

January 30, 2013

Melissa McGee-Collier Office of Community Engagement PO Box 2261 Jackson, MS 39225

RE: COMMUNITY ENGAGMENT PROGRESS REPORT OCTOBER 2012 THROUGH JANUARY 2013, KUHLMAN ELECTRIC CORPORATION CLEAN UP ACTIONS, CRYSTAL SPRINGS, MISSISSIPPI

Dear Ms. Collier:

This report provides a summary of community engagement actions taken for the Kuhlman Electric Corporation (KEC) environmental clean-up actions in Crystal Springs, Mississippi, as required by the Community Engagement Plan approved by the Mississippi Department of Environmental Quality (MDEQ) on July 17, 2012. This report will cover the period from November 2012 to January 2013. Future reports will continue to be provided quarterly.

KEC has continued to be actively engaged with the community. During this quarter, KEC with its consultants Environmental Management Services (EMS) and Caffee, Caffee and Associates (CCA) has updated and notified Crystal Spring's residents of remedial activities through community and Concerned Citizens Against Pollution (CCAP) meetings, one-on-one dialogue and the quarterly newsletters.

The following Corrective Action Plan milestones were achieved during this reporting period.

- Capacity Plan for Potable Water Supply for the City of Crystal Springs (Approved December 2012)
- Purifics Interim Groundwater Treatment System approved by the City of Crystal Springs (January 2013)
- Upper Lake Chautauqua sampling reported submitted to MDEQ (November 2012).
- Upgradient Subsurface Investigation Work Plan Approved (December 2012)
- Monitored Natural Attenuation Ground Water Monitoring (ongoing)

The following CAP milestones were initiated during this reporting period.

- Capacity Plan Implementation Interim Treatment System Construction begun.
- Detailed design work has been initiated for design, procurement, and installation of the final SVE system.
- Extraction well installed as part of the SVE Pilot Test.

Melissa McGee-Collier January 30, 2013 Page 2

Progress in implementing the Community Engagement Plan as it relates to these specific milestones, above, is detailed in Table 1, attached. There were no required activities that were not completed. Several community relations actions are conducted on an as-needed basis, designed to meet the requests and needs of the public. The status of these actions is as follows:

Points of Contact

There have been no changes in the points of contact since the CEP was submitted.

Fact Sheets

Distribution of fact sheets continues on an ongoing basis and upon request from the public. Fact sheets available are:

- Soil Vapor Extraction
- Air Sparging
- Monitored Natural Attenuation
- Groundwater Corrective Action Plan

Media Releases and Briefings

The first edition of the Kuhlman Cleanup Newsletter was published on the front page of the Crystal Springs Meteor. Additionally, the January Informational Open House was recapped on the front page of the paper's annual chronology of the past year.

Public Notices

There have been no public notices this period.

<u>Information Repository</u>

The information repository is maintained by MDEQ online at https://www.deq.state.ms.us and at the Crystal Springs Public Library Information Desk, 200 South Jackson Street, Mississippi, MS. MDEQ adds approved documents and final reports only. During this reporting period, the following documents were approved:

- Upgradient Subsurface Investigation Work Plan (October 31, 2012))
- Capacity Plan for Potable Water Supply (December 2012)

During this reporting period, the following final reports were also submitted to MDEQ:

- Semi-Annual Groundwater Assessment Report (December 7, 2012)
- Lake Chautauqua Sampling Report (November 6, 2012)

Melissa McGee-Collier January 30, 2013 Page 3

Local Briefings and telephone briefings

Caffee, Caffee and Associates, on behalf of KEC, has continued to hold several small group and individual meetings, as well as telephone conversations each month during the reporting period, including attendance at the CCAP monthly meetings that resumed in November 2012. CCA has maintained communication and a presence in the community each month to reassure residents of KEC's community engagement efforts. Additionally, representatives held one-on-one talks with businesses and churches in Crystal Springs while hand delivering copies of the KEC newsletter (see Direct Mail below).

Public Meeting, Open Houses and Small Group Meetings

CCA has continually offered updates through monthly small group meetings to over 50 people during the reporting period not including those who received newsletters (see Direct Mail below).

Direct Mail

KEC published the second edition of a quarterly newsletter, the Kuhlman Cleanup News in January 2013. The newsletter was distributed to more than 160 individuals, 60 local businesses, and 30 churches. Businesses and churches received copies of the newsletter to ensure a broad distribution and that interested individuals had multiple locations to obtain a copy. This issue of the newsletter provided updates on the Capacity Plan for Potable Water Supply, Final Design of the SVE System, Upper Lake Chautauqua Sampling, and Upgradient Subsurface Investigation. A copy is attached.

Comment Period and Comment Responses

MDEQ has not notified KEC of any other public notice/comment periods required at this time.

Upcoming Activities

KEC will provide the next quarterly update in April 2013. Please do not hesitate to contact me with any questions you might have.

Sincerely,

Tommy Kessinger ABB Kuhlman

Lonny Kersinger

CAP Milestone	Anticipated Date	Planned Community Engagement Activities	Task Initiated and/or Completed	Task Planned for Following Quarter	Problems and Delays
Capacity Plan for Potable Water Supply, City of Crystal Springs (submitted to MDEQ, and MDOH June 8, 2012).	Summer 2012	 Concurrently submit to the mayor of the City of Crystal Springs for review and comment. Publish in quarterly newsletter to interested parties. Update civic leaders. Approved document will be placed in public repository. 	 Capacity Plan for Potable Water Supply approved by MDEQ in December 2012. Quarterly Newsletter distributed to Crystal Spring's residents and businesses in January 2013. Mayor and Civic leaders were updated through the Newsletter. Documents placed in the public repository. Also available upon request. 	- None at this time.	- None at this time.
Capacity Plan Implementation Interim Treatment System Final Design	Summer – Fall 2012	 Will be submitted to MDEQ, MSDH, and engineers selected by the City of Crystal Springs. Approved design will be placed in the public repository at the Crystal Springs library and on the MDEQ website. Public notice upon approval. Update civic leaders. Publish in quarterly newsletter to interested parties. 	 The bench study and final design was successfully completed. The MDSH issued a letter of concurrence with the proposed interim treatment system design in November 2012. The final design was approved by MDEQ in December 2012. Public notice and updates to civic leaders were provided via quarterly newsletter in January 2013. 	- Continue to update MDEQ via quarterly reports.	- None at this time.

CAP Milestone	Anticipated Date	Planned Community Engagement Activities	Task Initiated and/or Completed	Task Planned for Following Quarter	Problems and Delays
Capacity Plan Implementation Interim Treatment System Construction Complete	Fall – Winter 2012	 Public notice Update civic leaders. Publish in quarterly newsletter to interested parties Attend regularly scheduled City meeting on an annual basis and provide update. 	- Treatment system site preparation has begun (initial piping installed) Published in quarterly newsletter January 2013 City of Crystal Springs passed a resolution approving the Purifics Interim Groundwater Treatment System.	- Continue site preparation and begin construction of interim treatment system Order the Interim Groundwater Treatment System and begin building, installing and testing the system to be in place by Summer 2013.	- City update schedule not yet established.
Capacity Plan Implementation Long term volume replacement, as needed	Ongoing - 2015	 Progress will be included in Groundwater monitoring reports submitted to MDEQ. Update civic leaders. Publish in quarterly newsletter to interested parties. Attend regularly scheduled City meeting on an annual basis and provide update. 	- Possible well site locations are being evaluated. Data gathering related to City Potable Water Supply System and demand has been ongoing Civic leaders updated through newsletter.	- Continue existing design documentation and potential well site search. Initiate permit process with MDEQ.	- KEC is informed that there is lower than anticipated yield from Harmony Road well, which was installed by others; this has delayed this task.
Expected results of Soil Vapor Extraction (SVE) Pilot Test	Fall 2012	 Updates with individuals, as requested. Results will be included in Final Design submitted to MDEQ. Once approved, MDEQ will place the design in a public repository at the Crystal Springs 	- The initial test of the proposed Soil Vapor Extraction (SVE) procedure was successfully completed in May 2012 The results will be included in the final design submitted to	- Report to be submitted to MDEQ.	- None at this time.

CAP Milestone	Anticipated	Planned Community	Task Initiated	Task Planned for	Problems and
	Date	Engagement Activities	and/or Completed	Following Quarter	Delays
		library and on the MDEQ website Publish in quarterly newsletter to interested parties.	MDEQ. - Updates on this milestone were included in the October 2012 Quarterly Newsletter.		
Final design of SVE System	Winter 2012-2013	- A final design will be submitted to MDEQ for review and approval. Once approved, MDEQ will place the design in a public repository at the Crystal Springs library and on the MDEQ website Publish in quarterly newsletter to interested parties Update civic leaders.	- Detailed design work has been initiated for design, procurement, and installation of the SVE system.	- Upgradient Subsurface Investigation will be completed at the plant site (January 2013). Resulting data will be incorporated into the final design Detailed design of SVE system/Quality Assurance Project Plan (QAPP).	- None at this time.
Installation of SVE System	Spring- Summer 2013	 Construction report will be submitted to MDEQ. Approved report will be placed in public repository at Crystal Spring's library and on MDEQ website. Publish in quarterly newsletter to interested parties. Attend regularly scheduled City meeting on an annual basis and provide update. 	- Extraction well installed as part of the SVE pilot test in 2012.	- None at this time.	- None at this time.

CAP Milestone	Anticipated Date	Planned Community Engagement Activities	Task Initiated and/or Completed	Task Planned for Following Quarter	Problems and Delays
Monitored Natural Attenuation (MNA)/ Groundwater Monitoring	Ongoing Semi- Annually	- Groundwater Monitoring Reports will be sent to the MDEQ following each sampling event Final Monitoring Reports will be placed in a public repository at the Crystal Springs Library and the MDEQ website Updates with individuals, small groups as requested Publish in quarterly newsletter to interested parties Attend regularly scheduled City meeting on an annual basis and provide update.	- Semi-Annual Groundwater Assessment Report submitted to MDEQ December 7, 2012 Notice of upcoming reports/sampling included in quarterly newsletter Documents submitted to MDEQ for placement in the public repository. Also available upon request.	- Semi-Annual Groundwater Assessment sampling scheduled for February/March 2013.	- None at this time.
Ongoing SVE operations	Ongoing Quarterly- to Semi- Annually	 KEC will submit a summary of the active SVE operations within the Ground Water Assessment Reports. Publish in quarterly newsletter to interested parties. Attend regularly scheduled City meeting on an annual basis and provide updates. 	- System to be installed in Spring-Summer 2013.	- None at this time.	- None at this time.
Air sparge (AS) vs. alternative remedial method evaluation –	Spring 2014	- Recommendations will be made available to MDEQ in written format. Any changes to the	- This milestone will be completed in Spring 2014.	- None at this time.	- None at this time.

CAP Milestone	Anticipated	Planned Community	Task Initiated	Task Planned for	Problems and
	Date	Engagement	and/or Completed	Following Quarter	Delays
		Activities			
KEC will		CAP approved by			
evaluate the		MDEQ will be			
effectiveness of		posted to the public			
the SVE system		document			
and either		repository.			
proceed with		- Publish in quarterly			
the installation		newsletter to			
of Air Sparging		interested parties.			
or an alternative		- Attend regularly			
plume		scheduled City			
treatment		meeting on an			
scenario.		annual basis and			
		provide updates.			
Contingencies/In	2014 –	- Will be summarized	- This milestone	- None at this time.	- None at this
Situ Treatment –	2015	on Groundwater	will be		time.
Groundwater		Monitoring reports.	completed in		
trends will be		- Final Monitoring	2014-2015.		
reexamined and		Reports will be			
KEC will		placed in a public			
determine if the		repository at the			
treatment		Crystal Springs			
technologies are		Library and the			
meeting the CAP		MDEQ website.			
objectives.		- Updates with			
•		individuals, small			
		groups as			
		requested.			
		- Publish in quarterly			
		newsletter to			
		interested parties.			
		- Attend regularly			
		scheduled City			
		meeting on an			
		annual basis and			
		provide updates.			

CAP Milestone	Anticipated	Planned Community	Task Initiated	Task Planned for	Problems and
	Date	Engagement	and/or Completed	Following Quarter	Delays
		Activities			
No Further Remedial Action Request	2015	 Formal request will be submitted to MDEQ when data supports it. Public notice. Publish in quarterly newsletter to interested parties. Attend regularly scheduled City meeting on an annual basis and 	- This milestone will be completed in 2015.	- None at this time.	- None at this time.
		provide updates.			

January 2013 Volume 1, Issue 2

Kuhlman Cleanup News

Newsletter on Kuhlman Environmental Cleanup in Crystal Springs, MS

UPGRADIENT SHALLOW SUBSURFACE INVESTIGATION WORK PLAN APPROVED

A work plan was submitted to the Mississippi Department of Environmental Quality (MDEQ) for the additional investigation of the shallow soil and groundwater upgradient of the current remediation project at the plant. We are pleased to report that MDEQ approved the work plan on October 31, All applicable documents are available 2012. through the public repositories (detailed below). The purpose of this project is to investigate the potential for another source of groundwater contamination near the monitoring wells. In the plan, KEC proposes to collect soil samples and install temporary groundwater monitoring wells at seven additional locations, including two in the plant.

We plan to implement the plan beginning in late January 2013 and estimate the sampling will take two to three days to complete. Work is scheduled for the weekend to avoid disruption of business operations at the KEC facility. Proper safety protocols will be used and prior to beginning the work, the proper plant personnel and utility officials will be contacted. MDEQ will be involved with the work, and routine safety precautions will be taken.

Once the project has been completed and laboratory analysis of the data is received, a final report will be submitted to MDEQ. The report will include a brief description of the work conducted as well the results of the tests. The results of this investigation will be used to help determine the next steps in the facility clean up and finalize designs for the soil vapor extraction (SVE) technology tested in 2012.

PUBLIC DOCUMENTS REPOSITORY

All public documents referenced in the Newsletter may be accessed at the following physical and virtual repositories: Crystal Springs Library and www.mdeq.state.ms.us.

HAPPY NEW YEAR

On behalf of Kuhlman Electric Company (KEC) we would like to wish each of you a Happy New Year! As you are reading the newsletter, you will see that we made significant progress during 2012 on our remedial activities. We look forward to another productive year in 2013!

COMMUNITY ENGAGEMENT REPORT

As mentioned in our previous newsletter, we developed a community engagement plan and have received notification from MDEQ to proceed with communication measures outlined in the plan. Under these directives we submitted our first quarterly community engagement report to MDEQ in October 2012. Reports will be submitted each quarter and are available at the public documents repositories. Each report will detail the activities completed to date and those planned in the future.

GROUNDWATER AND CITY WELL MONITORING CONTINUES

We continue to monitor groundwater and city wells. Monitoring reports are submitted to MDEQ and made available on their website. All city well data for the 4th quarter of 2012 indicates City water continues to meet drinking water standards.

UPCOMING EVENTS

- Groundwater Monitoring Event and Reporting
- Implementation of Upgradient Shallow Subsurface Work Plan
- MDEQ feedback regarding Lake Chautauqua Investigation Results and Report
- Monthly City Well Monitoring
- Community Engagement Progress Report to MDEQ

LAKE CHAUTAUQUA SOIL AND SEDIMENT SAMPLING COMPLETED

The investigation of the lake has been completed and a report was submitted to MDEQ in early November 2012. Once the report is approved, it will be made available to the public. Those interested in additional information regarding Lake Chautauqua can view the Sediment and Soil Sampling plan in the public document repository.

CAPACITY PLAN FOR POTABLE WATER SUPPLY AND PROPOSED WATER TREATMENT TECHNOLOGY APPROVED

MDEQ recently approved the Capacity Plan for Potable Water Supply for Crystal Springs. The plan addresses concerns about potential future impacts to the City drinking water supply. The plan has two major components: an interim method to treat the water from existing City drinking water wells if that should become necessary, and a long term solution for making the volume of water available without additional treatment.

This plan was developed after careful consideration of various alternatives and discussions with officials of the City of Crystal Springs, the MDEQ, and the Mississippi State Department of Health (MSDH). We are pleased to report that since our previous newsletter, MDEQ and MSDH have formally approved the Capacity Plan for Potable Water Supply and the proposed water treatment technology. The City of Crystal Springs has also approved the plan and the treatment system, which is designed to specifically address degraded solvents that have been found in groundwater. These chemicals are not related to PCBs. PCBs have not been found in the groundwater.

KEC has already begun implementing the plan. We are in the process of designing and procuring the water treatment system and have already installed the first piping. We will continue coordination and meetings with MDEQ, MSDH, and the City of Crystal Springs as we move forward.

Each quarter we will include one or more questions that were presented over the past year.

QUESTION: HOW LONG WILL IT TAKE TO FINISH THE REMEDIATION WORK?

ANSWER: We appreciate the community's patience with the process. KEC is working with MDEQ and the MSDH to address any public health concerns.

In 2000, Polychlorinated Biphenyls (PCBs) were discovered in the soils at the plant. Since this discovery, both groundwater and drinking water have been closely monitored. This monitoring continues. We have not found any contamination above regulated levels in public drinking water. Additionally, no PCBs have been found in the drinking water or groundwater. They were only found in the soil. However, some other degraded chemicals were found in the groundwater, related to solvents used in the past.

The first priority was to clean up soils containing PCBs. That work has been completed and approved by MDEQ. The next step is to clean up the degraded solvents found in the soil and groundwater.

Once the plant site remediation system is installed and has been operating for some time, we expect that we will have a better understanding of the time frame in which the remediation work will be completed. But it is likely that this remediation project will take years to complete.

QUESTIONS OR COMMENTS

Please submit all questions or comments to Kuhlman at crystalspringsinfo@us.abb.com or Brenda Bell Caffee of Caffee, Caffee and Associates at 601-336-7212.