



The Yankee Companies

Maine Yankee Atomic Power Company
321 Old Ferry Road
Wiscasset, ME 04578

Connecticut Yankee Atomic Power Company
362 Injun Hollow Road
East Hampton, CT 06424

Yankee Atomic Electric Company
49 Yankee Road
Rowe, MA 01367

Yankee Companies' Statement on Favorable Federal Court Ruling

On May 18, 2012 the U.S. Court of Appeals issued another favorable decision in the Yankee Companies' ongoing litigation over the U.S. Department of Energy's failure to remove Spent Nuclear Fuel (SNF) and Greater than Class C Waste (GTCC) from the three New England single-unit decommissioned nuclear reactor sites as required by contract and the Nuclear Waste Policy Act beginning in 1998. Total damages awarded to the three companies were nearly \$160 million.

Wayne Norton, President of CYAPCO and YAEC and Chief Nuclear Office of MYAPCO, said, "We are very pleased with the US Court of Appeals decision which is good news for the ratepayers of the three Yankee Companies. We urge the federal government to fulfill its commitment to remove the spent nuclear fuel and Greater than Class C waste from our sites without further delay and to stop pursuing a strategy of filing costly appeals that are not beneficial to ratepayers or taxpayers."

The Yankees won on all appellate points in the U.S. Court of Appeals for the Federal Circuit's unanimous decision. The Federal Appeals Court affirmed the September 2010 U.S. Court of Federal Claims award of \$39,667,243 to CYAPCO; affirmed the Court of Federal Claims award of \$81,690,866 to MYAPCO; and increased YAEC's damages award from \$21,246,912.55 to \$38,268,654.55. In YAEC's case the Appeals Court agreed with Yankee Atomic's position that the Court of Federal Claims had erred in excluding wet pool storage related costs from the damages award. The Court of Appeals also ruled that no further remand back to the Court of Federal Claims was required so the May 18 judgment reflects a final award of damages in a lawsuit originally filed over a decade ago - unless the federal government files yet another appeal.

"While the favorable decision in the Yankees' cases does not remove the spent nuclear fuel and GTCC waste from our sites, we are encouraged by the January 26 final report of the Blue Ribbon Commission on America's Nuclear Future and support the Commission's recommendations, especially those calling for the prompt priority removal of spent nuclear fuel from decommissioned reactor sites to consolidated interim storage at one or more volunteer sites," Norton said. The Yankee Companies are working with local, state, and national stakeholders in urging the Administration and Congress to move forward this fiscal year on consolidated interim storage and the associated transportation planning.

Background: To protect their rate payers, the three Yankee Companies first filed litigation in federal court in 1998 alleging that the federal government breached contracts entered into with each company in 1983 under the Nuclear Waste Policy Act. In October 2006 the U.S. Court of Federal Claims awarded the Yankee Companies approximately \$143 million in damages. The federal government appealed this ruling. In August 2008, a U.S. Court of Appeals panel vacated the Court of Federal Claims decision and remanded the case back to the Claims Court. A key finding of the Court of Appeals decision was that the awards in the 2006 decision needed to be



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recalculated based upon a court-approved fuel pick up rate. In September 2010 the U.S. Court of Federal Claims issued another favorable decision, again awarding the Yankee companies approximately \$143 million. The federal government appealed that decision in November 2010.

On December 13, 2007, the Yankee Companies filed a second round of damage claims in the U.S. Court of Federal Claims. The damage claims are approximately \$135 for CYAPCO; \$86 million for YAEC; and \$43 million for MYAPCO. These numbers reflect the damages that CYAPCO and YAEC incurred from January 1, 2002 through December 31, 2008, and that MYAPCO incurred from January 1, 2003 through December 31, 2008. The trial was held in October 2011 and a decision in the case could be issued this year.

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