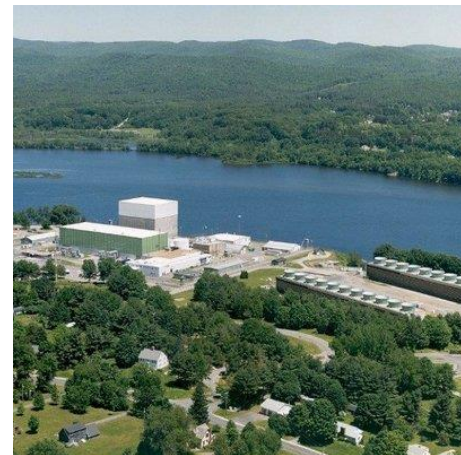




Nuclear Decommissioning Citizens Advisory Panel (NDCAP)

License Transfer Transaction Update

March 22, 2018





Introductions

Scott State
Chief Executive Officer (CEO)
NorthStar Group Services, Inc.

T. Michael Twomey
Vice President, External Affairs
Entergy Wholesale Commodities

License Transfer Transaction Update

- NorthStar and Entergy filed joint petition with Public Utility Commission seeking approval for proposed sale of ENVY to NorthStar on December 16, 2016
- Major procedural milestones completed since the initial filing:
 - Three rounds of testimony submitted by parties
 - Four rounds of extensive written discovery
 - Two rounds of depositions
- Beginning in early January 2018, the parties had numerous confidential settlement discussions
 - All parties that were interested in participating in the settlement discussions had the opportunity to participate and to join in the settlement





Overview of Settlement Agreement and Memorandum of Understanding

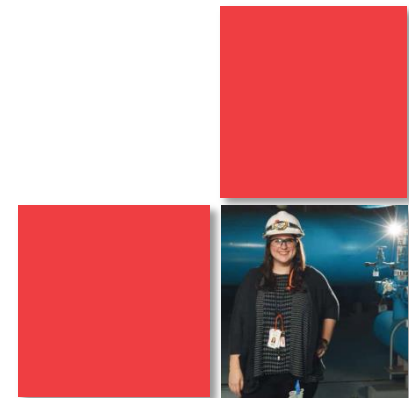
Overview of Settlement Agreement and MOU

- On March 2nd Entergy and NorthStar Group Services, Inc. entered into a settlement agreement and Memorandum of Understanding (MOU) with the State of Vermont agencies and several other parties on terms for approval of the sale of ENVY.
- Vermont agencies signing the agreements are:
 - Department of Public Service (DPS),
 - the Agency of Natural Resources (ANR),
 - the Department of Health and (settlement agreement only),
 - the Attorney General’s Office (specific paragraphs).
- The following parties have also signed the agreements:
 - Town of Vernon Planning and Economic Development Commission,
 - the Windham Regional Commission,
 - the Abenaki Nation of Missisquoi and the Elnu Abenaki Tribe,
 - and the New England Coalition on Nuclear Pollution (NEC).



Overview of Settlement Agreement and MOU (Cont'd)

- The parties have submitted an MOU to the PUC based on the settlement agreement that reflects:
 - 1) increased financial assurances (totaling approx. \$200 million) beyond those included in the original proposal filed by Entergy and NorthStar with the PUC in December 2016 and,
 - 2) the establishment of site restoration standards to which NorthStar will adhere as it completes the decommissioning of the site.



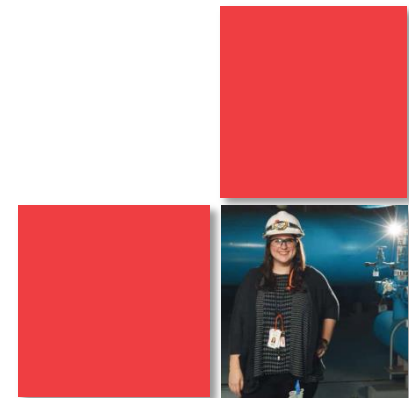
Financial Assurance - NorthStar

- NorthStar has agreed to provide additional financial assurance, as follows:
 - An increase in its Support Agreement from \$125 million to \$140 million, plus additional provisions to address concerns about the availability of funds under the Support Agreement
 - The establishment of an interest-bearing escrow account that will initially be funded with \$30 million and will, with additional contributions from NorthStar over time, grow to a minimum balance of \$55 million
 - A \$25 million guaranty from Orano USA (formerly AREVA Nuclear Materials) available in the event and to the extent that all other forms of financial assurance are unavailable



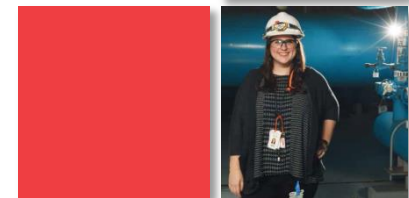
Financial Assurance – NorthStar (Cont'd)

- A \$30 million Pollution Legal Liability insurance product that will provide coverage for site restoration activities to address previously unknown or not fully characterized non-radiological environmental conditions.



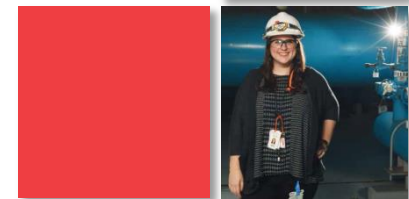
Financial Assurance – Entergy

- Entergy has agreed to provide additional financial assurance as follows:
 - Entergy will contribute to the Site Restoration Trust (SRT) an amount sufficient to bring the balance of the SRT to \$60 million. Given the current SRT balance, the contribution is expected to be approximately \$30 million. At the same time, Entergy Corporation will terminate the existing \$20 million parent guaranty supporting the trust; and
 - Entergy has agreed to a potential contribution of \$40 million of Department of Energy litigation proceeds expected in 2023 if, and only if, at that time certain decommissioning project milestones have not been met, if the cost to complete decommissioning and site restoration is expected to exceed the amount in the Nuclear Decommissioning Trust and the SRT, or if certain financial assurances have been called upon.



Site Restoration Standards

- The parties have agreed to detailed site restoration standards that are fully protective of the environment as well as fully protective of the health and safety of workers and the public and include:
 - Release of the site to a radiological dose limit of 15 mrem/year from all pathways combined, with no more than 5 mrem/year from liquid effluents, (NorthStar will attempt to attain a calculated annual 10mR TEDE All Pathways and 4mR TEDE Water residual radiation standard, unless NorthStar determines that the attainment of the latter standard would be cost prohibitive or technically infeasible because of site conditions);
 - Completion of a comprehensive site investigation and any required corrective actions in accordance with ANR regulations and pursuant to a schedule developed in consultation with the Town of Vernon and approved by ANR;
 - Compliance with the Vermont Radiological Health Rule intended to protect individual workers on the site and the general public outside of the Vermont Yankee property;



Site Restoration Standards (Cont'd)

- Submission of plans (1) to perform groundwater non-radiological sampling, (2) to characterize below-grade structures that NorthStar proposes to leave in place, (3) for any use of concrete as fill at the site, and (4) for any use of off-site materials proposed to be used as fill on site;
- For applicable segments of the property, and upon approval by ANR, NorthStar will remediate the site to comply with environmental standards applicable to industrial sites;
- Removal of all above-ground structures at the site, other than the ISFSI and associated security facilities, the VELCO switchyard, the administrative office building , and the portion of the railroad spur that is able to be released for unrestricted use from the NRC-issued Vermont Yankee operating license; and
- Removal of all underground structures at the site — including, without limitation, building foundations, buried piping, and contained piping — to a depth of 4 feet below ground surface and to a greater depth wherever required to meet the site release standards described in the agreement.



Additional Terms

- NorthStar has agreed to comply with a comprehensive reporting protocol that will provide appropriate state agencies with detailed information about the progress and financial status of the decommissioning project.
- NorthStar has also agreed to engage in public process and transparency measures throughout the decommissioning process and will continue to work with stakeholders to ensure that the public remains informed about the progress at the Vermont Yankee site.
- NorthStar will retain a cultural expert to assist in developing a cultural resource plan that will be implemented during decommissioning and site restoration and will seek the input of the Elnu Abenaki and the Abenaki Nation of Mississquoi in developing that plan.

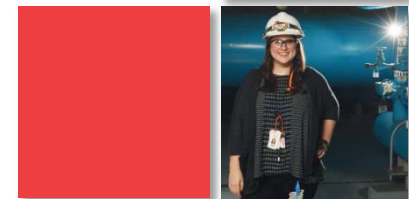




NRC License Transfer Application Update

NRC License Transfer Application Update

- February 9, 2017 - License Transfer Application (LTA) filed with NRC.
- NRC issued requests for additional information (RAIs) on November 3rd with responses provided in December.
- March 7: VT AG filed its Notice of Anticipated Withdrawal of Hearing Request.
- March 9: NEC filed its Notice of Anticipated Withdrawal of Hearing Request.





QUESTIONS?

— WE POWER LIFESM

