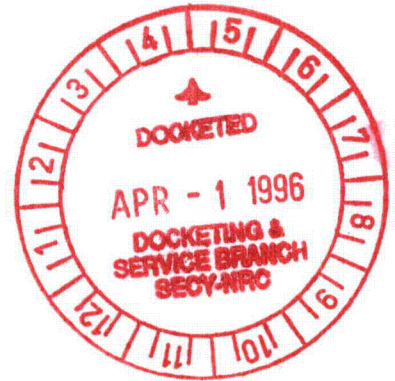


UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION
ATOMIC SAFETY AND LICENSING BOARD

Before Administrative Judges:

James P. Gleason, Chairman
Dr. Jerry R. Kline
G. Paul Bollwerk, III
Thomas D. Murphy



In the Matter of)	
)	
SEQUOYAH FUELS CORPORATION)	Docket No. 40-8027-EA
and GENERAL ATOMICS)	
)	
(Gore, Oklahoma Site)	
Decommissioning and Funding))	April 1, 1996

**NRC STAFF'S AND GENERAL ATOMICS' JOINT MOTION
FOR EXTENSION OF STAY OF DISCOVERY THROUGH MAY 15, 1996**

In accordance with the March 12, 1996 Order of the Atomic Safety and Licensing Board ("Board"), the NRC Staff and General Atomics hereby submit their joint motion for an extension of the current stay of discovery through May 15, 1996.

BACKGROUND

The Board's most recent Order (Granting Additional Stay of Discovery, March 12, 1996)(Order), suspended all discovery activities in this proceeding through Wednesday, April 10, 1996, to permit the NRC Staff and General Atomics to devote full attention to the resolution of this proceeding through settlement. Order at 1. The Order further provided that if the NRC Staff and General Atomics wanted an additional stay of discovery beyond April 10, 1996, they should file on or before Monday, April 1, 1996, a motion requesting a stay extension that addresses both the factors of

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"significant progress" and substantial prejudice outlined in the Board's November 13 and December 8, 1995 issuances.

DISCUSSION

In their March 4, 1996 Joint Motion for Extension of Stay Through April 10, 1996, the NRC Staff and General Atomics informed the Board that agreement has been reached on all fundamental components of a settlement addressing the Sequoyah Fuels site. The nineteen (19) day period following the issuance of the Board's March 12, 1996 Order have been equally productive. During that time, good faith, serious negotiations have continued on the more detailed aspects of the settlement and on several collateral matters. The negotiations have continued to involve senior officials from the NRC Staff and the senior management of General Atomics. The parties now believe that negotiations have proceeded as far as verbal discussions permit.

On March 28, 1996, the first written draft of all aspects of the anticipated settlement was completed. It is currently under consideration by the parties. The NRC Staff and General Atomics continue to be very optimistic that agreement will be reached on the wording of the text of each of the many provisions which have been under discussion. Because some of the elements of the settlement are very complex and the settlement involves highly sensitive policy matters for the NRC Staff, however, the parties believe that additional time is needed to reach final agreement on the written settlement papers and to address other matters which affect whether the anticipated settlement will be successful.

In particular, there are certain considerations outside the scope of this proceeding, relating to General Atomics' San Diego facilities subject to NRC licenses, that nonetheless will be influenced by any settlement here, and thus must continue to be analyzed and accounted for by the NRC Staff. While these considerations involve a range of future as well as existing issues, and therefore cannot be completely resolved by the Staff at this time, it is still important that the Staff have additional time to devote to internal deliberations that make practical sense now before it undertakes any final action on the anticipated settlement.

Only one of the "significant progress" concepts described in the Board's November 13, 1995 Memorandum and Order¹ remains relevant to the current state of negotiations, i.e., the requirement that a reasonable estimate be made of the time that the additional negotiations will take. In order for the draft settlement documents to receive full consideration by officials of both parties, it is estimated that an additional 35 days of time is needed.

With respect to the factor of "substantial prejudice," General Atomics and the NRC Staff incorporate here by reference the several

¹ The concepts include: (1) that in addition to litigation counsel, senior management and policy staff for both the NRC Staff and General Atomics are involved on a continuing basis in both internal deliberations and negotiations as appropriate; (2) that the parties have identified the type and number of major issues in dispute; (3) that a schedule exists for internal strategy meetings as well as negotiation sessions on a regular basis that will ensure resolution of the issues in an orderly manner; and (4) that there is a reasonable estimate of time that the negotiations will take.

factors which have been described in previous filings.²

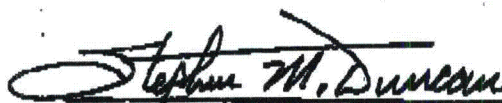
Under the present circumstances and in view of the very advanced state of the settlement negotiations, there is no possible reason for endangering the anticipated signing of settlement documents by requiring General Atomics' counsel and management to devote time-consuming and costly discovery efforts to a dispute that will be made moot by the settlement. Moreover, no prejudice will be sustained by any party if discovery is stayed for the reasonable amount of time requested.

CONCLUSION

For all of these reasons, the NRC Staff and General Atomics jointly move the Board to order that all discovery activities in this proceeding are stayed until May 15, 1996.

² See the NRC Staff's and General Atomics' Joint Motion for Extension of Stay of Discovery through April 10, 1996 (March 4, 1996) at 3-4; Supplemental Status Report on Settlement Negotiations and Motion for Extension of Stay of Discovery beyond December 8, 1995 (November 27, 1995) at 5-8; and NRC Staff's Additional Information in Support of Stay of Proceedings (November 27, 1995) at 6-7.

Respectfully submitted,

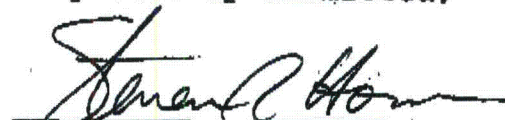


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Date: April 1, 1996



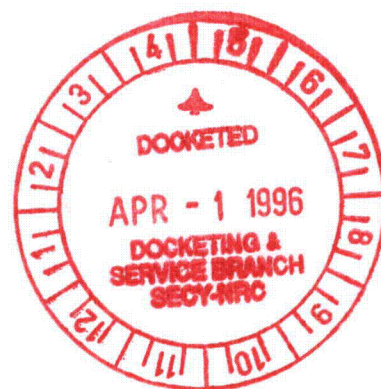
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)	
(Sequoyah Facility in)	
Gore, Oklahoma))	April 1, 1996

CERTIFICATE OF SERVICE

I hereby certify that the foregoing NRC Staff's and General Atomics' Joint Motion for Extension of Stay of Discovery Through May 15, 1996 was served on April 1, 1996, upon the following persons by deposit in the United States mail, first class postage prepaid and properly addressed, and to those persons marked with an asterisk by telecopier:

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U.S. Nuclear Regulatory Commission
Washington, D.C. 20555
Attention: Docketing & Service Branch
(Original and two copies)

Office of Commission Appellate Adjudication
U.S. Nuclear Regulatory Commission
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