



Studsvik UK Ltd Metals Recycling Facility, Lillyhall - Report to the West Cumbria Sites Stakeholder Group October 2008

Introduction

This report is prepared and issued to demonstrate the Studsvik UK Ltd commitment to the local community of being open and transparent in relation to their operations at it Metals Recycling Facility (MRF) at Lillyhall Workington. This report ensures that the information is available to members of the public and is for distribution to the members of the West Cumbria Sites Stakeholder Group (WCSSG). This is the first report produced by Studsvik UK Ltd as a Nuclear Site Licence holder and will cover the following areas:

- Construction progress
- Health, Safety, Environment and Security
- Socio Economic Issues
- Recruitment
- Forward Programme

Once construction and installation activities are complete and the facility is commissioned relevant data will be included in the report.

The reports will be produced and issued prior to the WCSSG scrutiny meetings and will be made available on the Studsvik UK website: www.studsvik.co.uk and the WCSSG website: www.wcssg.co.uk

Construction Progress

Construction and refurbishment work commenced earlier this year and is currently ongoing with progress being made on external civil works and the refurbishment of the facility building. The Principal Contractor appointed to oversee the construction works is Cross Engineering Services Limited who has a base at Westlakes. All construction and refurbishment works is being carried out by local contractors

Health, Safety, Environment and Security

Studsvik UK strives to achieve the highest possible health, safety, environmental and security standards and to continually improve its performance in these areas. This is achieved by implementing and maintaining systems and practices that are appropriate to the company's activities and services.

Studsvik UK Ltd work closely with their contractors in ensuring the health safety and welfare of their employees and to date there has been no incidents of injury to personnel during the construction and refurbishment phase of the MRF and as an organisation Studsvik has recently exceeded 500,000 man hours without a lost time accident.

The MRF was licensed by the Nuclear Installations Inspectorate (NII) in February 2008 and the site will be regulated in accordance with the conditions of the Nuclear Site License and Radioactive Substances Act.

Once operational the security of the MRF site will be paramount and the site security fence has been approved by the Office for Civil Nuclear Security (OCNS) and will be installed to meet the requirements of BS 1722:10 - Specification for anti-intruder fences in chain link and welded mesh. Security personnel will be employed as advised and directed by OCNS.

Socio Economic Issues

Studsvik UK Limited is founded on the expertise and commitment of our people and the trust of our stakeholders and our Corporate Social Responsibility represents a commitment to behave in a sustainable, safe and responsible manner towards all our stakeholders including:

- Our People;
- The Environment;
- Our Customers;
- The Communities in which we work;
- Our Shareholders.

Studsvik UK is committed to an open and transparent approach in all its activities in the area and as a local employer we value the support of the local community and wish to assist projects that enhance the sporting, cultural, educational and environmental quality of life in Allerdale and West Cumbria. Studsvik has already been involved in several charitable and community projects and has provided a 3 year sponsorship to Workington Cricket Club and was a sponsor of the recent Paint the Town Red event in Workington. Studsvik will continue to seek and identify opportunities to enhance the communities in which we work where practicable and through our business activities we plan to continue and enhance our involvement with the local community over the coming years.

Studsvik UK are corporate members of Cumbria Wildlife Trust and with the assistance of the Trust we hope to enhance the natural environment around the MRF.

One of the key elements of Studsvik UK's procurement strategy is wherever possible to obtain services from local suppliers in order to ensure that local

economies benefit from both our employment and direct spend. This is reflected in the use of local contractors in the construction and refurbishment phase of the project. Once completed the MRF will contribute to the local economy through the recruitment and employment of local workers

Recruitment

Recruitment is ongoing with members of the MRF management team nearly completed. The process of recruiting operational staff has commenced with over 500 CV's reviewed and suitable candidates from the local area identified and short listed for interview in the coming weeks. All posts are required to be filled prior to the commissioning of the facility early in 2009

Forward Programme

Work will continue to complete all the construction and refurbishment works of the facility including the erection of the site security fence and security lodge. Works will commence to install plant and equipment including the decontamination equipment, active ventilation system and Health Physics assay equipment.

The plant will enter the commissioning phase and documentation to support the operations will be prepared for submission to the NII for the issue of the licence Instrument to accept contaminated materials onto the site.

Recruitment and training of staff will continue in preparation for the facility commencing operations