

February 2, 2017

Mr. Josh Hesselbein
 Enforcement and Inspection Branch
 Hazardous Waste Division, ADEQ
 5301 Northshore Drive
 North Little Rock, Arkansas 72118-5317

RE: WHIRLPOOL TRANSMITTAL OF THE 2016 ANNUAL REPORT

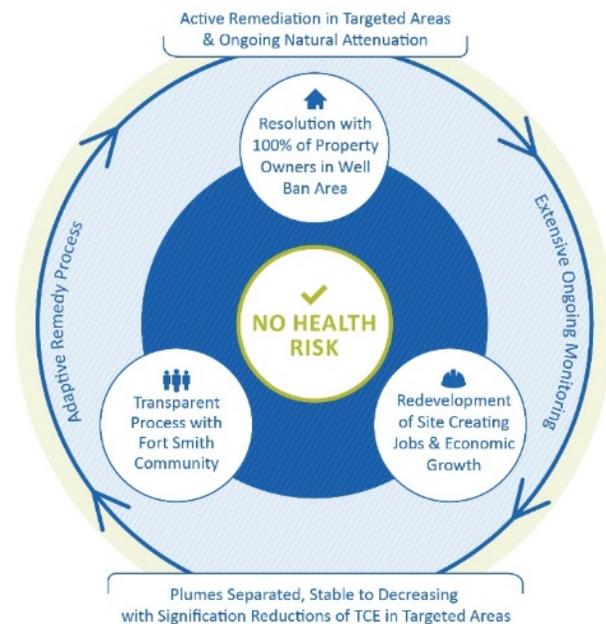
Dear Mr. Hesselbein:

Whirlpool Corporation is pleased to submit the 2016 Annual Report to the Arkansas Department of Environmental Quality (ADEQ), in accordance with the Revised Groundwater Monitoring Plan (RGWMP) approved by ADEQ in September 2016 and the Remedial Action Decision Document (RADD) issued by the Arkansas Department of Environmental Quality (ADEQ) on December 27, 2013 and revised in November 2015 (Revised RADD). The 2016 Annual Report summarizes the coordinated efforts between our organizations in addressing trichloroethylene (TCE) in the groundwater under and adjacent to the former Whirlpool manufacturing facility in Fort Smith. The report provides an overview of progress made both on- and off-site, as well as a thorough description of the scientific data collected, validated and summarized throughout 2016. This report will be made available on www.whirlpoolfortsmith.com, to all access by the City of Fort Smith and area residents.

As a threshold matter, Whirlpool believes it is important to report that nothing in the findings over the last three years has changed the conclusion that there remains **no health risk** to Fort Smith residents from exposure to TCE in the groundwater beneath or near the Whirlpool property.

In summary, Whirlpool’s extensive work in Fort Smith over the past three years (2014 through 2016) has resulted in progress on a number of fronts, including:

1. The completion of required and supplemental active remediation activities following a science-driven, Adaptive Remedy process that resulted in significant reductions of TCE concentrations in the source area and enhanced the separation of the north and south plumes. Extensive monitoring and analysis of the site also indicates that groundwater in both of the now-separated north and south plumes shows stable to decreasing trends in TCE concentration, demonstrating that natural attenuation processes are effectively remediating groundwater impacts at the site;
2. Extensive, continuing monitoring and controls implemented to ensure there remains no health risk to area residents, track the progress of remediation efforts and determine appropriate next steps based on the latest scientific data available;
3. Completion of resolution agreements with all residents whose properties are located in the original well drill ban area;
4. Ongoing efforts to redevelop the site to create economic growth and benefit the entire Fort Smith community; and



5. Ensuring that City officials and area residents have timely access to the most current information and are fully informed of significant developments through our website and regular presentations to City Directors.

These accomplishments provide the foundation for Whirlpool’s next phase of work, focused on the re-use and redevelopment of the site, which will continue to be conducted in close coordination with ADEQ. Whirlpool remains committed to ensuring that remediation is progressing through Monitored Natural Attenuation (MNA) with appropriate monitoring, along with other actions if needed, to assure ongoing public safety and productive re-use of the site.

I. Summary of Investigation, Remediation and Monitoring Activities Completed in 2016

Site investigation, remedial efforts, and monitoring to date have included not only the actions described in the RADDs but also voluntary remedial efforts completed to enhance and expand reductions in TCE concentrations in soil and groundwater at on-site and off-site locations. As noted above, a notable change in groundwater monitoring requirements occurred after ADEQ approved the RGWMP. The RGWMP modifies the monitoring schedule from a quarterly basis for all wells to a semi-annual basis for select wells and an annual basis for a broader group of wells. The RGWMP was approved in September 2016 which resulted in completion of quarterly monitoring events during the first two quarters of 2016, and completion of the annual groundwater monitoring event in November of 2016. The monitoring efforts completed in 2016 included the collection of groundwater samples for the continued evaluation of the in-situ chemical oxidation (ISCO) and in-situ chemical reduction (ISCR) efforts performed at on-site and off-site locations to reduce TCE concentrations. Consistent with Whirlpool’s commitment in the RGWMP, an Action Plan is provide in Appendix F of the 2016 Annual Report due to TCE concentrations at plume boundary wells MW-189 and MW-194 which have marginally exceeded the remedial action levels. The Action Plan includes additional investigation activities at these well locations to assess whether remediation is necessary and, if warranted, to gather data useful to its design.

Other monitoring activities in 2016 included indoor air and sub-slab vapor monitoring events within the Whirlpool building in February and June of 2016. This data will be considered while assessing potential future repurposing opportunities for the Whirlpool building and property.

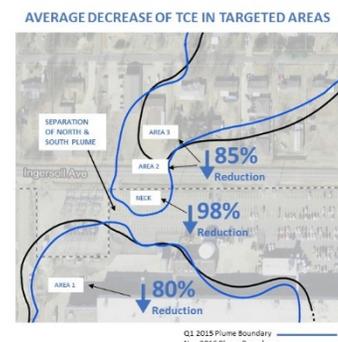
The absence of any completed pathways of exposure (i.e. direct exposure, consumption or vapor intrusion) has been further confirmed by the investigation and monitoring activities described and presented in the Annual Report. Therefore, there is no unacceptable risk to human health or the environment. Whirlpool has completed settlement agreements with the property owners where groundwater impacts have been characterized and these settlement agreements include: deed restrictions precluding the use of groundwater; a financial settlement; and, an access agreement to facilitate future investigation or monitoring, if required.

II. Impact of Remediation Activities

Remediation efforts that took place in the first two year period (2014 and 2015) and the continued remediation and MNA efforts throughout 2016 have resulted in reductions of TCE concentrations in the source area, created and increased the separation of the north and south plume, and limited further plume migration at the north plume boundary.

Overall, TCE concentrations in the source area have been reduced by:

- Approximately 98% within the neck area
- Approximately 85% within Areas 2 and 3;
- Approximately 80% in monitoring wells within the linear drainage feature in the source area in Area 1.



Groundwater monitoring for the south and north plume consistently showed stable to decreasing trends in TCE concentration, demonstrating natural attenuation processes are effectively remediating groundwater impacts at the site. Continued groundwater monitoring has confirmed TCE concentrations are generally stable to decreasing for 86% and 83% of monitoring wells in the south and north plumes, respectively.

III. Property Redevelopment

Whirlpool has made significant progress in the redevelopment of the property.

The warehouse was sold to Spartan Logistics in September 2014 and Spartan is already employing area residents on site. Whirlpool remains in continued discussions with multiple interested buyers for the remainder of the property.

Additionally, further redevelopment options are in progress that are expected to benefit the entire Fort Smith community and these plans will be discussed more fully with state and local officials in during 2017. Whirlpool remains confident in completing a transaction that will result in the long-term and productive use of the site.

IV. Community Engagement and Resolution with Residents

Throughout the past three years, Whirlpool has worked diligently to keep its commitment to treat residents fairly and to ensure that City officials and Fort Smith residents were informed of important developments.

In 2015, Whirlpool reached agreements with 100% of residents in the well drilling ban area. As a result of these agreements, the environmental class action lawsuit and individual lawsuits against Whirlpool were dismissed.

Whirlpool has provided progress reports at City Directors' meetings, and continues to regularly update the website www.whirlpoolfortsmith.com to provide the Fort Smith community, elected officials and members of the press with the latest information and extensive background materials, including all reports and data submitted to ADEQ related to this project.

V. Conclusion

The progress made by Whirlpool during the mutually agreed, initial two-year remediation process in 2014 and 2015 and the subsequent monitoring in 2016 in Fort Smith has resulted in the completion of a series of remediation activities that have shown real progress in the cleanup of the site. At the same time, Whirlpool has worked to rebuild trust with area residents, closely monitored the site to ensure no health risks exist, and made real strides toward repurposing the property for the benefit of the entire community.

We are looking forward to advancing to the next phase of our efforts on behalf of the residents, economy and environment in Fort Smith, and will continue to work directly with ADEQ using the latest scientific data to appropriately manage this site.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Noel".

Jeff Noel, Vice President, Whirlpool Corporation