



May 1, 2007

Ms. Melanie Morash  
On-Scene Coordinator  
Regional Response Team Coordinator  
U.S. Environmental Protection Agency-Region I  
One Congress Street, Suite 1100 (HBR)  
Boston, MA 02114-2023

Re: Wampus Milford Associates

Dear Ms. Morash:

This submittal has been prepared in partial response to EPA's March 19, 2007 correspondence addressed to Robert Smart, President Framatome USA, Inc., which provided a notification of potential liability associated with anticipated removal activities to be conducted at the above referenced site.

In response to this notification, FCI USA Inc. ("FCI") has been working over the past several weeks with EPA, the Connecticut Department of Environmental Protection Agency ("DEP"), and the responsible party, Wampus Milford Associates, LLC ("WMA"), to attempt to resolve this matter. In support of this effort, we are submitting for your review and comment a document entitled Conceptual Approach to Removal Action, prepared on our behalf by HRP Associates, Inc. ("HRP").

The document details a conceptual strategy for removal of a 240 foot long drainage swale, including underlying and immediately adjacent soil, and proposes the following items;

- Excavation and disposal of the drainage swale to a depth of four feet below the base of the channel in order to address EPA Removal Action criteria , and
- The utilization of State of Connecticut regulatory standards and threshold criteria to determine the extent of removal beyond the limits of the channel.

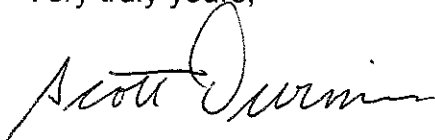
The document also develops the conceptual site model that was used as a basis for the proposed Removal Action strategy, and summarizes past property transactions and associated regulatory requirements for site-wide remediation that impact the overall environmental situation.

In order to move this resolution process along in a timely fashion, and to work towards initiation of the Removal Action during this construction season as indicated by EPA, we request that the Conceptual Approach be expeditiously reviewed by EPA, and that we then schedule a meeting with EPA, DEP, FCI, and WMA to confirm the Scope For Removal Action. Upon acceptable resolution, FCI corporate management will be prepared to seek shareholder approval for implementation or financing of the Removal Action, with minimal delay.

The contents of this letter and the related discussions are part of settlement negotiations and are not admissible in any proceeding.

Our management, consultants and lawyers are immediately available to you and EPA's attorneys to attempt to work out a settlement consistent with the proposed Conceptual Approach outlined in this correspondence. If you have any questions, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Scott Durnin". The signature is fluid and cursive, with a large loop at the end.

Scott Durnin  
Vice President, Safety and Environmental Affairs

cc: Amelia W. Katzen, Esq.  
Douglas A. Cohen, Esq.  
L. Andrew White, HRP Associates  
B. Jill Steps, Esq., FCI USA, Inc.  
Holly Winger, Esq, attorney for Wampus  
Stephanie Carr, EPA  
Sharon Fennelly, EPA  
Dave Ringquist, CT DEP