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GE Hitachi Nuclear Energy Canada

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November 26, 2012

To the Mayor and Members of City of Toronto Council Re Notice of Motion MM 28.6

GE Hitachi Property 1025 Lansdowne

GE and GE Hitachi have had business operations at 1025 Lansdowne dating back to 1907. Throughout our 100+ year history in the City, we have employed thousands of Toronto residents, contributed to the local economy and to the tax base. We are proud of our long-standing history as an employer with an excellent record of safety and compliance.

Our facility at 1025 Lansdowne has manufactured non-enriched uranium dioxide ceramic pellets since the early 1960's. This involves processing naturally occurring uranium which has been converted to uranium dioxide, similar to a dense-sand, and then manufacturing it into pellets approximately ½" in diameter (about the size of a pencil eraser). The pellets are shipped by truck to our facility in Peterborough, Ontario. The pellets are relatively inert and pose no public danger. During the manufacturing process our employees wear coveralls, gloves and safety glasses, similar to most business manufacturing processes.

The plant is regulated by the Canadian Nuclear Safety Commission (CNSC), who conduct quarterly audits and oversee strict operating regulations. We currently employ 53 individuals in good, technical, high-paying jobs. And for each manufacturing job we have created, there are an estimated 6 additional jobs related to the local supply chain. Our employees are represented by the CAW Union. The operation has been referred to as an industry best practice by the regulator, the CNSC, who recently renewed GE Hitachi's license for 10 years (2011). GE Hitachi's public information process was fully compliant with the CNSC's guidelines.

Recently media and anti-nuclear groups have alarmed the neighbourhood regarding GE Hitachi's business operations, safety and property values. We understand that the community is upset. Questions concerning GE Hitachi's communications with the community have been raised. We did conduct tours in the past, participate in community meetings (the group disbanded in 2002), and advertise our license renewal process (Toronto Star). While we have always been compliant with CNSC regulations, we agree that given the changing face of the neighbourhood we can do more to reach out to the community. In

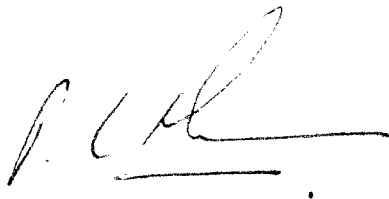
fact, many of the new condo homeowners took up residency in the area after our most recent license renewal process in 2010. To this end, we have started a community outreach program in the area including an open house, 1-800 number, email response line, and we have also participated in a local community group meeting organized by Dig-In. We have conducted tours of the facility with area politicians and media, and will be touring representatives from the community in the near future.

The motion before Council requests that GE Hitachi make available to the City our records for emissions from the plant. These records are, and have been available for public view on the CNSC web site. Of note, GE Hitachi has operated well within the regulated levels of acceptable emissions for many years. We conduct soil tests in 50 locations up to 1km from the plant. We also conduct emission tests. Our goal is to be a zero emissions facility and we are tracking well against this goal.

The Lansdowne Dupont area is undergoing considerable change as it transitions from industrial land use to a mixed use community. We believe that it is essential for the City of Toronto to maintain employment lands alongside a rapidly expanding condo market in order to provide residents with opportunities to live and work within the city, diversify its tax base, and keep good paying jobs. Indeed this is a strategy pursued by cities throughout the world. It is important for current and future employers to understand that Toronto is open for business.

GE Hitachi is proud of our operation at 1025 Lansdowne, and the contribution we make to Ontario's energy sector. One-third of our employees live within the neighbourhood, in fact multiple generations have worked side by side at our facility. We are equally proud of the dedication and commitment of all our employees and our exemplary safety record. It is our intention to continue our operations at 1025 Lansdowne. To this end we are absolutely willing to work with area politicians and residents to build out a robust community outreach and communications program.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. Mason', with a horizontal line extending from the end of the signature.

Peter Mason, P. Eng
President and CEO, GE Hitachi Nuclear Energy Inc.