

Clean up

An abstract graphic composed of several overlapping, curved lines in various colors including yellow, teal, blue, and purple. The lines originate from the left side of the slide and curve upwards and to the right, creating a sense of movement and growth.

Gerry McGill
Vice President

Notes

Agenda

Clean up : Key facts

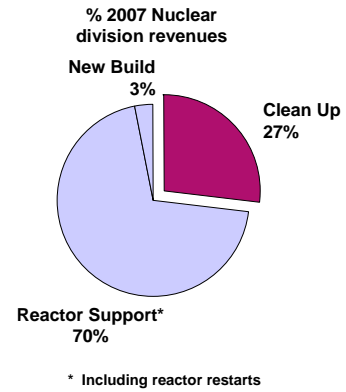
- Terminology
- What's involved
- Markets

The Sellafield contract

- NMP consortium – who and why
- Contract scope
- Impact on AMEC

Other activities

- Dounreay
- Tier 2



Notes

Clean up: terminology explained

Decommissioning - The final phase in the life cycle of a nuclear installation

Care and maintenance - A stage in the process of decommissioning a nuclear site

Disposal - In the context of solid waste, disposal is the emplacement of waste in a suitable facility without intent to retrieve it at a later date

Waste Management, Storage and Repository - Is the emplacement of waste in a suitable facility with the intent to retrieve it at a later date

Remediation - A general term for providing a remedy. Environmental remediation deals with the removal of pollution or contaminants from soil, groundwater, sediment, or surface water etc

3

Notes

Radioactive waste: terminology explained

High level waste – consists mainly of the liquid waste produced from the reprocessing of nuclear fuels



Intermediate level waste - consists principally of materials that have been irradiated in a nuclear reactor (e.g some reactor internal components), equipment that has been used in the processing of radioactive materials, and chemical residues



Low level waste – consists mainly of items such as protective clothing, laboratory equipment and site equipment which have come into contact with radioactive material



Tier 1 - managing the site
Tier 2 - main contractor for the Tier 1 manager
Tier 3 - sub contractor to Tier 2

Source: UK Nuclear Regulation, Sierra Club

4

Notes

The clean up market

Changing fundamentals

- World governments now facing up to nuclear liabilities
- Restructuring of the industry presents opportunities
- Clean up is a key enabler for the next generation of reactors

A global market

- *"The global market is estimated to be worth £300bn over the next 30 years"* - Nuclear Industry Association
- At this time the major markets are the UK, Eastern Europe and the US

Notes

UK clean up market



Issues

Driving

Opportunities



- Environmental pressures to clean up waste
- Government policy to clean up nuclear waste in the generation that created it

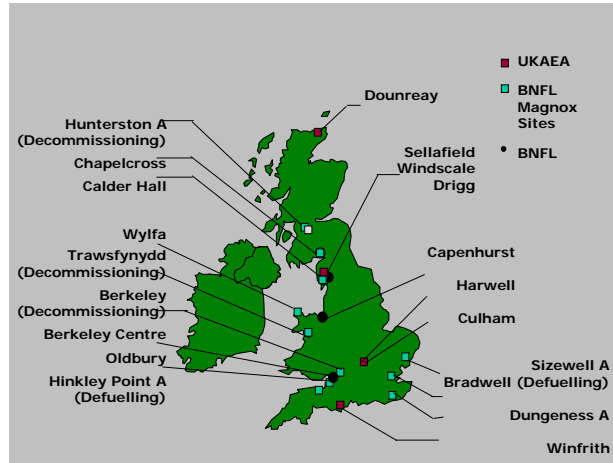
- Opening UK nuclear clean up market to competition
- NDA planned expenditure 2008 - 2011 £2.5 – 3.0bn pa

6

Notes

UK clean up market: overview

- Sites and facilities developed from the 1940s onwards
- Magnox power stations
- Spent fuel, reprocessed material and wastes
- Operational plants for dealing with them
- Over 18,000 direct employees



7

Notes

UK clean up: Sellafield

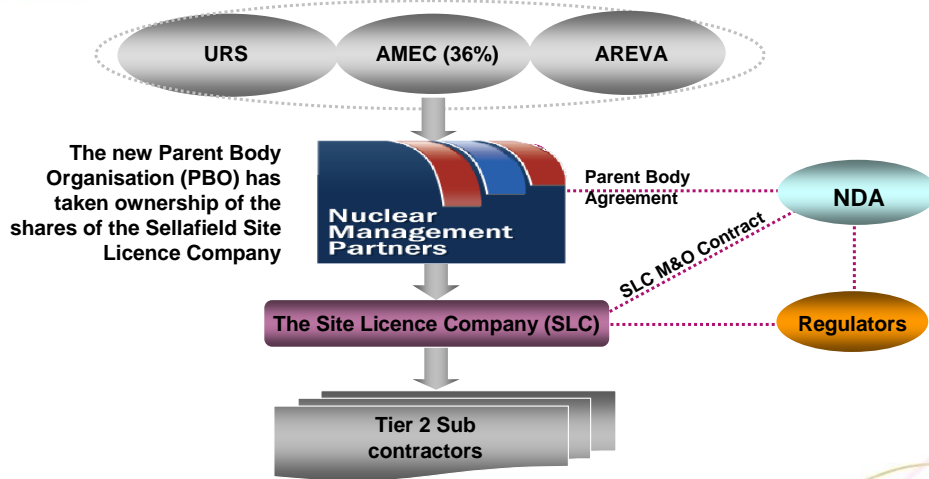


- Largest decommissioning contract in the world
- Competition concluded on 24 November 2008
- Includes site operations – reprocessing, new fuel manufacture and waste handling
- Critical to the UK if Government decides to continue to reprocess spent fuel

8

Notes

Relationship between NDA, PBO and SLC



Leadership, programmes, experience, structure, focus

9

Notes

Sellafield PBO contract

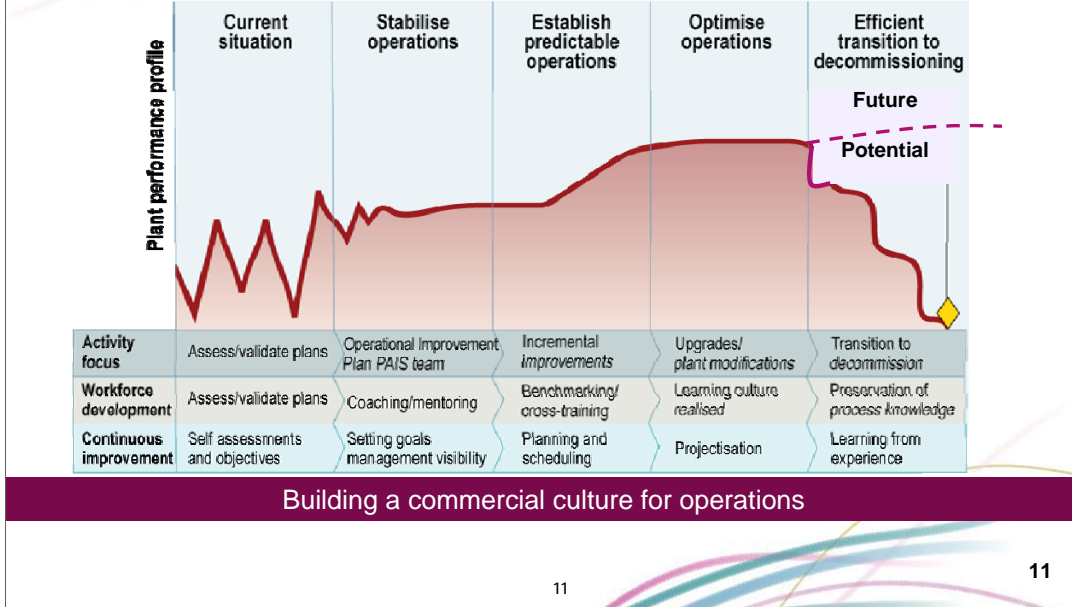


- Awarded to NMP for an initial five years, extendable to 17 years
- Responsible for managing spend of c.£1.3bn per annum
- Associated fee of up to £50m per annum subject to performance against targets
- NMP net profit will reflect cost commitments
- AMEC share of net profit in a mature year will be c.£10m
 - The level of profit in 2009 will reflect the contract being in a transition phase
- Additional revenues from specialist support

10

Notes

Achieving Operational Excellence



Notes

The Sellafield approach

Vision

- To deliver safe, sustainable, world-class performance and effective partnering with stakeholders to become the site and workforce of choice for new missions

Commitment

- To work safely and achieve significant savings in lifetime plan costs

Strategy

- Transform the Sellafield sites into a true national asset
- Achieve world-class safety and environmental performance
- Reduce costs and liability while increasing value – doing more with less
- Energise West Cumbria – support Britain's Energy Coast Masterplan

Notes

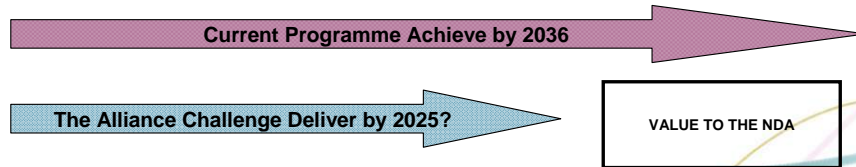
The challenge at Dounreay



As it is today



As it will be after decommissioning



13

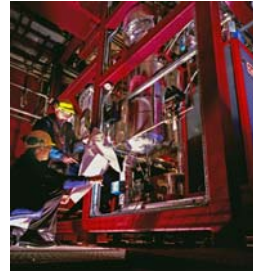
Notes

AMEC in partnership with UKAEA since 2006

- Managing the plant
- Prototype Fast Reactor (PFR)

Decommissioning key priority

- Destroying the liquid metal coolants still in PFR



"We know the competition model works. UKAEA at Dounreay jumped ahead of the competition process and brought in CH2MHill and AMEC as partners a couple of years ago and they have together made a real difference. Contaminated facilities which could have taken 20 years to clean up have been finished already."

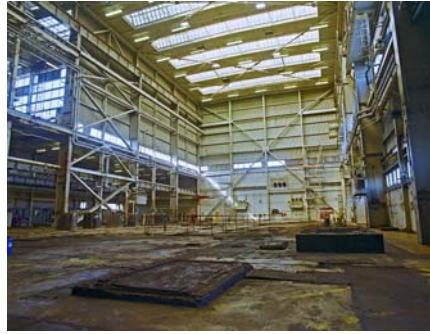
Dr Ian Roxburgh, NDA Chief Executive

Notes

Clean Up: Dounreay



Before



After

15

Notes

Tier 2 clean up: UK Headlines

- Multi discipline design house to **Sellafield**
- Multi disciplined site wide term contractor **Sellafield**
- Decommissioning framework agreement **Sellafield**
- Strategic collaborative framework **Trawsfynydd**
- Technical support frameworks **Magnox and NII**
- Consultancy support to **NDA RWMD**
- Environmental support frameworks
- Radiological incident support framework



16

Notes

Tier 2 clean up: Central & East Europe



- Market is expected to grow significantly over the next five years
- AllDeco has a leading position in decommissioning and clean up
- Provides specialist skills in the fields of decontamination and radioactive waste management
- Enhances AMEC's regional delivery capability in Slovakia and the Czech Republic

Notes

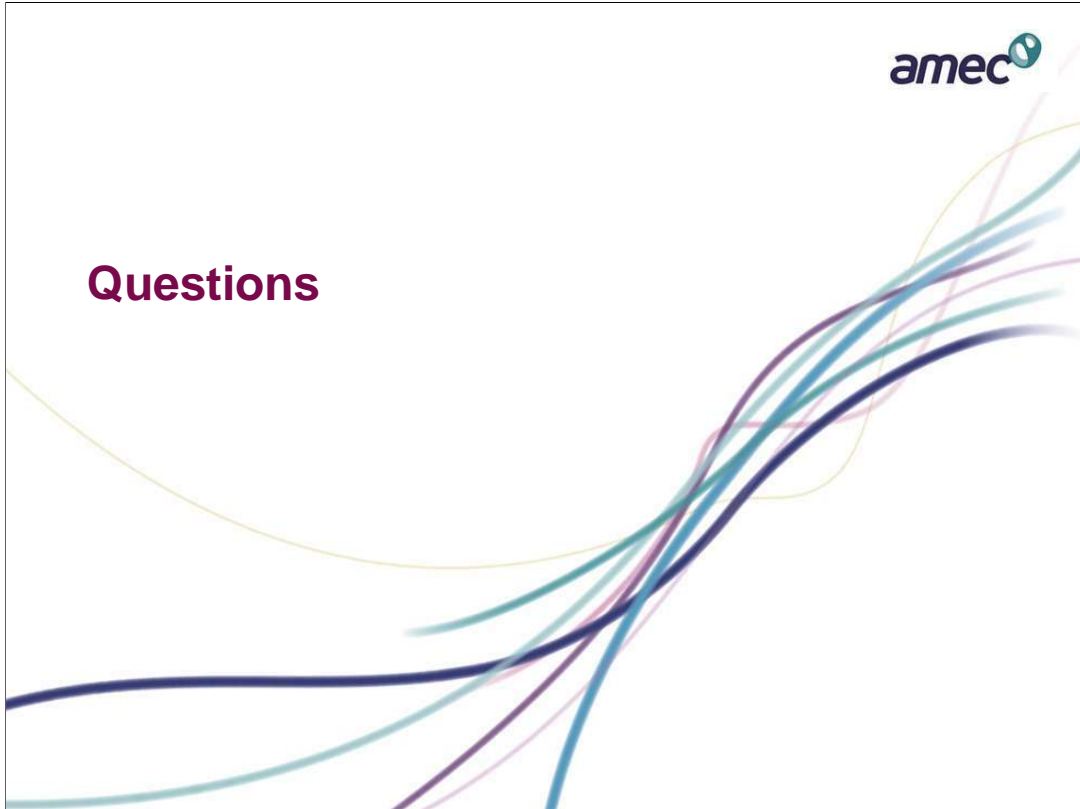
Clean up: Summary

- Market drivers are long term and sustainable, ensuring a strong, viable market place for the next 60+ years
- AMEC has a long and unique pedigree in the nuclear industry and is recognised as a leading independent nuclear expert
- Strong opportunity to continue to broaden geographically and to extend the sell of the full set of AMEC capabilities



Notes

Questions



Notes