Minnesota 3M PFC Settlement

Overview of recommended Option 3 – Community projects, except Oakdale and Lake Elmo are supplied by SPRWS, with a treatment threshold of HI > 0.5 and GAC

Key Characteristics

- Treatment to a threshold of HI > 0.5 using GAC
- Funding of public water system O&M for approximately 21 years
- Funding of private well O&M for over 100 years
- Funding for protecting a sustainable water supply into the future
- Oakdale and Lake Elmo are supplied by SPRWS to ensure future water supply
- Drinking water source remains groundwater

Initial Capital Elements

2,062 homes with new connections to municipal public water systems
A total of 236 private wells with POETS (of these, 98 are new wells)
3 new public wells built (1 of these replaces a contaminated well)
6 new treatment plants with a capacity of 23,580 gpm
24 existing and proposed public wells receiving treatment
74.6 miles of water mains

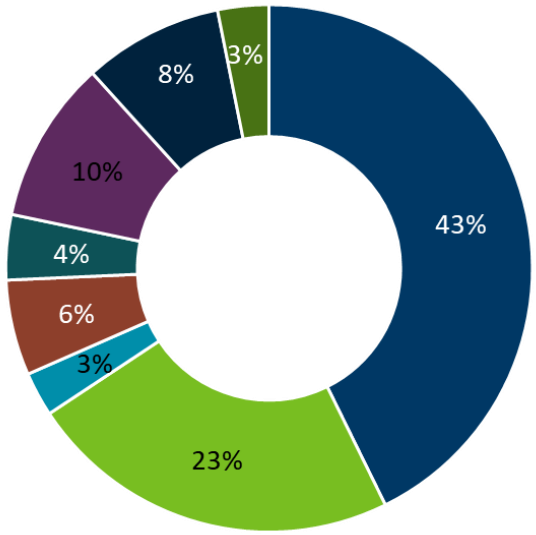
Why Select this Option?

- HI > 0.5 provides a resiliency to potentially lower HRL/HBV PFAS values or changing levels of contamination in the future
- Communities will bear a lesser cost to continue treatment below HI > 1 once Settlement funds are depleted than they would under recommended Option 2 (HI > 0.3)
- Enables a proactive solution for alternate sources of water for Lake Elmo and Oakdale

PFAS-Eligible Costs

Initial capital costs	$299.1 million
O&M costs for public water systems	$161 million
O&M costs for private wells	$19 million
Capital costs for potential additional neighborhood hookups	$41 million
Future contingency for HBV/HRL and plume movement, and cost over-runs	$28 million
Drinking water protection	$70 million
Sustainability and conservation	$60 million
State administration	$22 million

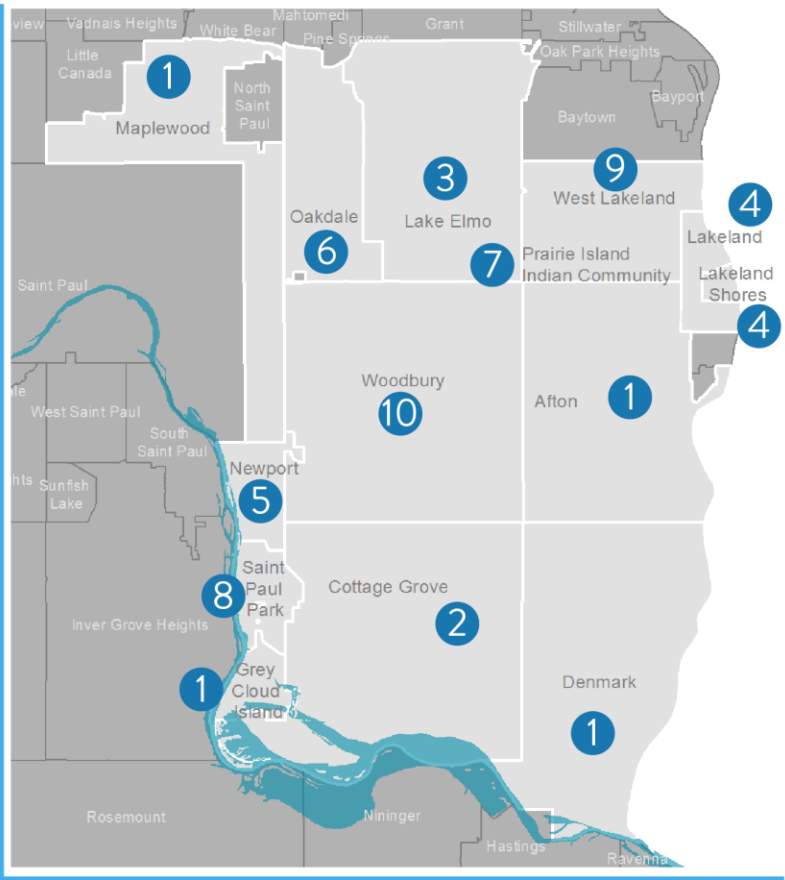
Percent of $700 million



Community elements of recommended Option 3 – Community projects, except Oakdale and Lake Elmo are supplied by SPRWS, with a treatment threshold of HI > 0.5 and GAC

SPRWS
HI>.5
GAC
COMMUNITY PROJECTS

Option 3



1. • Supply private wells with POETS if over threshold

2. • Treat 8 of 12 existing public wells
   • Replace 2 existing public wells with 1 new public well
   • 2 new treatment plants
   • Connect 67 homes
   • Supply other private wells with POETS if over threshold

3. • Connection to SPRWS
   • Connect 257 homes
   • Supply other private wells with POETS if over threshold

4. • Connect 453 homes
   • Supply other private wells with POETS if over threshold

5. • Interconnect with Woodbury
   • Connect 9 homes
   • Supply other private wells with POETS if over threshold

6. • Connection to SPRWS
   • Connect 58 homes
   • Supply other private wells with POETS if over threshold

7. • Treat 1 existing public well
   • 1 new treatment plant

8. • Treat 3 of 3 public wells
   • 1 new treatment plant
   • Connect 28 homes
   • Supply other private wells with POETS if over threshold

9. • 2 new public wells
   • 1 new treatment plant
   • Connect 1,190 homes to new distribution system

10. • Interconnect with Newport
    • Treat 14 of 19 existing public wells
    • 1 new treatment plant
    • Supply other private wells with POETS if over threshold