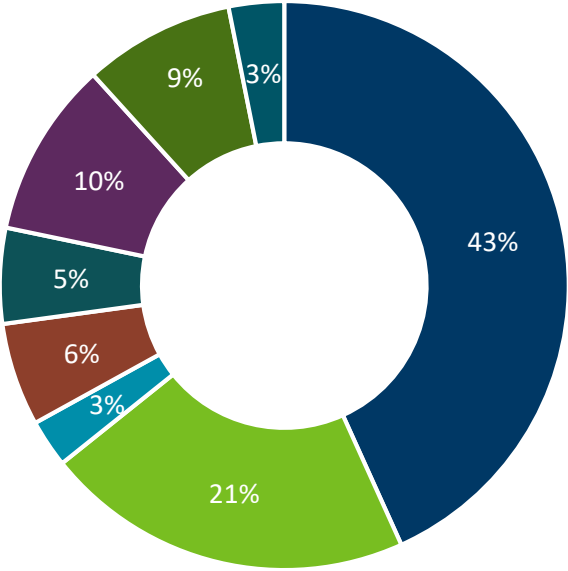


Minnesota 3M PFC Settlement

Overview of recommended Option 1 – Community projects with a treatment threshold of HI > 0.5 and GAC

Key Characteristics	PFAS-Eligible Costs																		
 - Treatment to a threshold of HI > 0.5 using GAC - Funding of public water system O&M for approximately 40 years - Funding of private well O&M for over 100 years - Funding for protecting a sustainable water supply into the future - Drinking water source remains groundwater	<table> <tr> <td>Initial capital costs</td><td>\$302.5 million</td></tr> <tr> <td>O&M costs for public water systems</td><td>\$147 million</td></tr> <tr> <td>O&M costs for private wells</td><td>\$19 million</td></tr> <tr> <td>Capital costs for potential additional neighborhood hookups</td><td>\$41 million</td></tr> <tr> <td>Future contingency for HBV/HRL and plume movement, and cost over-runs</td><td>\$38 million</td></tr> <tr> <td>Drinking water protection</td><td>\$70 million</td></tr> <tr> <td>Sustainability and conservation</td><td>\$60 million</td></tr> <tr> <td>State administration</td><td>\$22 million</td></tr> </table>	Initial capital costs	\$302.5 million	O&M costs for public water systems	\$147 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	\$38 million	Drinking water protection	\$70 million	Sustainability and conservation	\$60 million	State administration	\$22 million		
Initial capital costs	\$302.5 million																		
O&M costs for public water systems	\$147 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	\$38 million																		
Drinking water protection	\$70 million																		
Sustainability and conservation	\$60 million																		
State administration	\$22 million																		
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) 5 new public wells built (3 of these replace contaminated wells) 6 new treatment plants with a capacity of 23,580 gpm and 1 modified treatment plant with additional capacity of 1,750 gpm 33 existing and proposed public wells receiving treatment 72 miles of water mains	Percent of \$700 million  <table> <thead> <tr> <th>Category</th> <th>Percent of \$700 million</th> </tr> </thead> <tbody> <tr> <td>Initial capital costs</td> <td>43%</td> </tr> <tr> <td>O&M costs for public water systems</td> <td>21%</td> </tr> <tr> <td>O&M costs for private wells</td> <td>10%</td> </tr> <tr> <td>Capital costs for potential additional neighborhood hookups</td> <td>9%</td> </tr> <tr> <td>Future contingency for HBV/HRL and plume movement, and cost over-runs</td> <td>6%</td> </tr> <tr> <td>Drinking water protection</td> <td>5%</td> </tr> <tr> <td>Sustainability and conservation</td> <td>3%</td> </tr> <tr> <td>State administration</td> <td>3%</td> </tr> </tbody> </table>	Category	Percent of \$700 million	Initial capital costs	43%	O&M costs for public water systems	21%	O&M costs for private wells	10%	Capital costs for potential additional neighborhood hookups	9%	Future contingency for HBV/HRL and plume movement, and cost over-runs	6%	Drinking water protection	5%	Sustainability and conservation	3%	State administration	3%
Category	Percent of \$700 million																		
Initial capital costs	43%																		
O&M costs for public water systems	21%																		
O&M costs for private wells	10%																		
Capital costs for potential additional neighborhood hookups	9%																		
Future contingency for HBV/HRL and plume movement, and cost over-runs	6%																		
Drinking water protection	5%																		
Sustainability and conservation	3%																		
State administration	3%																		
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) - Provides for most years of O&M coverage out of Settlement funds																			

Community elements of recommended Option 1 – Community projects with a treatment threshold of HI > 0.5 and GAC

