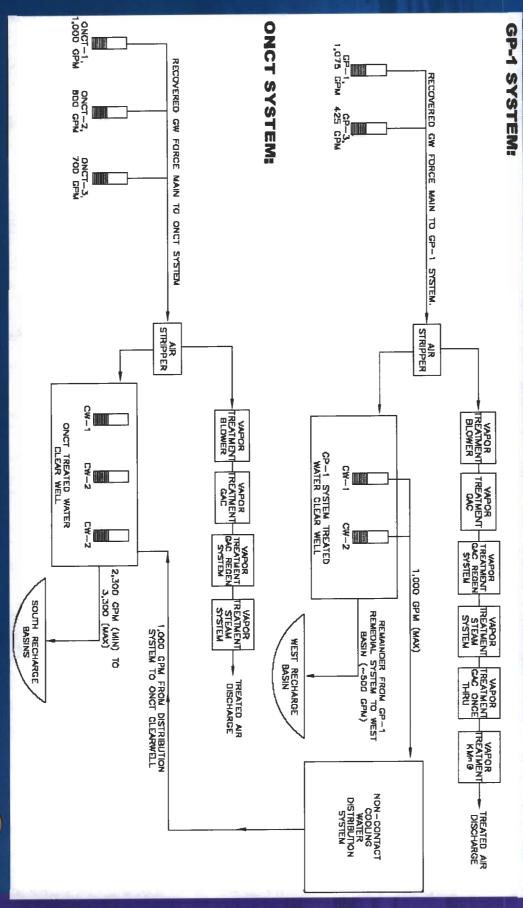


Technical Advisory Committee Meeting Presentation

Naval Weapons Industrial Reserve Plant Northrop Grumman Corporation/ Bethpage, New York

April 7, 2005

Remedial System Process Flow Diagram

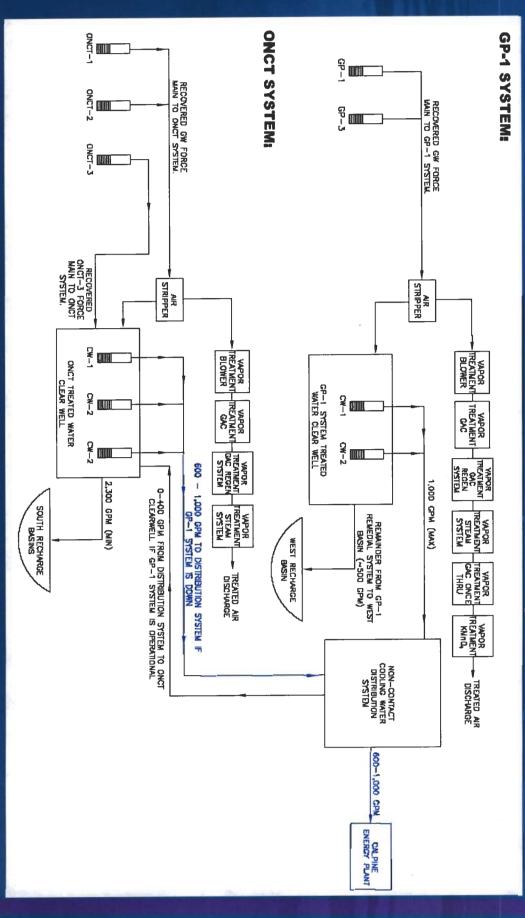




Summary of Calpine Project

- Northrop Grumman will divert between 600 and 1,000 gpm of treated water to the Calpine Energy Plant for electrical power generation
- Modeling performed indicates no adverse effect on remedial system performance or goals

Planned Diversion to Calpine





Operable Unit 2 Groundwater Monitoring Program

- treatment systems Total Program: includes 84 wells, plus GP-1 and ONCT remedial
- Hydraulic Monitoring: 78 wells
- VOC Plume Monitoring: 61 wells
- PWSCP Outpost Monitoring: 9 wells
- Inorganic Monitoring: 14 wells
- Starting Year 2004: Semi-Annual and Quarterly Rounds, per NYSDEC approval.
- Two Quarterly Rounds: 59 Wells / round
- Two Semi-Annual Rounds: 84 Wells / round
- Well GP-3 formally added to the remedial well network.



Groundwater Quality Overview

- Hydraulic Effectiveness Evaluation (2003) and current data confirm that OU2 On-Site System meets remedial goals.
- Total VOC Mass Removed: 81,700 pounds (since November
- Volatile Organic Compounds (VOCs):
- On-Site: indicative of expected plume heterogeneity.
- Near Off-Site: decreasing trends.
- Cadmium/Chromium:
- ND in remedial wells.
- Plant 1: NGC discussing need for additional monitoring with NYSDEC
- Plant 2: Plume is stable and limited to on-site area.
- Outpost Monitoring:
- Site-related VOCs detected in Wells OW1-1, OW1-3, OW2-1, and OW2-2

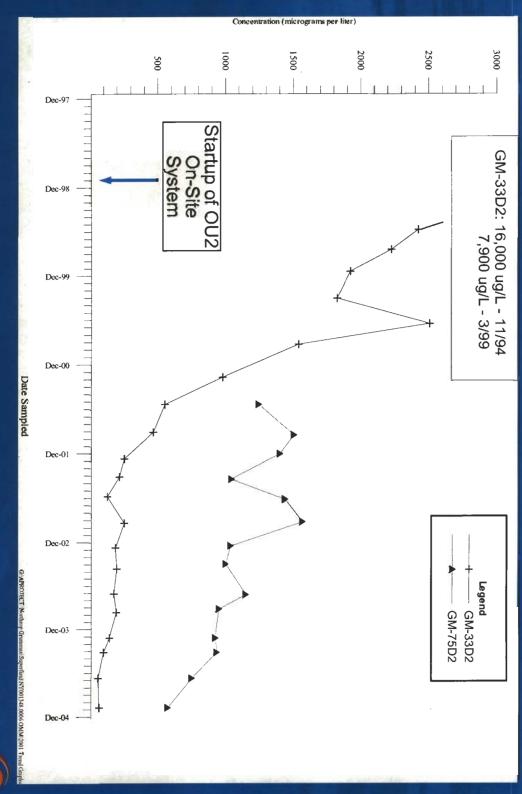


Groundwater Quality Trends

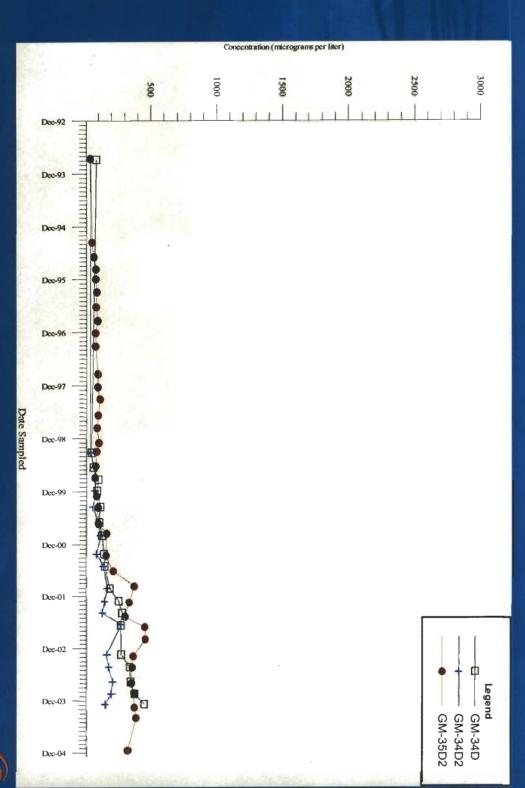
- Off-Site VOC trend analysis key points:
- NGC southern boundary off-site wells ND or trace levels.
- "GM-75D2 Area":
- GM-33D2 and GM-75D2 decreased since 2001
- GM-34D, GM-34D2, and GM-35D2 increased since 2001.
- GM-38 Area stable.
- Majority of other off-site wells stable or downward.

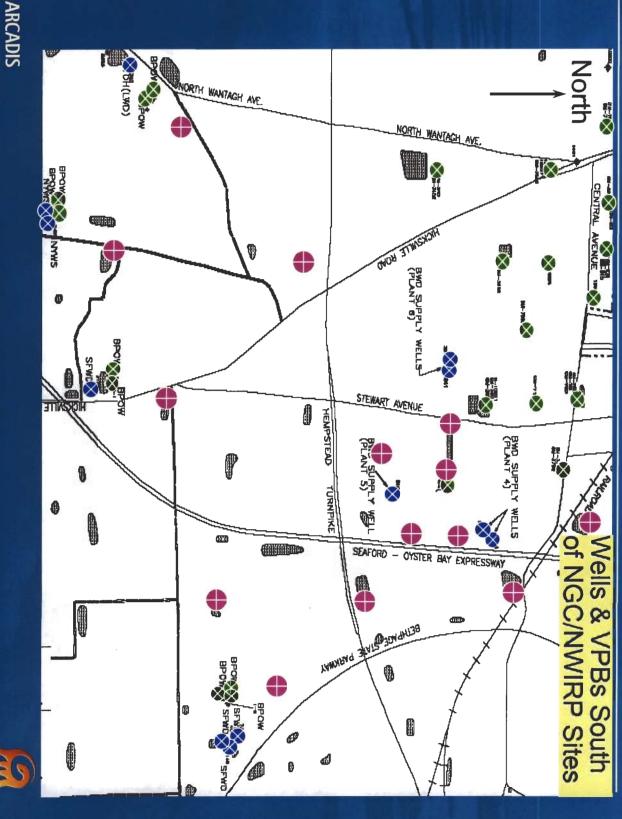


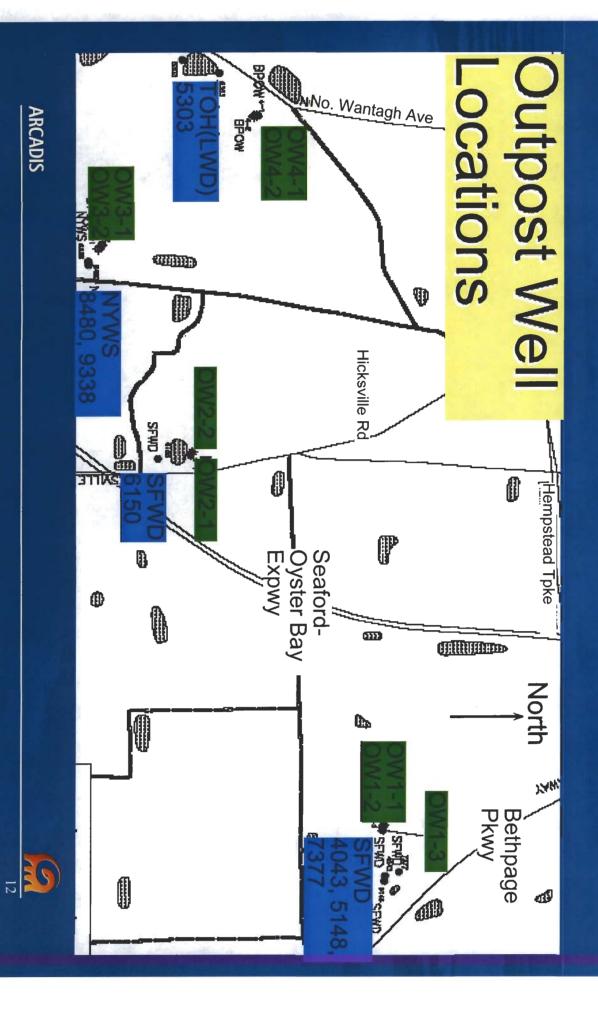
VOC Trends in Key Wells



VOC Trends in Key Wells, continued

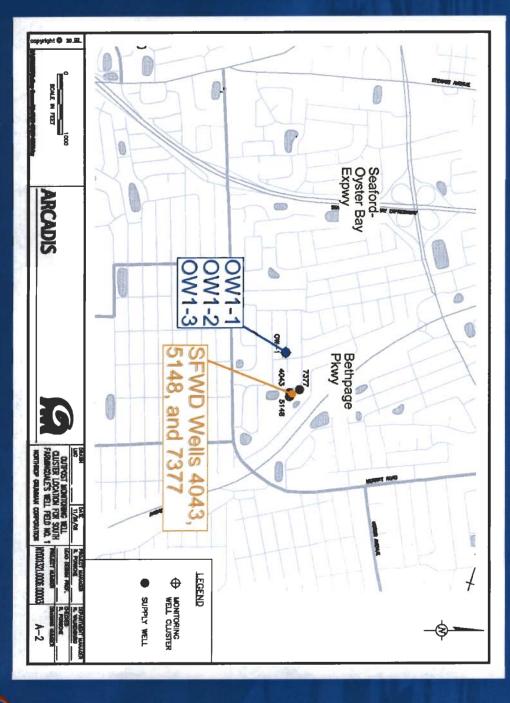






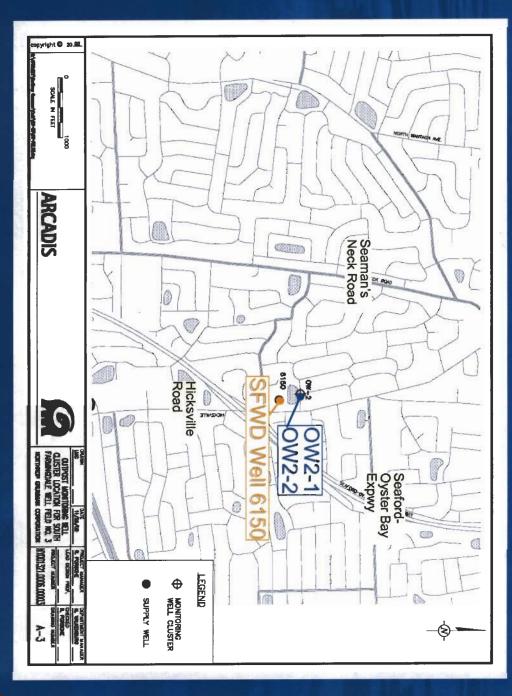
Outpost Monitoring Well Location

Near SFWD Well 4043

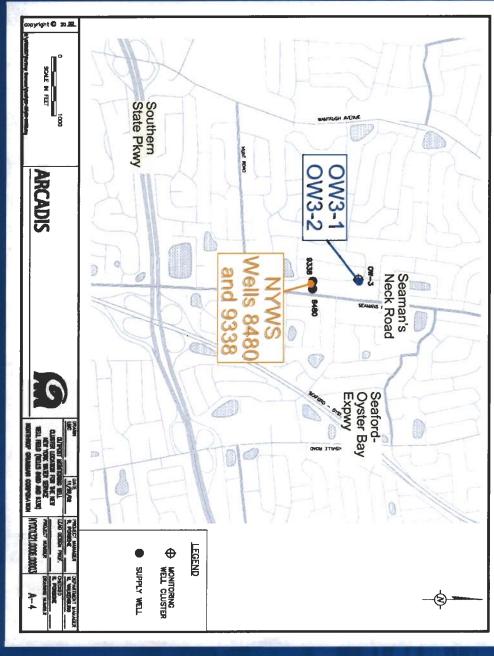


Outpost Monitoring Well Location

Near SFWD Well 6150

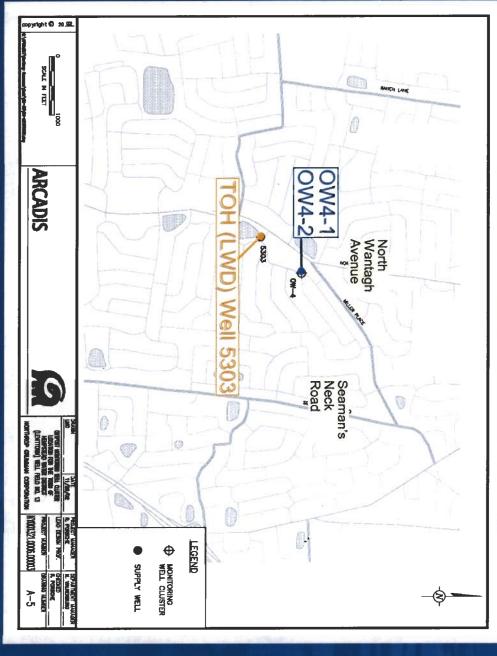


Outpost Monitoring Well Location Near Supply Well 8480





Outpost Monitoring Well Location





Summary of Latest/Highest Outpost Well Data

• SFWD Well 4043 (Plant 1):

- OW1-1*: 19/30 ug/L

- OW1-2: <0.5 / <0.5 ug/L

- OW1-3*: 7/7 ug/L

• SFWD Well 6150 (Plant 3):

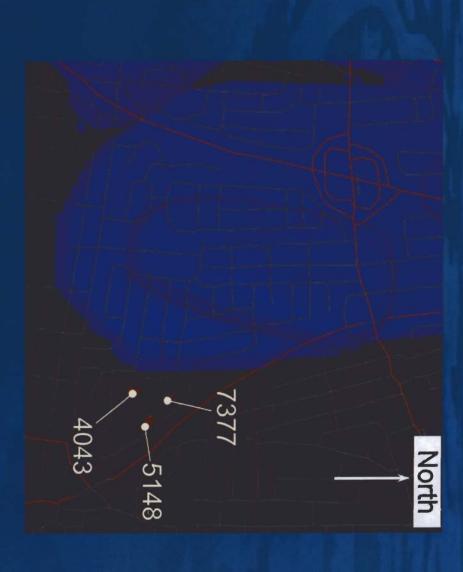
OW2-1**: 4 / 7 ug/L (benzene detected at 38 / 42 ug/L)

- OW2-2**: <0.5 / 0.9 ug/L

* Wells OW1-1 and OW1-3 exceeded the 0.6 ug/L trigger value.

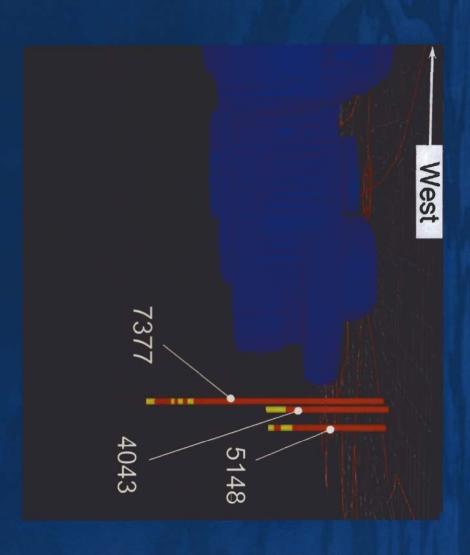
Trigger value not established since outpost wells are located < 5 years of travel time upgradient of SFWD Well 6150.

TVOC Plume Extent at SFWD Plant No.1 (2004 Model Update)





SFWD Well Field No. 1 (2004 Model Update)



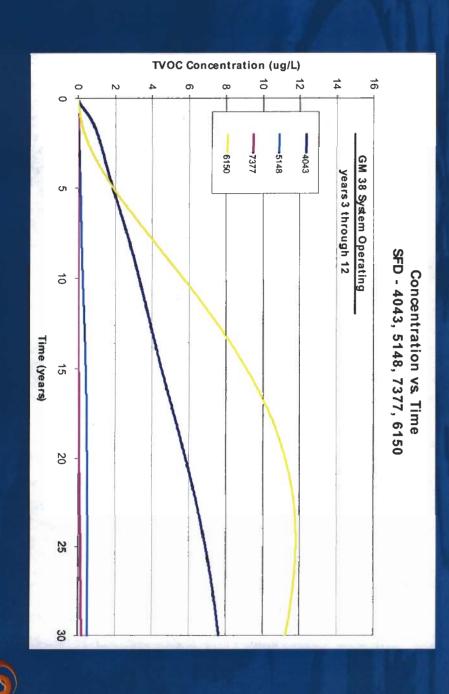


TVOC Plume Extent at SFWD Plant No. 3 (2004 Model Update)

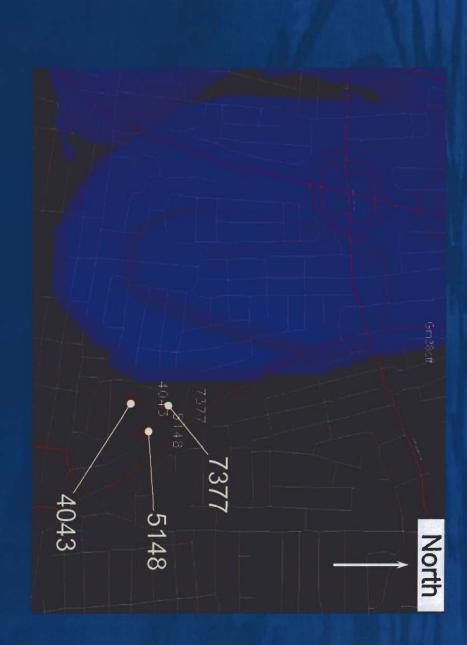




Concentration vs. Time at SFWD Plants 1 and 3 (active remediation at GM38 Area)

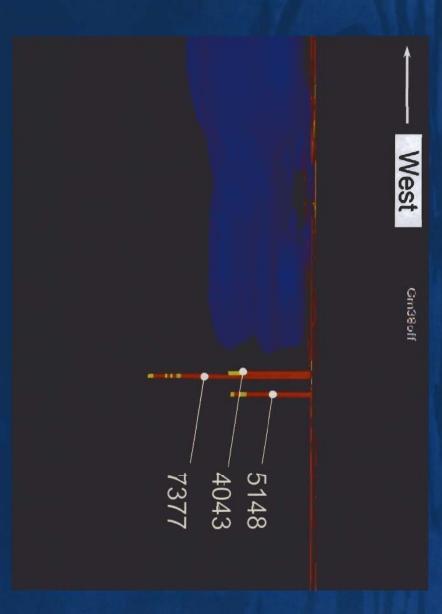


TVOC Plume Movement (Near SFWD Plant No. 1)





TVOC Plume Movement (Near SFWD Plant No. 1)





Status of SFWD Negotiations

- H2M prepared design and cost estimate for treatment of supply wells at SFWD Plant 1
- Meetings and negotiations with Navy are underway concurrent with design/build.
- Monitoring of associated outpost wells is ongoing in accordance with PWSCP