ISFSI, payments will be at FY 2021 amounts.
2023	DPH	$250,000	Reduced annual expenses for emergency response and to maintain environmental monitoring. If all spent nuclear fuel is not on the ISFSI, payments will be at FY 2021 amounts.
2024	DPH	$250,000	Reduced annual expenses for emergency response and to maintain environmental monitoring. If all spent nuclear fuel is

Fiscal Year	Agency	Funding	Scope of Work
			not on the ISFSI, payments will be at FY 2021 amounts.
2025	DPH	$250,000	Reduced annual expenses for emergency response and to maintain environmental monitoring. . If all spent nuclear fuel is not on the ISFSI, payments will be at FY 2021 amounts.
2026	DPH	$200,000	Further reductions in annual expenses for environmental monitoring. If all spent nuclear fuel is not on the ISFSI, payments will be at FY 2021 amounts.
2027 until the FY when the Massachusetts radiological standard is met in accordance with Paragraph 10(d)	DPH	$100,000	Further reductions in annual expense for environmental monitoring if Partial Site Release occurs during FY 2027. If Partial Site Release does not occur in FY 2027, then payments shall remain at FY 2026 amounts. And if all spent nuclear fuel is not on the ISFSI, payments will be at FY 2021 amounts.

Table 2: Payments and Payment Schedule for MEMA

Fiscal Year	Agency	Funding	Scope of Work
2021	MEMA	$1,170,684 (if federal emergency planning requirements remain in effect) or $500,000 (if federal emergency planning requirements no longer apply)	Annual operating expenses for maintaining off-site emergency preparedness requirements of the Emergency Planning Zone. This includes planning, training and exercising. Annual operating expenses associated with transitioning to decommissioning planning.
2022	MEMA	$275,000 (if all spent nuclear fuel has been moved to the ISFSI)	Half a year of annual operating expenses associated with transitioning to decommissioning planning and half a year of annual operating expenses associated with the decommissioning process, including biennial exercises for security, radiation exposure, fire response and

Fiscal Year	Agency	Funding	Scope of Work
			medical response; following decommissioning activities to assure there is no impact to public safety; support and follow the work of DOE on a repository for spent nuclear fuel and transportation of spent nuclear fuel to a repository; coordinate with Pilgrim's Security Department to install a VHF radio into Pilgrim's Central Alarm Station and conduct weekly communications checks between Pilgrim and MEMA's Communications Center; review all NRC and Pilgrim documents throughout the decommissioning process.
2023 - 2027	MEMA	$50,000	Annual operating expenses until Partial Site Release associated with the decommissioning process, including biennial exercises for security, radiation exposure, fire response and medical response; following decommissioning activities to assure there is no impact to public safety; support and follow the work of DOE on a repository for spent nuclear fuel and transportation of spent nuclear fuel to a repository; conduct weekly communications checks between Pilgrim and MEMA's Communications Center; review all NRC and Pilgrim documents throughout the decommissioning process.
2028	MEMA	$32,500	Half year of annual decommissioning costs, and half year of ISFSI costs.
2029 until License Termination	MEMA	$15,000	Support of ISFSI by participating in annual drills and exercises at the Site; conduct weekly communications checks between Pilgrim and MEMA's Communications Center; support and follow the work of DOE on a repository for spent nuclear fuel and transportation of spent nuclear fuel to a repository; participate in security meetings throughout the year.

19. At least thirty (30) days prior to the date any payment is due in accordance with Paragraph 18 and the accompanying Table 1 (DPH) and Table 2 (MEMA) of this Agreement, the respective agency shall provide instructions together with an invoice for the required payment, if they have not already been provided, for making the required payment amount and each payment shall then be made to the respective agency in accordance with those instructions on or before the date the payment is due.

20. In addition to any ongoing on-site and off-site NRC emergency planning requirements, until all spent fuel is moved from the spent nuclear fuel pool to the ISFSI or as otherwise specified in the subparagraphs to this Paragraph 20, Holtec shall comply with the following obligations:

(a) Initially and annually, provide MEMA with a point of contact who has direct knowledge of Pilgrim's emergency response procedures. Holtec shall notify MEMA in writing within ten calendar days of any point-of-contact change. Pilgrim and MEMA shall agree on a designated Pilgrim employee to be fully available in the event of a radiological emergency. In the event of such an emergency, MEMA shall contact that employee (or, where such designated employee is unavailable, Pilgrim's continuously-monitored control room) who shall provide all emergency-related information to MEMA. The obligations in this paragraph shall end when all spent nuclear fuel is removed from the Site.

(b) Continue to monitor and provide daily summaries to MEMA and DEP of Pilgrim's Meteorological and Effluent and Safety Data including: wind speed, direction and temperature at the 33' and 220' elevations, ventilation exhaust monitoring, area radiation monitoring, spent nuclear fuel pool level and temperature, and water discharge monitoring. In the event that the meteorological data is temporarily not available or the on-site equipment for collecting the meteorological data must be removed to perform decommissioning or site restoration work, then Holtec may use meteorological data collected by the National Weather Service. Upon request, Holtec shall also allow properly credentialed MEMA personnel to access Pilgrim's control room to monitor the information described in this Paragraph;

(c) Identify Pilgrim Site staff members who will meet quarterly with MEMA, such as at continued Pilgrim Working Group meetings, to coordinate schedules for drills and exercises, review and discuss any changes to Holtec's onsite security plan or the state's offsite response plan, and ensure lines of communication are functioning through training and exercises as needed.

(d) Maintain primary and alternate communication with the Commonwealth's Primary Warning Point (MEMA). Primary communications will be through commercial phone, and backup communications will be via satellite phone. Holtec shall notify MEMA within one hour of initiation of any emergency event through the currently established means of communication with MEMA so that MEMA can take appropriate actions to notify the public, including sending Wireless Emergency Alerts if

the circumstances justify sending such alerts. The obligations in this paragraph shall end when all spent nuclear fuel is removed from the Site.

(e) Until all spent nuclear fuel is moved from the spent nuclear fuel pool to the ISFSI, continue to maintain full participation in state and local (onsite and offsite) exercises annually, which exercises shall be discussion-based events, such as workshops and table-top exercises for state and local first responders and emergency planning personnel, and shall be designed in conjunction with Holtec, local communities, and MEMA. Until all spent nuclear fuel is removed from the Site, Holtec shall continue testing of communications capabilities weekly.

(f) Support state efforts in performing routine testing of a public alert and notification system; and

(g) Provide the public with information on Pilgrim's emergency plan through Pilgrim's external website until all spent nuclear fuel is removed from the Site.

21. In accordance with Paragraph 37 of this Agreement, the Letter of Agreement attached as Exhibit 2 to this Agreement between the Pilgrim Site and the Commonwealth (represented by MEMA), dated February 12, 2019, regarding emergency planning notifications and emergency response activity requirements shall, subject to, and as modified by, the requirements in Paragraph 20, remain in full force and effect until the general or specific license for the ISFSI is terminated by the NRC unless terminated or modified by MEMA and Holtec prior to that date. The modification or termination of the Letter Agreement referenced in this Paragraph shall not constitute the modification or termination of this Agreement or any of this Agreement's terms.

22. Holtec shall ensure that the ISFSI is surrounded by a protective area that complies with all NRC requirements, including those set forth at 10 C.F.R. § 73.51, and include concrete vehicle barriers, lighting, video cameras, and intrusion detection equipment. In addition, Holtec shall, within thirty (30) days of the Effective Date, provide to the Commonwealth and the Town of Plymouth plans and photo realistic renderings from the Public Right-of-Way (i.e., Rocky Hill Road) of the ISFSI protected area prepared by a consultant with relevant expertise depicting:

(a) an enhanced vegetation planting scheme consisting of trees and/or other species that retain year-round foliage for the area between the outer ISFSI fence and the top and downward slope of the hill on the Rocky Hill Road side of the ISFSI to better or completely obscure the ability to view the ISFSI and related buildings from Rocky Hill Road;

(b) (i) a vegetation planting scheme consisting of arborvitaes or a like species that retains year-round foliage for the area in front of the Rocky Hill Road facing surface of the proposed vehicle barrier to obscure the ability to view the vehicle barrier wall from Rocky Hill Road and (ii) a scheme to install a rock or other appealing facade on the face of the of Rocky Hill Road facing surface of the proposed vehicle barrier wall and a planting scheme for Ivy or a like species along the same;

(c) Within thirty (30) days of the Commonwealth's and the Town of Plymouth's receipt of the aforementioned plans, the Commonwealth and the Town of Plymouth will state jointly to Holtec whether they have any proposed modifications to the plans and materials submitted in accordance with Paragraph 22(a) and their selection of one of the alternatives presented in the plans and materials submitted in accordance with Paragraph 22(b) together with any proposed modifications to the selected alternative;

(d) Within ninety (90) days of the Commonwealth's and the Town of Plymouth's response pursuant to the prior Paragraph 22(c) or ninety (90) days after Holtec has completed construction of the ISFSI, whichever is later, Holtec shall implement the plantings and other requirements in the selected plans and related materials and maintain that work in substantial conformance with those plans for the life of the ISFSI unless otherwise mutually agreed upon by Holtec, the Commonwealth, and the Town of Plymouth;

(e) Notwithstanding the foregoing, Holtec reserves the right to (i) implement reasonable changes needed to address security and maintenance procedures / concerns (e.g., preserving access for security walk-downs and inspecting the barrier's integrity), and (ii) to forego the installation of a rock facade if the cost is deemed grossly excessive in comparison to the expected benefit as demonstrated by the renderings.

23. HDI shall, within thirty (30) days of the Effective Date, certify to the implementation of a cybersecurity plan at Pilgrim, which shall, at the very least, include the following cybersecurity measures:

(a) Maintain an accurate inventory of digital assets related to safety, security and emergency preparedness functions ("Critical Digital Assets") and eliminate exposure of this equipment to external networks to the extent Pilgrim currently uses such Critical Digital Assets now or in the future;

(b) Implement network segmentation and apply firewalls;

(c) Use secure remote access methods;

(d) Establish role-based access controls and implement system logging;

(e) Use only strong passwords, change default passwords, and consider other access controls;

(f) Maintain security systems with no exposure to external networks (i.e., air gapped) or maintain awareness of vulnerabilities and implement necessary patches and updates for Critical Digital Assets, whichever is applicable;

(g) Develop and enforce policies on the use of mobile devices at the Site such as laptops, portable external hard drives, USBs, or flash drives;

(h) Implement an employee cybersecurity training program;

(i) Involve senior management (e.g., site vice president) in cybersecurity briefings and key decision-making; and

(j) Implement measures for detecting compromises and develop a cybersecurity incident response plan.

24. Holtec shall undertake commercially reasonable efforts to evaluate use of a barge for shipment of solid, hazardous, and low-level radioactive waste (other than spent nuclear fuel) from the Site to other off-site locations licensed to receive the waste. Such evaluation will consider safety, economic, technical, and environmental criteria. If Holtec determines to proceed with barge shipments, then Holtec shall secure all required permits, licenses, and approvals and the relevant regulatory agencies of the Commonwealth will support those efforts in a timely manner. Notwithstanding the foregoing, Holtec shall in all events submit a radioactive waste management plan to MEMA, DPH, and DEP for review and approval and reimburse the agencies for the time and resources they expend on plan review, approval, and implementation, including the Massachusetts State Police.

V. WITHDRAWAL OF PETITIONS AND OTHER LEGAL CHALLENGES

25. Within fourteen (14) days of the Effective Date, the Commonwealth shall file a notice with the NRC to withdraw the NRC Petition and any other petitions or motions then still pending before the NRC in regard to applications or requests by Holtec for NRC actions regarding Pilgrim, and the Commonwealth and Holtec will file with the U.S. Court of Appeals for the District of Columbia Circuit a dismissal agreement regarding the D.C. Circuit Petitions. In regard to the latter, Holtec shall be responsible for securing the joinder in the dismissal agreement of all other parties to the matter, and all parties shall bear their own costs. Thereafter, the Commonwealth shall not initiate any new action opposing the Application or the Transaction before the NRC or any court of law and will not file any motion or take any other action before the NRC or a court of law that would have the effect of delaying the resolution of the Application or the Transaction. The Commonwealth also agrees not to request that the NRC make any part of this Agreement a part of the decisional basis for resolution of the Application, Pilgrim's licensing basis, a condition of license transfer, or a regulatory commitment to the NRC—it being expressly understood and agreed that this Agreement is not intended to supplement, amend, be incorporated into, or otherwise affect the Pilgrim licensee's commitments to or regulation by the NRC.

26. Neither the Commonwealth's withdrawal of its Petition under this Section nor any other provision of this Agreement shall affect the Commonwealth's right to participate in rulemaking or other activities addressing the NRC's general approach to decommissioning, the NRC's exemption process and policies, the purpose of decommissioning funds, what expenditures from those funds are appropriate, or other matters.

27. Within fourteen (14) days of the Effective Date, Holtec shall conditionally withdraw or stipulate to the dismissal of:

(a) In the matter of *In re Holtec Decommissioning International*, NPDES Appeal No. 20-03 before EPA's EAB, Holtec's challenge denoted as issue seven (7) in its March 6, 2020 EAB Petition for Review of the SW / NPDES Permit and any other challenges to the state only conditions in the SW / NPDES Permit;

(b) In the consolidated WQC and NPDES Permit appeals pending before DEP's Office of Appeal and Dispute Resolution ("OADR"), originally Docket Nos. 2020-004, 2020-005, Holtec's Notice of Claim challenging the WQC; and

(c) In the consolidated WQC and NPDES Permit appeals pending before DEP's OADR, originally Docket Nos. 2020-014, 2020-015, Holtec's challenge to the state only conditions in the SW / NPDES Permit.

The finality and effect of Holtec's withdrawal and/or stipulated dismissal of the foregoing challenges shall be conditioned on DEP's compliance with the requirements in Paragraph 15(d) of this Agreement.

28. Except for matters addressed in this Agreement, the Parties otherwise retain all authority and reserve all rights to take any actions authorized by law, including enforcement of the terms of this Agreement. For a period of one (1) year following the Effective Date, the Commonwealth agrees not to take a position before the NRC or a court of law opposing or seeking to modify the terms of Holtec's acquisition of, and subsequent conduct of decommissioning activities at, Indian Point Energy Center in Buchanan, New York or Palisades Nuclear Generating Station in Covert Township, Michigan. During the second year of this Agreement, the Commonwealth agrees to the foregoing limitation, except that during the second year of the Agreement the Commonwealth may participate as an amicus curiae before a federal court regarding any issue related to Holtec's acquisition of any nuclear plant.

VI. MISCELLANEOUS TERMS

29. Scope of Agreement. The terms of this Agreement shall apply to and bind Holtec, and any person or entity acting by, for, or through Holtec, including their managers, directors, officers, supervisors, and employees, and the Commonwealth. This Agreement shall also apply to and bind any successors or assigns of the above listed entities and any person or entity acting by, for, or through such successors or assigns. For the avoidance of doubt, nothing in this Agreement dictates how Holtec must satisfy its regulatory obligations to NRC. In addition, nothing in this Agreement shall be construed to create any rights in, or grant any cause of action to, any person not a party to this Agreement.

30. Change in Owner, Management, or Operation. From the Effective Date until License Termination, at least sixty (60) days prior to any transfer in ownership, management, or operation of Pilgrim, or any portion of Pilgrim, including the ISFSI, Holtec shall provide a true copy of this Agreement to the proposed new owner, manager, or operator (collectively, the "transferee(s)") and shall simultaneously provide written notice of the prospective transfer in ownership, management, or operation of Pilgrim, or any portion of Pilgrim, including the ISFSI,

to the Commonwealth, with a copy to EEA, by electronic and first class mail in accordance with Section VII (Notices) of this Agreement; provided, however, that the requirements in this Paragraph shall not apply to those portions of the Site covered by Partial Site Release and that have satisfied the requirements in Paragraphs 10(d) and 10(e). No transfer shall be permitted to a transferee having any outstanding tax delinquency or held criminally liable for illegal acts, including the acts of its directors, officers, employees, and agents. In addition, no transfer in ownership, management, or operation of Pilgrim, or any portion thereof, including the ISFSI, whether in compliance with the procedures of this Paragraph or otherwise, shall relieve Holtec or their managers, officers, directors, agents, successors, assigns, heirs, and/or servants of any obligation under this Agreement, unless:

(a) the proposed transferee agrees, in writing, to undertake the obligations required by this Agreement and to be added as a party or substituted for one or more of the named Parties to this Agreement and thus assume the obligations, rights, and benefits of the Agreement, and be bound by, its terms;

(b) the proposed transferee obtains NRC approvals, if applicable;

(c) Holtec certifies the Trust Fund and Pilgrim Supplemental Fund (if created) are transferred to, or replaced by, the transferee such that the financial assurances obligations in Paragraph 3 and elsewhere in this Agreement are preserved; and

(d) the Commonwealth confirms in writing, within forty-five (45) days after Holtec provides reasonable evidence unless extended by mutual agreement, that the foregoing requirements have been satisfied. For additional clarity, this requirement shall be deemed to have been waived by the Commonwealth if it does not provide its confirmation within forty-five (45) days unless extended by mutual agreement.

Any attempt to transfer ownership, management, or operation of Pilgrim, or any portion thereof, including the ISFSI, without complying with this Paragraph 30 shall constitute a violation of this Agreement.

31. Public Participation. Until Partial Site Release, Holtec will conduct annual stakeholder information forums, within ninety (90) days of the date Holtec submits the report required by 10 C.F.R, § 50.75(f)(1), to inform the public of about the status of Pilgrim's emergency plans and Pilgrim's operating, decommissioning, site restoration, and spent nuclear fuel management work and to solicit public comments. Holtec will establish and maintain a website that is accessible to the public as another venue to disseminate this information. Holtec shall provide the public with reasonable notice of the date and location for each annual stakeholder information forum, provided, however, that the date for each Forum shall not coincide with a meeting held by the Nuclear Decommissioning Citizens Advisory Panel.

32. Confidentiality. To the extent that Holtec determines that the information it must submit to the Commonwealth, DEP, DPH, EEA, or MEMA pursuant to this Agreement constitutes a Holtec trade secret or confidential business information or other information that is exempt from disclosure under the Massachusetts Public Records Act, Mass. Gen. Laws c. 66,

§ 10, Mass. Gen. Laws c. 4, § 7(26)(a-q), Holtec shall designate the information as such and shall provide a redacted version for public disclosure, unless redaction would render the document meaningless. If the Commonwealth, DEP, DPH, EEA, or MEMA receive a request by a non-party to release, disclose, or obtain access to any information marked by Holtec as trade secret or confidential business information, then the entity that receives the request shall notify Holtec prior to the date on which a response to such a request is due. Unless Holtec consents to the disclosure or release of the marked information, the entity that received the request shall assert, to the extent authorized by law, and subject to any mandatory disclosure required by a court order, all relevant exemptions to disclosure, any applicable privileges, and other objections the receiving entity determines are relevant and applicable to the requested disclosure of such information.

33. Site Access. Prior to receiving access to the Pilgrim Site, all Commonwealth representatives shall comply with all applicable Pilgrim security and safety protocols and procedures related to Site access.

34. Regulatory Authority. Nothing in this Agreement shall affect, restrict, or limit the jurisdiction or regulatory authority of any state or federal agencies over Holtec or Pilgrim, including any authority to access the Site to review compliance with laws, regulations, licenses and permits within their respective jurisdiction. This Agreement is entered into by Holtec with a full reservation of its rights under federal laws and regulations. Nothing in this Agreement shall be interpreted as prohibiting or restricting Holtec from complying with any requirements or orders of the NRC, or any obligation under the Pilgrim operating license or any other federal agency as applicable.

35. Governing Laws. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth and enforceable by an action in the Massachusetts Superior Court for Suffolk County.

36. Precedential Impact. This Agreement, and any orders approving or implementing provisions of this Agreement, shall not be construed by any party or tribunal as having precedential impact on any future proceedings involving the Parties, except in a proceeding to enforce the terms and conditions of this Agreement or in proceedings to give effect to matters addressed by this Agreement.

37. Full Force and Effect. Except as superseded expressly by name by this Agreement, all other agreements, orders, and Memoranda of Understanding ("MOU") related to Pilgrim remain in full force and effect unless terminated or modified by their own terms.

38. Good Faith. The Parties shall negotiate in good faith the terms of the necessary instruments to be filed with the appropriate tribunals and agencies necessary to accomplish the terms and conditions of this Agreement. Each Party to this Agreement shall reasonably and in good faith cooperate in connection with this Agreement, including by providing executed versions of documents reasonably requested in connection with carrying out the objectives of this Agreement. The Commonwealth agrees, to the extent approvals, permits, or other matters arise before the Commonwealth (including its agencies) that relate to the matters addressed in

this Agreement, that the Commonwealth (including its agencies) will act in a reasonable amount of time and in a manner consistent with the provisions of this Agreement and will not seek to alter the requirements contemplated by this Agreement or delay any permitting or other regulatory action necessary to give effect to matters addressed by this Agreement.

39. Right to Counsel. Each Party enters into this Agreement freely and after opportunity for and actual consultation with all desired counsel, legal and otherwise, of its choice.

40. Disputes. The Parties understand, agree, and acknowledge that (a) this Agreement has been freely negotiated by all Parties; and (b) in any controversy, dispute or contest over the meaning, interpretation, validity, or enforceability of this Agreement or any of its terms or conditions, there shall not be any inference, presumption, or conclusion drawn whatsoever against any Party by virtue of that Party having drafted this Agreement or any portion thereof. The Parties agree that previous drafts, as well as verbal, electronic, or written communications related to the settlement negotiations of this Agreement, shall not be used to interpret intent. The Parties further agree that all previous drafts, as well as verbal, electronic, or written communications related to the settlement negotiations of this Agreement, were and must remain confidential to the extent permitted by law and shall not be admissible in any state or federal court or other tribunal.

41. Third Parties. This Agreement is not intended to, nor shall it, vest rights in persons or entities who do not represent the Parties to this Agreement or who are not Parties to this Agreement.

42. Calculation of Deadlines. In computing any period of time under this Agreement, where the last day would fall on a Saturday, Sunday, or Massachusetts or Federal holiday, the period shall run until 5:00 p.m. EST of the next business day.

43. Effective Date. Except as noted in the next sentence, this Agreement shall become effective on the date that the last party signs the Agreement ("Effective Date"). This Agreement may be executed in one or more counterparts, each of which will be considered an original document. A .pdf copy of the wet signatures to this Agreement transmitted by electronic mail will have the same effect as physical delivery of the paper document bearing the original signature.

44. Amendment.

(a) The Parties may amend this Agreement if they determine and agree that an amendment is necessary to accomplish its objectives; and

(b) Any amendment of this Agreement shall be effective only if it is in writing and executed by all Parties to this Agreement, provided that reasonable extensions of any deadlines set forth in this Agreement may be agreed to in writing without amending this Agreement.

45. Anti-deficiency. Nothing in this Agreement shall be construed as obligating the Commonwealth, its officers, agents or employees, to expend any funds, including expenditures in excess of appropriations or other amounts authorized by law.

46. Integration. Except as expressly set forth in this Agreement, this Agreement and any referenced Exhibits constitute the entire agreement and understanding between the Parties with respect to all subjects covered by this Agreement and supersedes all prior discussions, agreements, and understandings between the Parties with respect to such matters; any other representations, communications or agreements by or between the Parties, whether written or oral, shall have no force and effect. This Agreement shall not be changed, modified, or altered in any manner except by an instrument in writing executed by the Parties pursuant to Paragraph 44.

47. Severability. If any part of this Agreement is determined to be invalid by a court of competent jurisdiction, such provision shall be null and void, and the remainder of the Agreement shall continue in full force and effect, unless all Parties otherwise agree.

48. Validity. No Party to this Agreement (or any person or entity affiliated or related to a Party to this Agreement) shall assert that any provision of this Agreement (or the Agreement itself) is invalid under any federal law or any provision of the U.S. Constitution.

VII. NOTICES

49. Unless otherwise specified in this Agreement, notices and submissions required by this Agreement shall be made in writing by first class and electronic mail to the following:

For the Commonwealth of Massachusetts:

Massachusetts Attorney General's Office
Energy and Environment Bureau
Attn: Seth Schofield, Senior Appellate Counsel

One Ashburton Place, 18th Floor
Boston, MA 02108-1598

seth.schofield@mass.gov

For the Massachusetts Executive Office of Energy and Environmental Affairs:

Massachusetts Executive Office of Energy and Environmental Affairs
Attn: Benjamin Goldberger, General Counsel
100 Cambridge Street, Suite 900
Boston, MA 02114

benjamin.goldberger@mass.gov

For the Massachusetts Department of Environmental Protection, Southeast Regional Office:
Massachusetts Department of Environmental Protection,
Attn: David Johnston, Deputy Regional Director
20 Riverside Drive
Lakeville, MA 02347

david.johnston@mass.gov

For the Massachusetts Department of Environmental Protection:
Massachusetts Department of Environmental Protection
Attn: Benjamin Ericson, General Counsel
One Winter Street
Boston, MA 02108

benjamin.ericson@mass.gov

For the Massachusetts Department of Public Health:
Massachusetts Department of Public Health
Bureau of Environmental Health
Attn: Jana Ferguson, Director
250 Washington Street
Boston, MA 02108

jana.ferguson@mass.gov

For the Massachusetts Department of Public Health:
Massachusetts Department of Public Health
Radiation Control Program
Attn: "Jack" John M. Priest, Jr., Director
Schrafft Center
529 Main St., Suite 1M2A
Charlestown, MA 02129

jack.priest@mass.gov

For the Massachusetts Emergency Management Agency:
Massachusetts Emergency Management Agency
Attn: Samantha C. Phillips, Director
400 Worcester Road
Framingham, MA 01702

samantha.phillips@mass.gov

For Holtec Pilgrim, LLC and Holtec Decommissioning International, LLC:
Attn: William F. Gill, Vice President and Corporate Counsel
1 Holtec Blvd.
Camden, NJ 08104

W.Gill@holtec.com

or, to such other place or to the attention of such other individual as a Party may from time to time designate by written notice to the other Party to this Agreement.

VIII. AUTHORITY OF SIGNATORIES

50. Holtec Pilgrim and HDI, represent that each of them possesses the power and authority to execute, deliver and perform their respective obligations under this Agreement and agrees that those obligations are valid, binding, and enforceable under this Agreement.

51. The person or persons signing this Agreement on behalf of Holtec Pilgrim and HDI, acknowledges (i) that he or she has personally read and understands the terms of the Agreement; (ii) that, to the extent necessary, Holtec Pilgrim and HDI's managers, directors, officers, and shareholders have consented to Holtec Pilgrim and HDI entering into this Agreement and have

consented to its terms; and (iii) that he or she is authorized to sign the Agreement and to bind the party on behalf of which he or she is signing to the terms of this Agreement.

52. The Massachusetts Attorney General represents and warrants (i) that it has the power and authority to execute and deliver this Agreement, which represents a binding obligation on the Commonwealth, and (ii) all authorizations required to give effect to the foregoing (i) have been obtained.

[Signatures on Next Pages]

The Undersigned Party enters into this Settlement Agreement:

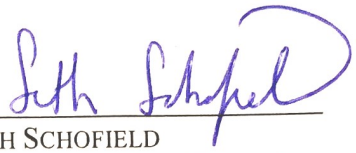
Dated: June 16, 2020

FOR THE COMMONWEALTH OF MASSACHUSETTS

MAURA HEALEY
ATTORNEY GENERAL

MELISSA A. HOFFER
Chief, Energy and Environment Bureau

REBECCA TEPPER
Chief, Energy and Telecommunications Division



SETH SCHOFIELD
Senior Appellate Counsel
JOSEPH DORFLER
Assistant Attorney General
LIAM J. PASKVAN
Special Assistant Attorney General
Energy and Environment Bureau
Office of the Attorney General
One Ashburton Place, 18th Floor
Boston, Massachusetts 02108

The Undersigned Party enters into this Settlement Agreement:

Dated: June 16, 2020

FOR HOLTEC DECOMMISSIONING INTERNATIONAL, LLC

PAMELA B. COWAN
Sr. Vice President & Chief Operating Officer
Holtec Decommissioning International, LLC
Krishna P. Singh Technology Campus
1 Holtec Blvd.
Camden, New Jersey 08104

Dated: June 16, 2020

FOR HOLTEC PILGRIM, LLC

WILLIAM F. GILL IV
VICE-PRESIDENT AND CORPORATE COUNSEL
1 Holtec Blvd.
Camden, NJ 08104

EXHIBIT 1

Financial Assurance Calculation Methodology – Paragraph 3(b)

Column A Year	Column B Spent Fuel Loading Cost	Column C GTCC Loading Cost	Column D GTCC Disposal Cost	Column E ISFSI Decommissioning Costs	Column F Beginning of Year Balance	Column G Minimum End of Year Balance
2028						38,400
2029					38,400	38,400
2030	1,280				38,400	37,862
2031	1,280				37,862	37,314
2032	1,280				37,314	36,755
2033	1,280				36,755	36,184
2034	1,280				36,184	35,602
2035	1,280				35,602	35,009
2036	1,280				35,009	34,403
2037	1,280				34,403	33,786
2038	1,280				33,786	33,156
2039	1,280				33,156	32,513
2040	1,280				32,513	31,858
2041	1,280				31,858	31,190
2042	1,280				31,190	30,508
2043	1,280				30,508	29,812
2044	1,280				29,812	29,103
2045	1,280				29,103	28,380
2046	1,280				28,380	27,642
2047	1,280				27,642	26,889
2048	1,280				26,889	26,121
2049	1,280				26,121	25,338
2050	1,280				25,338	24,539
2051	1,280				24,539	23,724
2052	1,280				23,724	22,893
2053	1,280				22,893	22,045
2054	1,280				22,045	21,181
2055	1,280				21,181	20,299
2056	1,280				20,299	19,399
2057	1,280				19,399	18,481
2058	1,280				18,481	17,545
2059	1,280				17,545	16,591
2060	1,280	476	1,250	54	16,591	13,802
2061	1,280	476	1,250	134	13,802	10,875
2062	1,280	476	1,244	129	10,875	7,901
2063	0	0		1,624	7,901	6,402
Total	42,240	1,428	3,744	1,941		

Notes

1 The costs in Column B (Spent Fuel Loading Cost), Column C (GTCC Loading Cost), Column D (GTCC Disposal Cost), and Column E (ISFSI Decommissioning Cost) are taken from the latest Holtec 10 CFR 50.75(f)(1) filing.

2 All costs are in thousand constant year dollars consistent with the latest Holtec filings per 10 CFR 50.75(f)(1).

3 To calculate Column G (Minimum End of Year Balance) values, take Column F (Beginning of Year Balance), subtract the sum of Columns B, C, D, and E, and multiply the resulting value by 1.02 (to reflect 2 percent annual earnings). G=(F-(B+C+D+E))*1.02

4 Costs shown in this initial spreadsheet are in thousand 2019 dollars.

5 Starting with Partial Site Release, the costs in Columns B, C, D, and E are to be updated annually per the latest Holtec filings with the NRC and the minimum end of year balance (Column G for the appropriate year) modified to ensure a positive balance in column G for the year of license termination (initially assumed to be 2063 and highlighted in green).

6 For example, for 2028, all costs will be updated annually following the Holtec filing pursuant to 10 CFR 50.75(f)(1) to the amounts in the most recent Holtec filings with the NRC and the amount in cell G7 (highlighted in yellow) modified to ensure the value in cell G42 (highlighted in green) is greater than zero. This amount in cell G7 is the minimum balance for Phase 2 per the Agreement.

7 For this example spreadsheet, the values for GTCC Loading and GTCC Disposal are based on the 2020 Holtec 10 CFR 50.75(f)(1) filing as modified to reflect the currently planned number of GTCC canisters (2 instead of 5; e.g., the amount in cell D39 was calculated as follows: Holtec March 31, 2020 Amount ($3,124) * 2/5 = $1,250)).

EXHIBIT 2

LETTER OF AGREEMENT BETWEEN PILGRIM NUCLEAR POWER STATION (PNPS) AND THE COMMONWEALTH OF MASSACHUSETTS

I. PURPOSE

The purpose of this Letter of Agreement is to establish conditions regarding emergency planning notification and emergency response activities should an event at the plant require Emergency Plan activation, which include those events resulting from hostile actions. This LOA will take effect when all agreements and requirements for the maintenance and existence of an off-site Emergency Planning Zone are no longer in effect.

II. DEFINITIONS

Emergency Director - A member of the Pilgrim Emergency Response Organization (ERO) who is responsible for initiating emergency actions to limit the consequences of the incident and to bring the plant into a stable condition and planning recovery actions.

The Commonwealth of Massachusetts – state emergency management agency.

Licensee—Pilgrim Nuclear Power Station located in Plymouth, Massachusetts.

III. AGREEMENT

The Commonwealth and Licensee agree to the following:

Emergency Classification:

A. The licensee will classify emergencies within 30 minutes of presented conditions

Initial Notification:

A. It is the Licensee's duty and obligation to notify the Commonwealth as soon as possible but no later than 60 minutes after the event has been classified as either an Unusual Event or Alert. The initial notification shall be made, as specified in the Licensee and State plans. (More expedient notifications will be made for Initial Notification of selected security events as determined by the Licensee).

B. The Licensee will notify the Commonwealth as soon as possible but no later than 60 minutes after an Unusual Event emergency condition has been observed but immediately terminated. Notification shall be made, as specified in the Licensee and State plans.

C. The Licensee agrees to notify the Commonwealth as soon as possible but no later than 60 minutes after a decision has been reached by the Licensee on a

change in classification.

D. The Commonwealth agrees that the Licensee may terminate an Unusual Event emergency without obtaining State concurrence. However, it is the Licensee's obligation to notify the Commonwealth when it terminates the Unusual Event.

E. De-escalation from an Alert to the recovery phase or termination of the emergency will not be made without the concurrence of responsible State officials.

F. The Commonwealth agrees to inform the Licensee of any protective actions it chooses to implement.

G. The Licensee and Commonwealth agree to exchange and coordinate in the maintenance, updating, and exercise of both Licensee and State Emergency Plan and Emergency Procedure changes that pertain to those elements of interface prior to implementing the change. The Licensee and State will discuss and coordinate the effective date of these changes so as not to render either Emergency Plan ineffective or unworkable.

H. The Licensee and the State agree to exchange in a timely manner all information known and available for emergency decision making, regarding plant conditions, plant radiological releases, off-site radiological impact and other plant technical data.

I. The Pilgrim Emergency Director will be the point of contact for Commonwealth representatives. Responsibilities of the Commonwealth and Licensee personnel will be as outlined in their respective Emergency Plans.

J. To maintain public confidence and to avoid public apprehension, information regarding an emergency declaration shall be released to the public as soon as possible and in a coordinated manner through the Commonwealth's Public Information Officer (PIO).

K. Pilgrim Nuclear Power Station will use a dose assessment methodology acceptable to the Department of Public Health Radiation Control Program.

L. In the event of a radiological emergency requiring offsite response or monitoring, the Licensee agrees to make an Environmental Laboratory (E- Lab) available to the Commonwealth as close as reasonably possible to the plant for radiochemical processing of all types of environmental media sampled.

M. An Alert shall be deemed to have terminated when, in the agreement of both the Commonwealth and Licensee, there is no longer a need for either consideration of protective action or surveillance related to off-site protective action. Close out of the emergency classification shall be as outlined in respective Emergency Plans.

N. The Licensee shall notify the Commonwealth as soon as possible but no later than 60 minutes of any plant event that does not constitute an emergency classification but is significant enough to have the Licensee notify the NRC or issue a news release. This includes issues involving Law Enforcement, EMS or Fire Department resources.

O. This agreement may be amended by subsequent agreement between the Commonwealth and the Licensee.

P. This agreement reflects the Licensee's current obligations to the Commonwealth under the current statutory, regulatory, and NRC license requirements with which the Licensee must comply ("Legal Requirements"), as well as the current NRC-approved PNPS Emergency Plan. In the event there is (1) a change to the Licensee's Legal Requirements; or (2) a revision *to* the PNPS Emergency Plan, the Commonwealth and Licensee agree to engage in good faith negotiations to amend or terminate this agreement, as appropriate, to reflect the changed Legal Requirements and/or revisions to the PNPS Emergency Plan. If the Commonwealth and Licensee are unable to negotiate a mutually-acceptable amended agreement, to the extent that the Licensee's obligations under this agreement exceed or differ from the changed Legal Requirements, the Commonwealth agrees that the Licensee is only obligated to comply with the applicable Legal Requirements.

Q. This agreement shall be effective upon implementation of the Permanently Defueled Emergency Plan. This agreement shall remain in effect until and unless it is renegotiated or replaced in accordance with paragraph III P.

R. It is agreed that the Memorandum of Understanding (MOU) Between Pilgrim Nuclear Power Station (PNPS) and the Commonwealth of Massachusetts Regarding the Alert and Notification System (ANS) will no longer be in effect when all agreements and requirements for the maintenance and existence of an off-site Emergency Planning Zone are no longer in effect.

S. It is agreed that the Agreement for the Operation of a NOAA Weather Radio Transmitter by Pilgrim Nuclear Power Station, Plymouth, MA will no longer be in effect with the implementation of the Permanently Defueled Emergency Plan.

LETTER OF AGREEMENT BETWEEN
PILGRIM NUCLEAR POWER STATION (PNPS)
AND THE COMMONWEALTH OF MASSACHUSETTS

Kurt N. Schwartz 1/17/19

DIRECTOR DATE
Massachusetts Emergency Management Agency
(MEMA)

02.12.19

PILGRIM NUCLEAR POWER STATION DATE