

Monthly Status Briefing

August 2010



Blue Grass Chemical Agent-
Destruction Pilot Plant

BGCAPP
Blue Grass Chemical
Agent-Destruction Pilot Plant

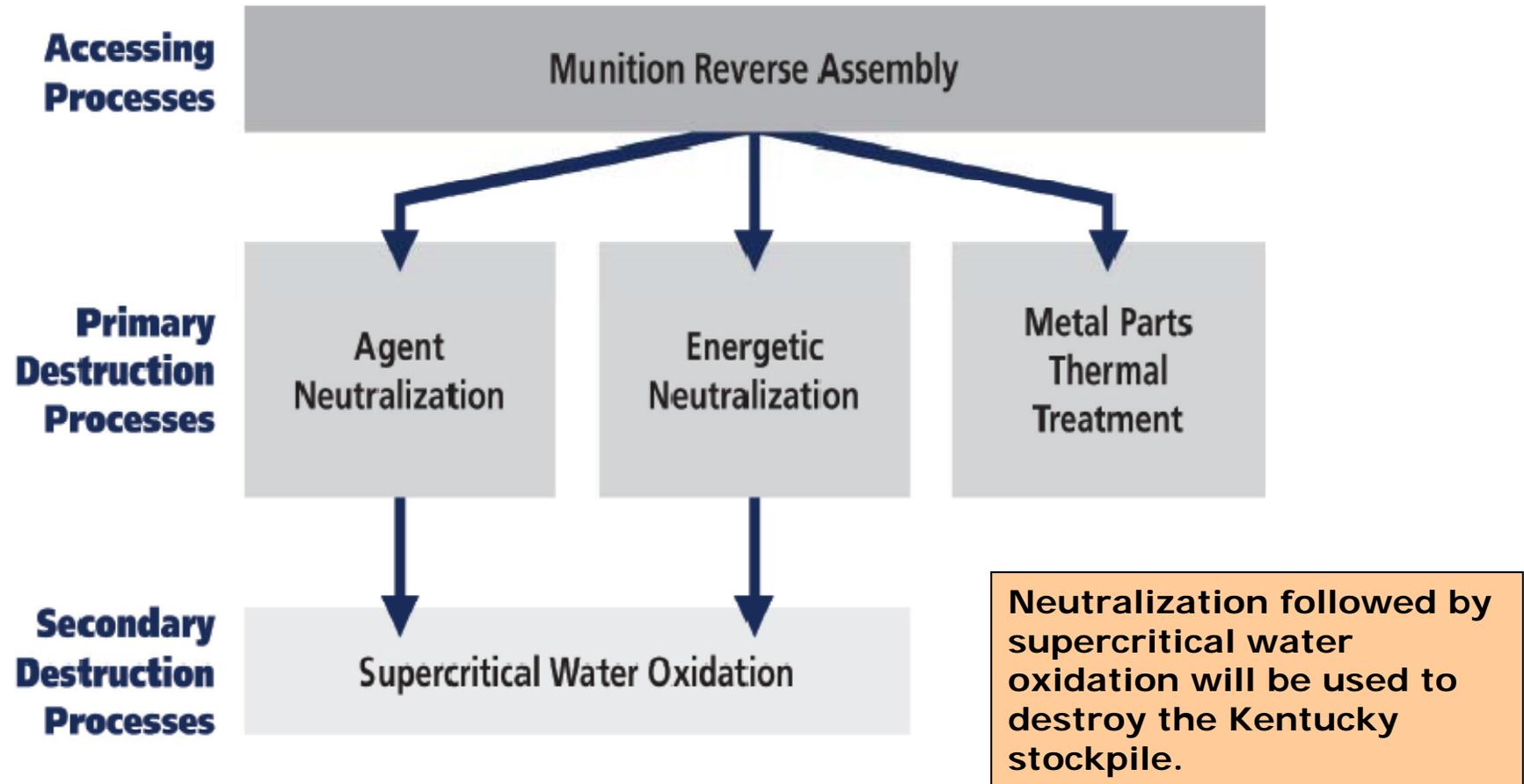
A PARTNERSHIP FOR SAFE CHEMICAL WEAPONS DESTRUCTION

Project Background

- The Blue Grass Chemical Agent-Destruction Pilot Plant (BGCAPP) will safely destroy 523 tons of chemical agent in rockets and artillery projectiles stored at the Blue Grass Army Depot in Richmond, Kentucky.
- The technology selected by the Department of Defense to destroy the Blue Grass chemical weapons stockpile is neutralization followed by Super Critical Water Oxidation (SCWO).
- The Program Manager, Assembled Chemical Weapons Alternatives (ACWA), headquartered at Aberdeen Proving Ground, Maryland is responsible for managing all aspects of the safe and environmentally sound destruction of the chemical weapons stockpiles in both Kentucky and Colorado.
- The Bechtel Parsons Blue Grass Team, a joint venture of Bechtel National, Inc. and Parsons Infrastructure and Technology Group, along with teaming partners URS Washington Division, Battelle Memorial Institute, General Atomics and General Physics, is the systems contractor selected to design, build, systemize, pilot test, operate and close the BGCAPP.

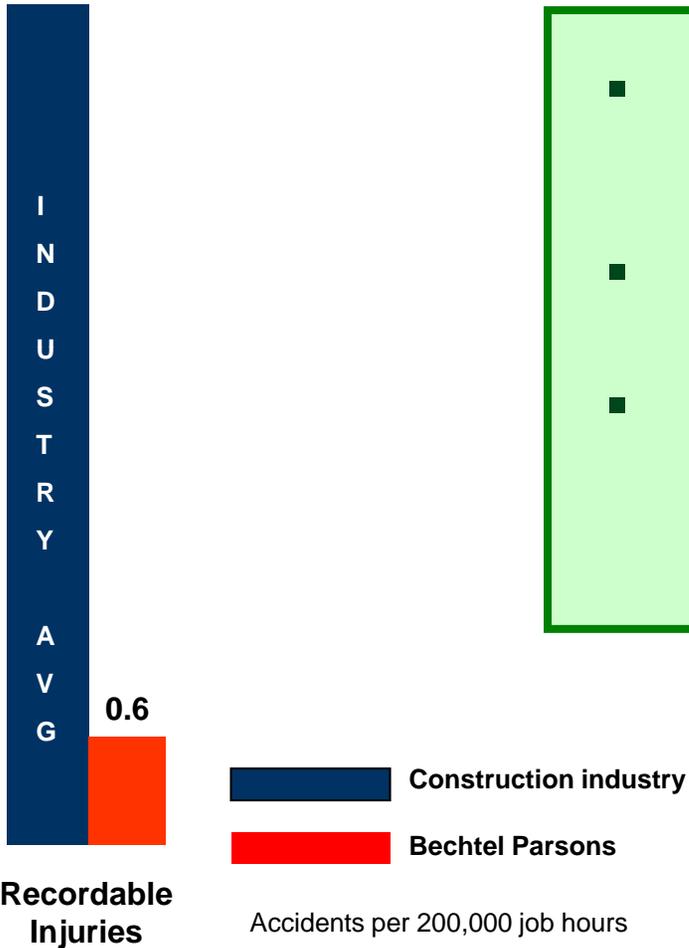


Destruction Technology



Safety

4.4



- Recordable injury rate **85 percent lower** than the construction industry average
- Continued progress toward OSHA Voluntary Protection Program Star Status
- First lost-time injury in seven years recorded in early August (knee injury)



Employment and Subcontracting



Surveyor takes measurements at BGCAPP construction site.

- Project employment in Kentucky - 590
 - Nonmanual – 374
 - Construction – 216
- 51 percent of the project staff have been hired from local area
- More than \$63 million spent with Kentucky firms since project's inception; \$38 million in Madison and surrounding counties

Plant Design Complete



On July 26, 2010 the government gave formal approval to the plant design submitted by Bechtel Parsons Blue Grass, paving the way for continued construction progress.



Construction -- Work Completed

- Energizing main electrical substation
- Metal Parts Treater assembly
- Control and Support Building horizontal concrete and structural steel
- 138kV transmission line and electrical substation
- High-mast lighting
- Personnel Support Building
- Maintenance Building



Overview photo of BGCAPP site shows the size and complexity of project.



Construction -- Work in Progress



Welder prepares a component for installation in blast wall of Munitions Demilitarization Building.

- Munitions Demilitarization Building blast walls and foundations
- Utility power centers
- Fire water pump house
- Utility Building
- SCWO building foundation

Electrical Substation Energized



The 138kV substation that will provide electricity to the plant was energized with power from Kentucky Utilities July 26, 2010.

Munitions Demilitarization Building Steel



Munitions Demilitarization Building (MDB) continues taking shape. Shown here is installation of structural steel. The MDB is the main processing building where weapons will be disassembled and chemical agent neutralized.

Munitions Demilitarization Building Walls



Dense reinforcing steel provides strength for walls in blast containment area of the Munitions Demilitarization Building. Shown here are ironworkers installing rebar around an embedded wall penetration in preparation for placing concrete.

Control and Support Building



Workers began installing siding on Control and Support Building in early August.

Utility Building



M. P. Kelly Construction Company of Richmond is constructing the Utility Building, which will house equipment to produce steam, compressed air, chilled water and hot water for operations. Shown here in early August the building is ready siding installation.



Processing Equipment Arrives



Component of the offgas treatment system for the Energetics Batch Hydrolyzer arrived onsite August 6 from a supplier in Louisville.

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OPSEC completed 16 Aug 2010