Log # TXX-3045
File 10101

TEXAS UTILITIES GENERATING COMPANY

2001 BRYAN TOWER · DALLAS, TEXAS 75201

R. J. GARY
EXECUTIVE VICE PRESIDENT
AND GENERAL MANAGER

September 18, 1979

Dr. Harold R. Denton
Director,
Nuclear Reactor Regulation
U. S. Nuclear Regulatory Commission
Washington, D.C. 20555

SUBJECT: COMANCHE PEAK STEAM ELECTRIC STATION
DOCKET NOS. 50-445 & 50-446
INFORMATION WITH RESPECT TO REQUEST
TO AMEND CONSTRUCTION PERMITS
CPPR-126 AND CPPR-127

Dear Dr. Denton:

Reference is made to my letters to you of December 26, 1978, March 1, 1979 and July 19, 1979 pertaining to our application for amendments to the Comanche Peak construction permits to reflect the ownership interests of Texas Municipal Power Agency (TMPA) and Brazos Electric Power Cooperative, Inc. (Brazos). Brazos executed the joint ownership agreement for Comanche Peak (subject to REA and NRC approvals) on June 1, 1979 and prepared the volume we sent you on July 19, 1979 which included a formal submission of the information required for NRC financial review. Enclosed are 20 copies of executed Joint Ownership Agreement and 20 copies of the TMPA bond approval signed by the Attorney General of the State of Texas. This information is being forwarded in response to a request by your Mr. Spottswood Burwell. Mr. Burwell also requested a copy of the REA loan commitment notice to be issued for Brazos. It is our understanding that REA will issue this notice and send NRC a copy about the end of this month.

I might note that because the volume prepared by Brazos (dated June 15, 1979 and transmitted to you on July 19, 1979) is intended to provide a comprehensive package, it duplicates in some respects information already provided. It also contains (at Tab A) financial information for operating license stage review regarding Brazos. That information is anticipatory and should be disregarded for purposes of the construction permit amendment; it will be appropriately referenced or incorporated in a later amendment to the application for an operating license.

1022 269

B005
SE
1/20

7909250463

Finally this will confirm that all oustanding information required for your review has been submitted and is intended, at the time REA issues the loan commitment notice, to constitute the formal notification contemplated in our December 26, 1978 submittal that Brazos Electric Power Cooperative, Inc. has formally joined in the application for amendment to the construction permits to reflect the ownership interests it will acquire upon closing which is conditioned upon NRC approval.

Respectfully,

R. J. Gary

RJG:skf
Enclosure

bcc w/o enclosures:

Joel T. Rodgers (TMPA)
Rodney Lee (NHSL&M)
J. Monahan (BEPC)
Joe Knotts (D&L)
Spencer Relyea (WF&S)
R. K. Campbell (DP&L)

OFFICE OF THE ATTORNEY GENERAL OF THE STATE OF TEXAS

March 26, 1979

THIS IS TO CERTIFY that the following described bonds, together with authenticated copies of the proceedings relating to and authorizing the issuance of same, have been submitted to me for examination in accordance with the requirements of the statutes of the State of Texas, to-wit:

TEXAS MUNICIPAL POWER AGENCY REVENUE BONDS, SERIES 1979, issued by virtue of a Resolution adopted by the Board of Directors of said Agency on the 15th day of March, 1979 (the "Resolution"), and pursuant to a Power Sales Contract (the "Contract") between the Texas Municipal Power Agency and the Cities of Bryan, Texas, Denton, Texas, Garland, Texas and Greenville, Texas, and various ordinances and resolutions of said Cities; for the purpose of providing funds with which to discharge certain costs and expenses of the Agency in connection with the acquisition or construction of certain electric facilities, to provide engineering, planning and financing expenses, and for the purpose of setting aside certain amounts for payment into the Bond Fund and the Reserve Fund; dated March 1, 1979; numbered consecutively from 1 to 60,000, inclusive; in the denomination of Five Thousand Dollars ($5,000) each; aggregating the principal sum of Three Hundred Million Dollars ($300,000,000); maturing serially on September 1 in each of the years as follows:

1985	$4,195,000	1991	$5,865,000	1997	$8,395,000
1986	4,425,000	1992	6,215,000	1998	8,940,000
1987	4,675,000	1993	6,590,000	1999	9,525,000
1988	4,940,000	1994	6,990,000	2000	10,150,000
1989	5,230,000	1995	7,425,000	2001	10,830,000
1990	5,535,000	1996	7,890,000	2002	11,560,000

2012 $170,625,000

bearing interest from date until maturity or prior redemption at the following rates per annum, to-wit:

Bonds maturing 1985	5.50%	Bonds maturing 1995	6.30%
Bonds maturing 1986	5.60%	Bonds maturing 1996	6.40%
Bonds maturing 1987	5.70%	Bonds maturing 1997/1998	6.50%
Bonds maturing 1988	5.80%	Bonds maturing 1999	6.60%
Bonds maturing 1989/1990	5.90%	Bonds maturing 2000	6.70%
Bonds maturing 1991/1992	6.00%	Bonds maturing 2001	6.75%
Bonds maturing 1993	6.10%	Bonds maturing 2002	6.80%
Bonds maturing 1994	6.20%		
		Bonds maturing 2012	7.00%

such interest evidenced by proper coupons attached to each of such bonds, and such interest payable on September 1, 1979, and semi-annually thereafter on March 1 and September 1 in each year; both principal of and interest on these bonds shall be payable at the principal office of either Paying Agent if in bearer form, or, if

registered as to principal, then the same shall be payable at the office of the Registrar; Citibank, N.A., in the City and State of New York, and National Bank of Commerce of Dallas, Dallas, Texas, being initially named as Paying Agents, and National Bank of Commerce of Dallas, Dallas, Texas, initially named as Registrar; said bonds being subject to optional redemption and to mandatory redemption as detailed in said Resolution.

From a careful examination of said bonds and proceedings and the Constitution and laws of the State of Texas on the subject of the authorization, execution and issuance thereof, I find the following facts, to-wit:

(1) That the Texas Municipal Power Agency was, at the time of the adoption of the Resolution referred to above, and is, as of this date, legally created;

(2) That these Bonds, together with the Outstanding Previously Issued Bonds, being "Series 1976" and "Series 1978", constitute special revenue obligations of the Agency in all things on a parity with each other, each being payable as to principal, premium, if any, and interest solely from and equally secured by a first lien on and pledge of Net Revenues and all Funds (including the investments therein) established by the Resolution, other than the Revenue Fund, and the Revenue Fund subject to the payment of Operating and Maintenance Expenses, the particulars with respect to which are more fully set forth in the Resolution, to which reference is hereby made;

(3) That said Contract heretofore submitted and approved in connection with the Outstanding Previously Issued Bonds is hereby approved in connection with these Bonds and the same has been and remains a valid agreement of the Agency and said cities;

(4) That the Agency has reserved the right to issue Additional Bonds and other lawful evidences of indebtedness for any authorized purpose, including refunding bonds, equally secured and on a parity with the Bonds of this Series and the Previously Issued Bonds under the terms and conditions provided in the aforementioned Resolution to which reference is made for more complete details;

(5) That the holders of said Bonds shall never have the right to demand payment of these obligations out of any funds raised or to be raised by taxation;

(6) That the Resolution authorizing the issuance of said bonds is in proper form and was legally adopted;

(7) That said bonds and interest coupons attached thereto are proper in form and in accordance with the Resolution authorizing their issuance.

IT IS MY JUDGMENT, and I so find, that all of the requirements of the laws under which said bonds were issued have been met; that said bonds were issued in conformity with the Constitution and laws of the State of Texas; and that said bonds are valid and binding

special obligations of said Texas Municipal Power Agency.

WHEREFORE, said bonds are hereby approved.

IN TESTIMONY WHEREOF, I have hereunto signed my name officially and caused the seal of my office to be impressed hereon, in the City of Austin, Texas.

Mark White
Attorney General of the State of Texas

No. 16438
Book No. 65

FORM 2P40 1.04

OFFICE OF COMPTROLLER

OF THE STATE OF TEXAS

I, Bob Bullock, Comptroller of Public Accounts of the State of Texas, do hereby certify that the foregoing hereof is a true and correct copy of the opinion of the Attorney General approving the Texas Municipal Power Agency Revenue Bonds, Series 1979

numbered consecutively from 1 to 60,000 of the denomination of $ 5,000.00 each, dated March 1, 19 79, due see foregoing interest various percent, under and by authority of which said bonds were registered in this office, on the 27 day of March 19 79, as the same appears of record on page 110 Bond Register of the Comptroller's Office, Vol. 81, Register Number 44830.

Given under my hand and seal of office, at Austin, Texas, the 27 day of March, 19 79.

Bob Bullock
Comptroller of Public Accounts of the
State of Texas

POOR ORIGINAL

OFFICE OF COMPTROLLER I

OF THE STATE OF TEXAS I

I, Lucille R. Faust X Bond Clerk ☐ Assistant Bond Clerk in the office of the Comptroller of the State of Texas, do hereby certify that, acting under the direction and authority of said Comptroller on the 27 day of March, 19 79 I signed the name of said Comptroller to the certificate of registration indorsed upon each of the Texas Municipal Power Agency Revenue Bonds, Series 1979

numbered from 1 to 30,000 inclusive, dated March 1, 1979 and that in signing said certificate of registration I used the following signature:

IN WITNESS WHEREOF I have executed this certificate this 27 day of March 19 79

I, Bob Bullock, Comptroller of Public Accounts of the State of Texas, do hereby certify that the person who has signed the above certificates was duly designated and appointed by me as Bond Clerk in the office of the Comptroller of Public Accounts of the State of Texas under authority vested in me by Tex. Rev. Civ. Stat. Ann. art. 4362 (1969), with authority to sign my name to all certificates of registration, and or cancellation of bonds required by law to be registered and/or cancelled by me, and was acting as such on the date first mentioned in said certificate; and that the bonds described in said certificate have been duly registered in the office of said Comptroller, as appears of record on page 110 of volume 81 under Registration Number 54830 in the Bond Register kept in the office of the said Comptroller.

GIVEN under my hand and seal of office at Austin, Texas, this 27 day of March, 19 79

BOB BULLOCK
Comptroller of Public Accounts of the
State of Texas

1022 274

POOR ORIGINAL

OFFICE OF COMPTROLLER |

OF THE STATE OF TEXAS |

I, Arlene Chisholm, Bond Clerk X Assistant Bond Clerk in the office of the Comptroller of the State of Texas, do hereby certify that acting under the direction and authority of said Comptroller on the 27 day of March, 19 79 I signed the name of said Comptroller to the certificate of registration indorsed upon each of the Texas Municipal Power Agency Revenue Refunding Bonds, Series 1979

numbered from 20,221 to 20,280 inclusive, dated March 1, 1979, and the foregoing said certificate of registration I used the following signature:

Robert D. Calvert

IN WITNESS WHEREOF I have executed this certificate this 27 day of March 19 79

Arlene Chisholm

I, Bob Bullock, Comptroller of Public Accounts of the State of Texas, do hereby certify that the person who has signed the above certificates was duly designated and appointed by me as Bond Clerk in the office of the Comptroller of Public Accounts of the State of Texas under authority vested in me by Tex. Rev. Civ. Stat. Ann. art. 4362 (1925), with authority to sign my name to all certificates of registration, and or cancellation of bonds required by law to be registered and or cancelled by me, and was acting as such on the date first mentioned in said certificate, and that the bonds described in said certificate have been duly registered in the office of said Comptroller, as appears of record on page 11 of volume 31 under Registration Number 11480 in the Bond Register kept in the office of the said Comptroller.

GIVEN under my hand and seal of office at Austin, Texas, this 27 day of March, 19 79

BOB BULLOCK
Comptroller of Public Accounts of the
State of Texas

1022 275

#117

JOINT OWNERSHIP AGREEMENT
BETWEEN
DALLAS POWER & LIGHT COMPANY, TEXAS ELECTRIC SERVICE COMPANY,
TEXAS POWER & LIGHT COMPANY, TEXAS UTILITIES GENERATING COMPANY,
TEXAS MUNICIPAL POWER AGENCY AND BRAZOS ELECTRIC POWER COOPERATIVE, INC.
FOR
COMANCHE PEAK STEAM ELECTRIC STATION

The Brazos System

Brazos Electric Power Cooperative, Incorporated

June 1, 1979

Dallas Power & Light Company
Texas Electric Service Company
Texas Power & Light Company

Gentlemen:

We have today executed the Joint Ownership Agreement dated January 2, 1979 relating to the Comanche Peak Steam Electric Station, and have also executed the Modification Agreement thereof.

The Joint Ownership Agreement contemplates a closing with respect to Brazos Electric Power Cooperative, Inc. on or before June 1, 1979 and the execution of a transmission agreement. Brazos Electric Power Cooperative has not yet received the necessary approval of REA of the Joint Ownership Agreement and the Modification Agreement, nor has the transmission agreement been executed.

Brazos Electric Power Cooperative expects, within the 6 months period provided in Sec. 2.04 of the Joint Ownership Agreement, to receive REA approval and financing and to execute the transmission agreement, and expects to be able to close within that period.

If Brazos Electric Power Cooperative, Inc. has not received REA approval and financing or has not executed the transmission agreement, or for any any other reason is unable to close by December 1, 1979, Brazos Electric understands and agrees that you may terminate the Joint Ownership Agreement and the Modification Agreement as to Brazos Electric Power Cooperative pursuant to Sec.2.04 of the Joint Ownership Agreement.

Yours very truly,

BRAZOS ELECTRIC POWER COOPERATIVE, INC.

By _____
JAMES E. MONAHAN,
Executive Vice President
and General Manager

JEM:plm

POST OFFICE BOX 6766 WACO, TEXAS 76706 PHONE (817) 752-2501 GENERAL OFFICE: 2404 LaSALLE AVENUE

BRAZOS SYSTEM MEMBERS

MODIFICATION OF

JOINT OWNERSHIP AGREEMENT

BETWEEN

DALLAS POWER & LIGHT COMPANY,
TEXAS ELECTRIC SERVICE COMPANY,
TEXAS POWER & LIGHT COMPANY,
TEXAS UTILITIES GENERATING COMPANY,
TEXAS MUNICIPAL POWER AGENCY,
AND
BRAZOS ELECTRIC POWER COOPERATIVE, INC.

FOR

COMANCHE PEAK STEAM ELECTRIC STATION

MODIFICATION AGREEMENT

PARTIES

This Agreement is entered into this 1st day of June, 1979, by and between Dallas Power & Light Company (DP&L), Texas Electric Service Company (TESCO), Texas Power & Light Company (TP&L), Texas Utilities Generating Company (TUGCO), Texas Municipal Power Agency TMPA), and Brazos Electric Power Cooperative (BEPC). DP&L, TESCO, and TP&L will be hereinafter referred to collectively as "Companies". DP&L, TESCO, TP&L, TMPA and BEPC will be hereinafter referred to collectively as "Parties" and, separately, as "Party," and with TUGCO, collectively as "Signatories" and, separately as "Signatory." These party designations are identical to the party designations set out in that certain Joint Ownership Agreement for the Comanche Peak Steam Electric Station dated the 2nd day of January, 1979, previously executed by the signatories hereto.

RECITALS

On the 2nd day of January, 1979, DP&L, TESCO, TP&L, TUGCO and TMPA executed a Joint Ownership Agreement for the Comanche Peak Steam Electric Station located in Hood and Somervell Counties, Texas, and TUGCO joined in the execution thereof as a Signatory to evidence its agreement to act as Project Manager. BEPC thereafter joined in the execution of said agreement and became bound by the terms thereof

1022279

upon the 1st day of June, 1979. Pursuant to such agreement TMPA, BEPC and the Companies will share in the ownership of the Project as tenants in common.

Now, therefore, in consideration of the premises and the mutual obligations and undertakings of the Signatories hereto, the Signatories mutually agree that the original Joint Ownership Agreement for the Comanche Peak Steam Electric Station referred to above be and it is hereby modified in the following particulars:

1. Section 5 of the original Joint Ownership Agreement entitled CONSTRUCTION, OPERATION, AND LICENSING is hereby supplemented by adding an additional paragraph designated and reading as follows:

5.06 No Adverse Distinction: Notwithstanding any other provision of this Agreement, in discharging their responsibilities pursuant to this Agreement, Companies and their agents shall make no distinction adverse to the Project between the Project and any other of the Companies' generating units because of the Companies' co-ownership of the Project with BEPC and/or TMPA and the Companies and their agents shall be under no obligation to make any distinction favorable to the Project between the Project and any other of the Companies' generating units because of the Companies' co-ownership of the Project with BEPC and/or TMPA.

2. With regard to Section 12.04 of the original Joint Ownership Agreement entitled Insurance, subparagraph (a) of the last paragraph of such section on page 39 of the original Agreement is hereby amended to read as follows:

(a) The Project Manager shall give to the Owners Committee a written report of insurance procured including items contained in paragraph (a) above and shall keep the Owners Committee informed of any changes in insurance coverages, or notices of cancellation.

3. Section 23 of the original Joint Ownership Agreement entitled MISCELLANEOUS is hereby supplemented by adding the following designated paragraphs:

23.10 Historic Places: Companies shall not, without approval in writing by the Administrator of the Rural Electrification Administration, use any portion of the funds made available to Companies by BEPC pursuant to the terms of this Agreement to construct any facilities which will involve any district, site, building, structure or object which is included in the National Register of Historic Places, maintained by the Secretary of the Interior pursuant to the Historic Sites Act of 1935 and the National Historic Preservation Act.

23.11 Public Officials Not to Benefit: No member of or delegate to the Congress of the United States shall be admitted to any share or part of this Agreement or to any benefit to arise herefrom other than the receiving of electric service on the same terms accorded other consumers.

23.12 Equal Opportunity Clause: During the performance of those parts of this Agreement relating to the construction of the Project or any other additions, betterments, improvements or replacements thereto, the Signatories agree as follows:

(i) The Project Manager will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Project Manager will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Project Manager agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this Equal Opportunity Clause.

(ii) The Project Manager will, in all solicitations or advertisements for employees placed by or on behalf of the Project Manager, state that all qualified applicants will receive consideration for employment without regard to race, color, sex, or national origin.

(iii) The Project Manager will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding,

a notice, to be provided, advising the said labor union or workers' representatives of the Project Manager's commitments under this Section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(iv) The Project Manager will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

(v) The Project Manager will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations and relevant orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

(vi) In the event of the Project Manager's noncompliance with the nondiscrimination clauses of this Agreement or with any of the said rules, regulations or orders, this Agreement may be cancelled, terminated or suspended in whole or in part and the Project Manager may be declared ineligible for further Government procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in said Executive Order or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

(vii) The Project Manager will include the words, "During the performance of this contract, the contractor agrees as follows:" followed by the provisions of paragraphs (i) and (vii) (with the words Project Manager changed to Contractor) in every subcontract or purchase order unless exempted by the rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Project Manager will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event the Project Manager becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the Project Manager may request the United States to enter into such litigation to protect the interests of the United States.

(viii) For the purposes of this Agreement, the term "This Agreement" as used in subparagraph (vi) hereof shall mean those parts of this Agreement relating to the construction by the Project Manager of Comanche Peak Steam Electric Station, or any additions, betterments, or improvements thereto.

23.13 Nonsegregated Facilities: The Project Manager certifies that it does not maintain or provide for its employees any segregated facilities at any of its establish-

ments, and that it does not permit its employees to perform their services at any location, under its control, where segregated facilities are maintained. The Project Manager certifies further that it will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it will not permit its employees to perform their services at any location, under its control, where segregated facilities are maintained. The Project Manager agrees that a breach of this certification is a violation of the Equal Opportunity Clause in this Agreement. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, timeclocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. The Project Manager agrees that (except where it has obtained identical certifications from proposed subcontrators for specific time periods) it will obtain identical certifications from proposed subcontractors prior to the award of subcontracts exceeding $10,000 which are not exempt from the provisions of the Equal Opportunity Clause, and that it will retain such certification in its files.

23.14 Flood Insurance Act: Notwithstanding anything contained in this Agreement, BEPC shall be under no

obligation to advance any funds to Companies and TMPA to finance the construction or acquisition of any building in any area heretofore identified by the Secretary of Housing and Urban Development, pursuant to the Flood Disaster Protection Act of 1973 (the "Flood Insurance Act") or any rules, regulations or orders issued to implement the Flood Insurance Act ("Rules"), as an area having special flood hazards, or to finance any facilities or materials to be located in any such building, or in any building owned or occupied by Companies or TMPA or BEPC located in such flood hazard area unless and until there has been compliance with all other conditions of this Agreement which are precedent to such advances, and the Administrator has determined, that (i) the community in which such area is located is then participating in the national flood insurance program, as required by the Flood Insurance Act and any Rules and (ii) Companies, TMPA and BEPC have obtained flood insurance coverage with respect to such building and contents as may then be required pursuant to the Flood Insurance Act and any Rules.

23.15 Environment: Signatories shall comply with (1) all applicable water and air pollution control standards imposed by federal or state statutes or regulations with respect to the Project and (2) the provisions of any Environmental Impact Statement issued by the United States of America with respect to the Project, pursuant to the National Environmental Policy Act; and Signatories shall take all

1022 286

steps necessary to assure that all actions undertaken pursuant to this Agreement by Signatories or their agents are in compliance with the provisions of this section.

23.16 Safety: In the acquisition, construction and completion of the Project pursuant to this Agreement, Signatories shall at all times take all reasonable precautions for the safety of employees on the work and of the public, and shall comply with all applicable provisions of Federal, State and Municipal safety laws and building and construction codes, including without limitation, all applicable regulations of the Occupational Safety and Health Administration.

23.17 "Kick-Backs": In the acquisition, construction and completion of the Project pursuant to this Agreement, the Signatories shall comply with all applicable statutes, ordinances, rules, and regulations pertaining to the work. Signatories acknowledge that they are familiar with the Rural Electrification Act of 1936, as amended, the so-called "Kick-Back" Statute (48 Stat. 948), and regulations issued pursuant thereto, and 18 U.S.C. 287, 1001, as amended. Signatories understand that the obligations of the parties hereunder are subject to the applicable regulations and orders of Governmental Agencies having jurisdiction in the premises.

23.18 Buy American: (a) Signatories covenant that in the performance of this contract (1) at least 3.8% of the

total cost of the unmanufactured articles, materials and supplies used or to be used in the construction of or otherwise made a part of the Project shall have been mined or produced in the United States and (2) at least 3.8% of the total cost of the manufactured articles, materials, and supplies used or to be used in the construction of or otherwise made a part of the Project shall have been manufactured in the United States substantially all from articles, materials, or supplies mined, produced or manufactured, as the case may be, in the United States. If any article, material, or supplies are partially mined, produced, or manufactured in the United States (said part being hereinafter called the "American Made Portion") and partially mined, produced, or manufactured somewhere other than in the United States, then only the cost of the American Made Portion shall be used in determining whether the requirements of the preceding sentence have been satisfied.

(b) At the closing and from time to time thereafter when requested by BEPC, or the Administrator of REA, the Project Manager shall supply the Administrator or the party so requesting with information and documentation demonstrating that the Project is being constructed in accordance with the requirements of subsection (a) of this section. Upon completing construction of the Project, the Project Manager shall certify to the Administrator that the Project was constructed in accordance with the requirements of said subsection (a).

4. Binding Effect - REA Approval: This Agreement, together with the original Joint Ownership Agreement, shall become binding upon BEPC, and it shall be obligated hereunder only upon the written approval of this Agreement by the Administrator of the Rural Electrification Administration.

5. Full Force and Effect of Original Contract: All of the provisions of the original Joint Ownership Agreement not specifically modified by the provisions of this agreement are and shall be in full force and effect.

6. Modifications as Controlling: In the event of any conflict, inconsistency, or incongruity between the provisions of this Modification Agreement and any of the provisions of said original Joint Ownership Agreement referred to above, the provisions of this Modification Agreement shall in all respects govern and control.

IN WITNESS WHEREOF, the Signatories hereto have caused this Modification Agreement to be executed upon this the 1st day of JUNE, 1979.

ATTEST:

D. W. Seagers
Secretary

DALLAS POWER & LIGHT COMPANY

BY: J. Farrington
President

ATTEST:

Secretary

TEXAS ELECTRIC SERVICE COMPANY

BY:
President

1022

ATTEST:

Secretary

TEXAS POWER & LIGHT COMPANY

BY: R. K. Campbell
President

ATTEST:

Secretary

Secretary

TEXAS UTILITIES GENERATING COMPANY

BY: Terry G. Bittner
President

ATTEST:

Secretary

TEXAS MUNICIPAL POWER AGENCY

BY: Richard Smith
President

ATTEST:

Robert W. Bunting
Secretary

BRAZOS ELECTRIC POWER COOPERATIVE, INC.

BY: Curtis L. Maynard
President

102-290

file #00112

JOINT OWNERSHIP AGREEMENT
BETWEEN
DALLAS POWER & LIGHT COMPANY, TEXAS ELECTRIC SERVICE COMPANY,
TEXAS POWER & LIGHT COMPANY, TEXAS UTILITIES GENERATING COMPANY,
TEXAS MUNICIPAL POWER AGENCY AND BRAZOS ELECTRIC POWER COOPERATIVE, INC.
FOR
COMANCHE PEAK STEAM ELECTRIC STATION

TABLE OF CONTENTS

AGREEMENT

PARTIES

This Agreement is entered into this 2nd day of January, 1978, by and between Dallas Power & Light Company (DP&L), Texas Electric Service Company (TESCO), Texas Power & Light Company (TP&L), Texas Utilities Generating Company (TUGCO), Texas Municipal Power Agency (TMPA), and Brazos Electric Power Cooperative, Inc. (BEPC). DP&L, TESCO, and TP&L will be hereinafter referred to collectively as "Companies". DP&L, TESCO, TP&L, TMPA, and BEPC will be hereinafter referred to collectively as "Parties" and, separately, as "Party," and with TUGCO, collectively as "Signatories" and, separately, as "Signatory."

RECITALS

Companies have acquired a site in Hood and Somervell Counties, Texas, and have been engaged in and propose to continue to engage in all necessary action and activity necessary and incident to the study, design, engineering, construction, and operation of a nuclear fueled electric generating station thereon, with two units having a nominal capacity of approximately 1150 megawatts each, the first of said units expected to go into service in 1981 and the second in 1983, to be known as the Comanche Peak Steam Electric Station.

Companies have entered into contracts with TUGCO as agent for the Companies relating to the design, construction, and operation of the Project and upon application to the United States Atomic Energy Commission (predecessor of the United States Nuclear Regulatory Commission) have received construction permits therefor.

TMPA and BEPC desire to share in the ownership of the Project as tenants in common. The Companies have determined that such participation is appropriate and

desirable. All Parties have agreed to construct and operate the Project in accordance with Prudent Utility Practice, consistent with the efficient and safe operation of the Project. Pursuant to this goal, all Parties have determined that it is to their best interest that TUGCO act as agent for all Parties in the licensing, design, construction, operation, and maintenance of the Project.

NOW, THEREFORE, the Parties mutually agree as follows:

1. DEFINITIONS

1.01 "Batch" shall mean any group of Fuel assemblies that are inserted into any Project reactor core together as a group at the same time and removed from any Project reactor core together at the same time.

1.02 "Capacity" means electric rating expressed in megawatts (mw).

1.03 "Costs of Construction" means all direct and indirect costs and expenses reasonably incurred by or on behalf of the Parties with respect to the Project that are properly chargeable under the Uniform System of Accounts to the study, acquisition, design, engineering, licensing, installation, and construction of the Project and to making it ready for operation, including, but not limited to, the costs of all payments made to the Brazos River Authority for water required or reserved for the Project prior to the Date of Commercial Operation and all payroll costs, related employee benefit costs, and employee expenses properly chargeable to the Project, but excluding (1) Costs of Fuel referred to in Paragraph 10.03 and (2) any financing costs, including, but not limited to, interest, bond discounts, legal, fiscal, and printing fees, and other costs related to any financing. Credits relating to such costs, including insurance proceeds, premium refunds and earnings on the investment of advances to Project Manager of Costs of Construction, shall be applied to Costs of Construction when received.

1.04 "Costs of Operation" means all direct and indirect costs and expenses reasonably incurred by or on behalf of the Parties with respect to any portion of the Project, subsequent to the Date of Commercial Operation of such portion of the Project, that are properly chargeable under the Uniform System of Accounts to the operation, maintenance, shutdown, decommissioning, or disposal of such portion of the Project, including, but not limited to, labor costs, all payroll costs, related employee benefit costs, and employee expenses properly chargeable to the Project, the costs of recruiting and training the operating staff for the Project, the cost of water required or reserved for the operation of the Project, excluding those payments for water made before the Date of Commercial Operation and charged to Costs of Construction, the costs of repairs, renewals, replacements, and modifications necessary to assure design capability in keeping with Prudent Utility Practice or necessary to obtain the approval of or to comply with the requirements of governmental agencies having jurisdiction, and the costs of betterments, modifications, and other capital additions to such portion of the Project subsequent to the Date of Commercial Operation of such portion of the Project, but excluding (1) Costs of Fuel referred to in Paragraph 10.03 and (2) any financing costs, including, but not limited to, interest, bond discounts, legal, fiscal, and printing fees, and other costs related to any financing. Credits relating to such Costs of Operation, including insurance proceeds, premium refunds and earnings on the investment of advances to Project Manager of Costs of Operation, shall be applied to Costs of Operation when received.

1.05 "Date of Commercial Operation" shall mean the date fixed by the Project Manager as the point in time when the portion of the Project that is being placed in operation is ready to be operated on a commercial basis.

1.06 "Energy" means kilowatt-hours (kwh) or megawatt-hours (mwh).

1.07 "ERDA" means the United States Energy Research and Development Administration or such successor agencies or other governmental authorities as shall have the function of performing nuclear fuel enrichment or other related services.

1.08 "Energy Entitlement Share" means the entitlement of a Party to Project Energy determined pursuant to Paragraph 6.02.

1.09 "Fuel" means Project nuclear fuel, irrespective of chemical and/or physical form, and rights related thereto.

1.10 "Matter" means any subject, or any aspect thereof, arising out of or relating to the interpretation or performance of this Agreement, including any proposal that may be made by any of the Parties.

1.11 "Net Effective Generation" means the actual net Power output that the Project's generating unit(s) are capable of producing at the high voltage terminals of the Project at any given time.

1.12 "NRC" means the United States Nuclear Regulatory Commission or such successor agencies as shall have jurisdiction for licensing or regulating nuclear power generating plants.

1.13 "Owners Committee" means the committee composed of representatives of the Parties established pursuant to Paragraph 4.01.

1.14 "Ownership Share" of a Party means the fractional share specified in Paragraph 3.01 hereof, or as the same may be adjusted pursuant to Sections 16, 17 and 18 hereof.

1.15 "Power" means kilowatts (kw) or megawatts (mw).

1.16 "Project" means the (a) Station, (b) Site, and (c) all licenses, permits, rights, and approvals necessary or convenient for construction, operation, maintenance, and decommissioning of the Project, a description of which Project

is attached as Exhibit 1 and made a part hereof; provided, however, the term "Project" as used in Sections 5, 12, 13, 15, 16, 17, and 18 shall include "Fuel."

1.17 "Project Consultant" means an individual or firm of national reputation and recognized expertise in the field or subject referred to it, appointed in the manner set forth in Paragraph 4.05(a) and retained for the purpose of resolving differences referred to it. A different Project Consultant may be retained for each Matter referred.

1.18 "Project Manager" means the person, firm, or corporation designated by the Owners Committee for the planning, construction, and operation of the Project in accordance with this Agreement.

1.19 "Prudent Utility Practice" means any of the practices, methods, and acts engaged in or accepted by a significant proportion of the electrical utility industry at the time the decision was made, or any of the practices, methods, and acts that, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at the lowest reasonable costs consistent with reliability, safety, and expedition. Prudent Utility Practice shall apply not only to functional parts of the Project, but also to appropriate structures, landscaping, painting, signs, lighting, and other facilities and public relations programs reasonably designed to promote public enjoyment, understanding, and acceptance of the Project. Prudent Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be a spectrum of possible practices, methods, or acts.

1.20 "Site" means a parcel of land of approximately 7,669 acres to be owned by the Parties as tenants in common in Hood and Somervell Counties, Texas. A description of the Site is included, among other items, in Exhibit 1.

1.21 "Station" means all real properties that are a part of the Site or incident thereto, all water required or reserved for the Project, and all personal property incident to the ownership of the Project and charged either to Costs of Construction or Costs of Operation. The Station shall include but not be limited to the following: two nuclear steam generating units, each having a rating of approximately 3425 megawatts thermal, two turbine-generator units, each having a nominal capacity of approximately 1150 megawatts electric, the railroad, the cooling reservoir and makeup facilities, and all related structures and facilities, including facilities for switching and transformation, together with additions and betterments thereto and replacements thereof, appropriate equipment, transportation equipment, spare parts, and initial operating supplies, and any other personal, mixed, or real property, charged to the Costs of Construction or Costs of Operation, but excluding Fuel. A description of the Station is included, among other items, in Exhibit 1.

1.22 "Uniform System of Accounts" means the United States Federal Power Commission Uniform System of Accounts prescribed for Class A and B Public Utilities and Licensees in effect as of the date of this Agreement, as the same may be amended from time to time, or such other system of accounts as may be adopted by the Public Utility Commission of Texas.

1.23 "Willful Action" means (a) action taken or not taken by a Signatory which action is knowingly or intentionally taken or not taken with intent to cause injury or damage to another, or (b) action taken or not taken by an employee or agent of a Signatory, which action is intentionally taken or not taken with intent to cause injury or damage to another; except Willful Action does not include intentional acts or omissions of an employee of a Signatory for which it is legally responsible solely because of the master-servant relationship between it and its employees.

2. ACQUISITION OF EXISTING ASSETS AND CONTRACT RIGHTS

In consideration of the promises and mutual agreements herein set forth, the Parties accept the Project as presently existing subject to the terms of this Agreement and hereby agree as follows:

2.01 Sale of 10% Undivided Interest in the Project: Subject to the terms and conditions of this Agreement and in recognition of the consideration to be exchanged between the Parties, DP&L (with the approval of the other Companies) agrees to sell, and TMPA agrees to buy, as a tenant in common, an undivided 6.2% interest in the Project and Fuel as they exist at the respective Date of Closing, and DP&L (with the approval of the other Companies) agrees to sell, and BEPC agrees to buy, as a tenant in common, an undivided 3.8% interest in the Project and Fuel as they exist at the respective Date of Closing. The effectiveness of the sale to TMPA or BEPC, as the case may be, is hereby conditioned upon specific NRC approval thereof by issuing the required amendments to Construction Permits Nos. CPPR-126 and CPPR-127 ("specific NRC approval"). At the Date of Closing, TMPA or BEPC, as the case may be, shall receive from DP&L the instruments of conveyance contemplated in Paragraph 2.04(c) hereof that will effectuate such sale upon specific NRC approval, but, prior to specific NRC approval, such conveyances shall constitute and evidence only a security interest in, and first lien upon, the 6.2% or 3.8%, as the case may be, undivided interest in the Project assets, owned by DP&L at the Date of Closing as well as assets thereafter acquired, to secure repayment by DP&L of the amounts paid by TMPA or BEPC, as the case may be, under the terms of this Agreement plus interest thereon as provided in Paragraph 3.01 hereof in the event that specific NRC approval is not secured or is denied. Only upon specific NRC approval shall these conveyances to TMPA or BEPC, as the case may be, become fully effective as transfers of full and complete ownership of its undivided interest in the Project.

2.02 Purchase Price and Payment Terms: In consideration of the promises and rights received by it under the terms of this Agreement, including the percentage share of the Project and Fuel, as they exist at the respective Date of Closing which it will receive upon specific NRC approval, TMPA agrees to pay DP&L 6.2%, and BEPC agrees to pay DP&L 3.8%, of the accumulated Costs of Fuel, as defined in Paragraph 10.03 hereof, and Costs of Construction, paid by or on behalf of the Companies prior to the respective Date of Closing. Said costs shall also include all taxes of the type referred to in Section 13, paid by or assessed against the Companies prior to the respective Date of Closing. TMPA and BEPC each agrees also to pay DP&L interest on its percentage of said accumulated costs at the rate of 8% per annum to July 1, 1978, compounded annually and 9 1/2% per annum from and after July 1, 1978, compounded annually after July 1, 1978, from the last day of the month in which the particular costs were paid until the respective Date of Closing. Said accumulated costs and interest shall be paid to DP&L at the respective date of Closing; provided, however, in the case of taxes assessed against Companies but unpaid at the date of Closing, TMPA or BEPC, as the case may be, shall pay its portion of such taxes to DP&L at the time it pays the same. TMPA also agrees to pay $465,000, and BEPC also agrees to pay $285,000, to Companies, at the respective Date of Closing, representing their respective shares of costs in developing the Project, including water resources, which are properly allocable to but are not specifically charged to the Project. Companies and the Project Manager will make available to TMPA and BEPC all records regarding Costs of Fuel and Costs of Construction of the Project reasonably necessary to allow TMPA and BEPC to determine that such costs and expenditures imputed to the Project are appropriate. Companies and Project Manager believe that the estimated total Costs of Fuel, Costs of Construction, and Costs of Operation of the Project

which they will provide at the respective Date of Closing to TMPA and BEPC are realistic and current, but all Parties recognize that such Costs are estimates only and actual Costs ultimately incurred may vary materially therefrom.

2.03 Representations of the Parties: The Companies, TUGCO, TMPA, and BEPC hereby covenant and agree as follows:

(a) Companies, TUGCO, and BEPC each warrants that it is a corporation organized under the laws of the State of Texas, that it is validly in existence at the date of the Agreement, and that it is in such good standing as to enable it to comply with the terms of this Agreement.

(b) TMPA warrants that it is a political subdivision of the State of Texas, that it is validly in existence at the date of this Agreement, and that it is in such good standing as to enable it to comply with the terms of the Agreement.

(c) Each Signatory to this Agreement warrants that its actions in executing and entering into this Agreement have been duly authorized in a manner that follows the laws applicable to it.

(d) Each Signatory to this Agreement warrants that it shall promptly and with all due diligence, acting jointly or individually as may be appropriate, take all necessary actions and endeavor to obtain all regulatory approvals, licenses, orders, and permits necessary to carry out its obligations under this Agreement.

2.04 Closing: The closings of the sales and transfers provided for in Paragraph 2.01 hereof, in each case, the "Closing," will take place at the main offices of DP&L in Dallas, Texas, on January 2, 1979, with respect to TMPA and on or before June 1, 1979, with respect to BEPC, in each case, the "Date of Closing," at 9:00 a.m.

1022 301

In the case of TMPA, its Date of Closing shall be inserted in the appropriate space above when its duly authorized representative executes this Agreement. If either TMPA or BEPC ("Executing Party") executes this Agreement before the other ("Nonexecuting Party") and Companies and TUGCO have executed this Agreement, this Agreement shall become effective insofar as the transaction of the Executing Party is concerned as if the transaction of the Nonexecuting Party were not incorporated into the terms of this Agreement. When the Nonexecuting Party later executes this Agreement, this Agreement shall become effective as to all of the Parties to this Agreement. Anything in this Agreement to the contrary notwithstanding, this Agreement shall not create any obligations on the part of the Companies or TUGCO to either TMPA or BEPC until TMPA or BEPC, as the case may be, has executed this Agreement, as well as Companies and TUGCO, and then only to the Executing Party.

(a) The Companies may refuse to close with respect to either TMPA or BEPC without affecting the Closing with respect to the other Parties for any of the following reasons:

(1) The said Party fails to comply with its representations made in Paragraph 2.03 hereof.

(2) Any regulatory approval, license, order, or permit, presently required, with or without which, at the respective Date of Closing, the Project or this transaction with respect to the said Party is in violation of law, has not been issued, whether or not such approval, license, order, or permit was sought or responded to with diligence as contemplated by Paragraph 2.03(d).

(3) The said Party is unable to secure financing sufficient to make its share of the payments imposed by Paragraph 2.02 of this Agreement.

In the event that the Companies refuse to close with respect to the said Party for one of the reasons set forth in this Paragraph, then the Companies shall close with the Party, if any, for whom they possess no reason to refuse to close and the Closing with respect to the said Party shall be deferred until ten (10) days after the reason for the refusal with respect to the said Party has been removed; provid however, if the reason for refusal to close with respect to the said Party is a reason set forth in either subdivision (1) or (3) of this Paragraph and such reason for refusal has not been removed within six (6) months after the respective Date of Closing and the Companies have complied with the representations in Paragraph 2.03(d), the Companies may terminate this Agreement with respect to the said Party through written notice to such effect sent to all Parties.

In the event that the Companies terminate this Agreement with respect to the said Party, then the Companies shall permit the Party for whom the Agreement has not terminated, if it so elects within ten (10) days after receipt of the aforementioned written notice, to purchase within four (4) months the interest of the said Party, in addition to its own interest, upon the same terms that the said Party would have purchased the same had not this Agreement terminated with respect to it, subject only to the necessary governmental approval.

(b) Either TMPA or BEPC may refuse to close with respect to itself without affecting the Closing with respect to the other Parties for any of the following reasons:

(1) Any of the Companies fails to comply with its representations made in Paragraph 2.03 hereof.

(2) Any regulatory approval, license, order, or permit, presently required, with or without which, at the respective Date of Closing, the Project or this transaction is in violation of law, has or has not been issued, including, but not limited to, the approval of the Rural Electrification Administration, whether such approval, license, order, or permit was sought or responded to with diligence as contemplated by Paragraph 2.03(d).

(3) It is unable to secure financing sufficient to undertake its share of the obligations imposed by this Agreement.

(4) The contemplated transmission agreement, between it and the Companies has not been executed by the respective Date of Closing.

(5) The Project shall have suffered damage, loss, or destruction in an amount sufficient, in its sole judgment, to make the Closing uneconomic or otherwise infeasible.

In the event that either TMPA or BEPC refuses to close on the respective Date of Closing for one of the reasons specified in this Paragraph, then the Companies shall close with the Party, if any, that does not refuse to close and the Closing with respect to each such refusing Party shall be deferred until ten (10) days after the reason for the refusal has been removed; provided, however, if the reason for refusal to close has not been removed within six (6) months after the respective Date of Closing and the refusing Party has complied with its representation in Paragraph 2.03(d), such refusing Party may terminate this Agreement with respect to itself through written notice to such effect sent to all Parties. In the event that the refusing Party terminates this Agreement with respect to

itself, then the Companies shall permit the Party for whom the Agreement has not terminated, if it so elects within ten (10) days after receipt of the written notice, to purchase within four (4) months the interest of the refusing Party in addition to its own interest under the same terms that the refusing Party would have had had not this Agreement terminated with respect to it, subject only to the necessary governmental approval.

(c) Conveyances hereunder shall be by Special Warranty Deed and Bill of Sale substantially in the forms of Exhibits 2 and 3 attached hereto and made a part hereof. Companies agree, at the Closing or from time to time thereafter, to execute and deliver to TMPA and BEPC such other instruments of conveyance and transfer as may be necessary or appropriate to vest in TMPA and BEPC their respective undivided Ownership Shares in the Project. The conveyance is to be free of any mortgage or other liens, other than liens securing taxes, assessments, or governmental charges or levies or the claims or demands of materialmen or mechanics the payment of which is not then due or is to be contested in good faith. TMPA and BEPC each shall have the right to review the title to all property being conveyed. Upon notice to the Companies that there is a defect in the title to the property or any lien or other encumbrance with respect thereto, the Companies shall use all reasonable efforts to eliminate or cure such defect. The expense thereby incurred shall be charged to the Costs of Construction. Companies expressly disclaim any general warranty of title or guarantee of performance of contracts by vendors or suppliers of equipment, material, services, and Fuel to the Project.

3. OWNERSHIP, RIGHTS, AND OBLIGATIONS FOLLOWING ACQUISITION

3.01 Ownership: The Parties shall have title to the Project and Fuel as tenants in common and shall, as co-tenants with an undivided interest therein, subject to the terms of this Agreement, own the Project and Fuel and have the

related rights and obligations, including payment therefor, and shall be entitled to the Ownership Share, as follows:

PARTY	OWNERSHIP SHARE
DP&L	23-1/3%
TP&L	33-1/3%
TESCO	33-1/3%
TMPA	6.2%
BEPC	3.8%

It is understood and agreed that, to the extent required by the NRC, the title and ownership rights acquired by TMPA and BEPC in the Project and Fuel shall, while pending any necessary NRC approval for full title as provided in this Agreement, including amendment of any license or permit to take account of the sale and purchase of interests in the Project and Fuel as provided in this Agreement, be deemed to be only such title and ownership rights with respect to the Project and Fuel as are generally approved by general license (i.e., without either application or specific approval) by the NRC in 10 C.F.R. §50.81 and 10 C.F.R. §70.20 (or successor provisions pertaining to the subject matter) or are otherwise subject to a general license or exempt from licensing. It is further understood and agreed that nothing in the preceding sentence shall be construed to enlarge or decrease the incidents of ownership acquired hereunder that may be exercised by TMPA and BEPC pursuant to this Agreement following such NRC approval or amendment of a license or permit. In no event shall either TMPA or BEPC exercise any rights of ownership or control over the Project or Fuel, until specific NRC approval has been obtained, beyond those rights of ownership and control that may be lawfully exercised pursuant to general license by the NRC or that are exempt from NRC licensing, but, in recognition of the security interests

which TMPA and BEPC will possess and the promise of DP&L to convey an ownership interest to TMPA or BEPC, as the case may be, upon specific NRC approval, it is agreed by the Signatories that at all times the standards and guidelines of Paragraph 3.04 hereof are to be followed by Project Manager in meeting its responsibilities. Should the NRC by final action deny, or fail to grant, by the earlier of June 1, 1981, or the Date of Commercial Operation of Unit #1 of the Project, either TMPA or BEPC the necessary approval or license as may be required by the NRC, such Party shall release and transfer all of its right, title and interests in the Project and Fuel to DP&L and such Party's payments made under this Agreement, simultaneously shall be fully repaid by DP&L to such Party. Additionally, DP&L shall pay to TMPA or BEPC, as the case may be, interest from the date of each payment until the date of repayment at the rate of the greater of (1) 8% per annum, compounded annually, or (2) the actual costs of money paid by it for the indebtedness incurred to make such payments. Upon such repayment to a Party, such Party's rights and obligations under this Agreement shall terminate.

3.02 Co-tenants and not Partners: No provision of this Agreement shall be construed to create an association, joint venture, trust, or partnership or impose a partnership duty, obligation, or liability on or with regard to any of the Parties; nor shall it vest in any Party any interest in any asset or venture of any other Party now owned or hereafter acquired other than the Project and the Fuel as specifically provided herein. In particular, the relationship of the Parties contemplated in this Agreement shall not be treated as a partnership or other taxable entity for any purpose under the United States Internal Revenue Code of 1954, as amended. For this purpose the Parties agree to take any and all actions, including the making of all appropriate elections under Section 761 of said Internal Revenue Code, so as to exclude the application of all of the partnership provisions of said Code. Any apparent intent to create by this

Agreement, or by any grant, lease, or license related hereto, an association, joint venture, trust, or partnership or to impose on any Party trust or partnership rights or obligations is expressly negated.

3.03 Waiver of Partition: Until the end of the Project in accordance with Section 21, the Parties waive the right to partition, whether by partition in kind or sale and division of the proceeds thereof, and agree that during said time they will not resort to any action at law or equity to partition and further that for said time they waive the benefit of all laws that may now or hereafter authorize partition of the properties comprising the Project.

Each deed or other instrument conveying any title or right to any Party shall contain such waiver of any right to partition plus such other provisions of this Agreement as should appropriately be recorded in the deed records of the appropriate County.

3.04 Project Manager In order to provide unified management of the Project, the Parties authorize and designate TUGCO as Project Manager, to serve at the pleasure of the Owners Committee. TUGCO by executing this Agreement agrees to so act. The design, construction, operation, maintenance and decommissioning of the Project shall be in accordance with Prudent Utility Practice, NRC licensing requirements and any applicable federal or state laws and regulations and, in the case of the design and construction thereof, in accordance with the principal architectural and engineering criteria and environmental commitments made to the NRC, the objective being to achieve an appropriate balance among minimization of construction cost, minimization of operation and maintenance cost, licensing and environmental considerations, and reliability of service. Each of the Parties hereto recognizes that the aforementioned activities are subject to applicable law and NRC licensing. Pursuant to applicable law and NRC

licensing, the Project Manager has been or will be authorized to direct and control such activities on a day to day basis. Accordingly, the Project Manager, as agent for the Parties, after giving due consideration to any recommendations and suggestions of the Owners Committee, and in accordance with the aforementioned standards and guidelines, shall have sole responsibility for, and is fully authorized to act for the Parties with respect to the licensing, design, construction, operation, maintenance (including, but not limited to, the enforcement of all warranties on equipment) and decommissioning of the Project; and the Parties agree that the Project Manager shall have complete possession and control of the Project and that in no event shall Project Manager be required to act or refrain from acting or to suffer any act or omission inconsistent with applicable law or NRC licensing requirements. The Project Manager shall act with due diligence in performing its obligations and will use its best efforts to timely complete construction of, and to place into service, each unit of the Project. The present schedule calls for the Date of Commercial Operation of Unit #1 to be January, 1981 and Unit #2 to be January, 1983; but all Parties recognize that such dates of Commercial Operation are current estimates only and actual dates may vary therefrom. If the Project Manager, or its agents, servants, or employees, causes TMPA or BEPC to sustain any damage, loss, or expense by breaching this Agreement or committing a Willful Action, then the Companies shall indemnify TMPA or BEPC, as appropriate, for said damage, loss, or expense.

In lieu of certain unallocated costs, TMPA and BEPC shall pay monthly, in proportion to their respective Ownership Shares, to the Project Manager a management fee equal to (1) five percent (5%) of the portion of all Costs of Operation, and all costs incurred under Paragraph 10.03(c), that is allocable to their Ownership Shares, excluding from such Costs of Operation the costs of capital

retirements and additions, plus (2) five percent (5%) of the portion of all Costs of Fuel, excluding all costs incurred under Paragraph 10.03(c), that is allocable to their Energy Entitlement Shares as if such Costs of Fuel were capitalized upon insertion of the respective Batch into the reactor core and amortized over a three year period; provided, however, in no event shall five percent (5%) of such portion of all Costs of Fuel, excluding all costs incurred under Paragraph 10.03(c), for any calendar year subsequent to 1991 exceed five percent (5%) of the Escalated Average Costs of Fuel, as hereinafter defined, for such calendar year. The term "Escalated Average Costs of Fuel" means an average of that portion of all Costs of Fuel, excluding all costs incurred under Paragraph 10.03(c), that is allocable to the Energy Entitlement Shares of TMPA and BEPC (with Costs of Fuel being capitalized in the manner specified above) for the calendar years 1987 through 1991 escalated at the rate of six percent (6%) per year for each year subsequent to 1991 including the year for which the computation is being made.

The Project Manager, as agent for the Parties, shall have the right to permit the public to use for park sites and other recreational purposes that part of the Station, including the cooling reservoir, as in its judgment will not interfere with the operation of the Project and shall have the right to grant leases, licenses, and permits for such purposes. Such use shall be in accordance with the requirements of regulatory authorities having jurisdiction.

3.05 No Compensation: In the licensing, design, construction, operation, maintenance, and decommissioning of the Project, each Signatory, except the Project Manager as provided in Paragraph 3.04, shall act without compensation other than payment or reimbursement of costs and expenses as provided herein.

4. PROJECT COORDINATION

4.01 Owners Committee Established: As a means of securing effective cooper-

ation, interchange of information, and providing consultation on a prompt and orderly basis among the Parties, the Parties hereby establish the Owners Committee.

4.02 Membership and Officers: The Owners Committee shall be composed of five members. Each Party shall designate one primary representative and an alternate. Any primary representative, or any alternate in case of the unavailability of the primary representative, shall have authority to act on behalf of the Party represented.

The Owners Committee shall designate one of its members as Chairman and another as Vice Chairman and shall appoint a Secretary and an Assistant Secretary, neither of whom need be a member of the Owners Committee. The Owners Committee shall keep such minutes of its meetings as the Owners Committee shall determine.

Each Party shall give prompt written notice to the others and the Project Manager of any change in the designation of its primary representative or alternate on the Owners Committee. Such change shall be allowed at the discretion of the entity designating the new representative.

TMPA and BEPC each may participate on the Owners Committee after the applicable Closing, but in no event may it exercise any rights of ownership or control prior to specific NRC approval beyond those rights of ownership or control permitted by general license or by exemption from the law.

4.03 Duties: In order to insure that the Project is operated in accordance with Prudent Utility Practice to provide safe, efficient, and economical electric power, the Owners Committee shall:

(a) Provide liaison among the Signatories at the management level;

(b) Exercise general supervision over the committees established pursuant to Paragraph 4.03(j) hereof;

(c) Consider and act upon Matters referred to it by the committees established pursuant to Paragraph 4.03(j) hereof;

(d) Perform such other functions and duties as may be assigned to it in this Agreement;

(e) Review, discuss, and act upon any Matter in dispute among the Signatories arising under this Agreement;

(f) Review and act upon the Project Manager's reports as provided herein and make such recommendations as it deems proper to the Project Manager;

(g) As provided in Section 10 hereof, establish arrangements for securing any additional Fuel for the Project and for the disposal of spent Fuel and establish procedures for the allocation of the resultant costs, including initial costs and fixed charges;

(h) Arrange for annual audits of the records maintained by the Project Manager in its performance of Project construction and operation and other records maintained by the Project Manager in support of its billings to the Parties;

(i) Arrange for certification by a national firm of independent Certified Public Accountants to the Parties that the Project Manager's accounting methods and records, including any allocations for Costs of Fuel, Costs of Construction, and Costs of Operation, are in accordance with this Agreement and sound accounting practice; and

(j) Establish any temporary or permanent committees the Owners Committee deems necessary, the authority and duties of such committees to be set forth in writing and subject to the terms of this Agreement.

All information made available to the Signatories or to the Owners Committee shall be subject to all applicable restrictions on the disclosure of proprietary information. The Owners Committee shall have no authority to modify any of the terms, covenants, or conditions of this Agreement.

4.04 Manner of Voting: All Matters submitted to or considered by the Owners Committee and requiring formal determination shall be decided by agreement of representatives (or alternates) of Parties whose Ownership Shares in the Project in the aggregate exceed 50%, but the decision of the majority shall not be arbitrary and capricious or contrary to the terms of this Agreement.

4.05 Project Consultant

(a) If any Matter submitted to the Owners Committee is decided by less than a unanimous vote of the Owners Committee and if any member of the Owners Committee voting against the majority decision feels that the majority has acted arbitrarily and capriciously or contrary to the terms of this Agreement, the Party represented by said member shall have the right to present the Matter to a Project Consultant appointed by unanimous vote of the Owners Committee, or upon notice in writing given to the other members of the Owners Committee within thirty (30) days from the date of the decision, setting forth the time, date and place for making a request to the Chief Judge of the U.S. District Courts for the Northern District of Texas, by said Judge, acting in his individual and not judicial capacity.

(b) The Project Consultant shall consider all written arguments and factual materials that have been submitted to it by any member of the Owners Committee within the 30 days following its appointment and as promptly as possible after the expiration of such period make a written determination (1) whether such decision of the Owners Committee was arbitrary and capricious, or contrary to this Agreement and (2), if so, what said decision properly should be.

(c) Decisions of the Owners Committee found by the Project Consultant not to be arbitrary and capricious and not contrary to this Agreement shall be considered finally resolved and effective retroactively to the date when the

dispute arose, or at such other time as the nature of the Matter requires. Decisions of the Owners Committee found by the Project Consultant to be arbitrary and capricious or contrary to this Agreement shall, except as provided in Paragraph (f) below, be modified to conform to the determination of the Project Consultant and shall become immediately effective unless the nature of the Matter requires otherwise.

(d) The cost of employing the Project Consultant and the related expenses of its determination shall be included in Costs of Fuel, Costs of Construction, or Costs of Operation, as appropriate.

(e) The Project Manager shall have the right, but not the duty, to proceed with any Matter, related to its responsibilities hereunder, pending determination by the Project Consultant; provided, however, if the Project Manager does so proceed with such matter and if the determination made by the Project Consultant is that the decision of the Owners Committee concerning such Matter was arbitrary and capricious or contrary to this Agreement, then an appropriate financial adjustment shall be made in favor of each Party whose representative voted against the majority decision of the Owners Committee to account for its or their share of any net increase in the Costs of Fuel, Costs of Construction, or Costs of Operation resulting from the Project Manager having so proceeded.

(f) Anything in this Agreement to the contrary notwithstanding, the Project Manager shall not be required to act or refrain from acting in a manner that, in its reasonable judgment, is inconsistent with what is required to obtain the approval of or to comply with the requirements of regulatory agencies having jurisdiction.

(g) Nothing contained in this Agreement shall be construed to constitute a waiver or surrender by any Signatory to this Agreement of its right to any action,

in any court of law or equity, for breach of the provisions of this Agreement by any Signatory thereto where the Owners Committee either will not meet or will not act promptly on a Matter or where the Judge does not promptly appoint a Project Consultant or where the Project Consultant does not promptly act and render a decision on a Matter.

5. CONSTRUCTION, OPERATION, AND LICENSING

5.01 Regulatory Approval: The Project Manager, acting as agent for the Parties, shall take whatever action is necessary or appropriate to seek and obtain all licenses, permits, and other rights and regulatory approvals necessary or appropriate to the construction and operation of the Project and to the use of the Fuel.

5.02 Prudent Utility Practice: The Project Manager shall prosecute the construction and operation of the Project and the procurement and use of the Fuel in accordance with Prudent Utility Practice.

5.03 Duty to Inform: The Project Manager shall keep the members of the Owners Committee fully informed of all matters significant with respect to the construction and operation of the Project and the use of the Fuel and, if feasible, to do so in time for the members to comment thereon. The Project Manager shall not withhold from the Owners Committee any information necessary to the performance of its duties as set out in Paragraph 4.03.

5.04 Separate Records: The Project Manager shall establish complete and accurate Fuel, Power, and Energy accounting records. The Project Manager shall maintain, or cause to be maintained, separately, appropriate documentation and records of written statistical and administrative reports, written budgets and

information, and other similar records and of such expenditures and charges made and incurred by the Project Manager, together with all other charges, payments, and any expenses or receipts relating to such Project construction or operation or regulatory approval. Such records of the Project Manager shall be made available for inspection by each member and alternate member of the Owners Committee as well as auditors appointed pursuant to Paragraph 4.03(i) at all reasonable times. The Project Manager, at the request of TMPA or BEPC, shall provide at least the same assistance, at least the same access to information concerning the Project, and at least the same information, certifications and reports to TMPA and BEPC for each of their sales or issuances of bonds, notes or other securities, whether public or private, that it provides to Companies for similar transactions.

5.05 Ratification: All of those licenses, permits, approvals, contracts, obligations, and commitments obtained, made, and entered into or incurred by the Companies or the Project Manager prior to the effective date of this Agreement in connection with the acquisition and construction of the Project and described in Exhibit 4 are hereby ratified and approved as of the date title passes by the other Parties.

6. CAPACITY AND ENERGY ENTITLEMENTS

6.01 Capacity Entitlement: The Capacity Entitlement of each Party from the Project shall be the product of its Ownership Share and the Net Effective Generation of the Project.

6.02 Right to Schedule: The desired Energy requirements for each Batch shall be decided by the Owners Committee consistent with the lead times and other requirements and limitations specified in the various Fuel contracts. These Energy requirements shall include the estimated operating requirements for each cycle during which the Batch will reside in the reactor core. Each Party's Energy Entitlement Share will be represented by the product of that Party's Ownership Share and the estimated Energy recoverable in that Batch. At any point in time, each Party's share of its Capacity Entitlement will be delivered to that

Party and each Party shall be obligated to receive its Capacity Entitlement; unless the Party requests a lower capacity pursuant to Section 7.02. Each of the Parties' Capacity Entitlement under this Paragraph shall be adjusted on a pro rata basis to take into account regulatory or technical limitations on operation.

6.03 Outages: Operation of the Project by the Project Manager shall be subject to planned outages or curtailments, operating emergencies, and unscheduled outages or curtailments of the Project.

6.04 Station Energy: During any period in which the Station generates less than its station use and losses to the high voltage terminals of the Station substation, each Party shall arrange to deliver its Ownership Share of needed Energy to the Station.

7. DELIVERY AND TRANSMISSION

7.01 Delivery and Metering: Power and Energy shall be metered and delivered at the high voltage side terminal of the Station substation. Each Party shall bear all costs of acquiring, installing, operating, and maintaining its transmission lines and switching facilities for connecting its transmission system to the Station substation to provide for delivery of Station output. Power and Energy shall be accounted for in accordance with delivery to the respective Parties. Each Party shall have the right to request periodic testing for the accuracy of the metering equipment.

7.02 Accounting for Interchange of Power and Energy: In the event that a Party does not desire to receive the full amount of its Capacity Entitlement into its system for use or sale as it sees fit, the Parties shall have the right to interchange Power and Energy pursuant to the following procedures:

(a) The Party desiring not to accept its Capacity Entitlement will first offer all such turn-down of Power and Energy for sale to all the other Parties at a price fixed by the offering Party. If more than one Party desires to accept

this offer and the amount they desire to buy exceeds the amount offered, then they shall participate in the offer in proportion to their Ownership Shares.

(b) If any such offer or part thereof is refused by the other Parties, then the Party making the offer may sell the remaining amount of Power and Energy offered to non-Parties who are directly or indirectly interconnected with the high voltage transmission system of Companies at the same price, or higher than the price, that the non-desiring Party offered to the other Parties.

(c) Billing and payment under Subparagraphs (a) and (b) above shall be the sole responsibility of the Parties who enter into such agreements.

(d) In the event that the transactions as described in Subparagraphs (a) and (b) above do not dispose of all of the turn-down of Power and Energy, the Parties will cooperate, to the extent reasonably possible, by accepting the turn-down of the remaining Power and Energy of the offering Party and bank said turn-down to the offering Party's account. Banking account transactions shall be the sole responsibility of the Parties to such transaction.

(e) In the event that the transactions of Subparagraphs (a), (b), and (d) do not result in the Project producing its Net Effective Generation, interchange between the Parties shall be scheduled so that each Party, other than the Party requesting the turn-down of Capacity, shall receive its respective Capacity Entitlement.

7.03 Separate Transmission Agreement: Notwithstanding the provisions of Paragraph 7.01, the Parties have entered into separate transmission agreements governing the transmission of Power and Energy from this Project.

7.04 Use of Site: Each Party shall be entitled to the use of so much of the Site as may be reasonably necessary to construct and connect transmission facilities to the Project; provided, however, that such use will not interfere with the Project and will be consistent with regulatory requirements.

8. EXECUTION OF CONTRACTS

8.01 Parties to Contract: The Contracts covering the design, engineering, procurement, installation, construction, operation, and maintenance of the Project and for Fuel services described in Paragraph 10.02 shall comply with this Agreement and with all applicable laws and governmental regulations and may be executed solely by the Project Manager or, at its request, shall be executed by each Party. To the extent permitted by law or governmental regulations, each such contract that is entered into in the name of all Parties shall provide for the several but not joint liability of the Parties in accordance with their respective Ownership Shares. With respect to all contracts pertaining to the Project entered into in the name of any Party or Parties, each Party shall be severally responsible for its Ownership Share of all contract amounts that are payable under Costs of Fuel, Costs of Construction, or Costs of Operation. No contract contemplated by this Paragraph may be entered into in the name of any Party or Parties before such Party is an NRC licensee of the Project and Fuel. No contract contemplated by this Paragraph shall provide for retention by a supplier of title to property purchased for the Project after the delivery of the property at the Site.

In the event the entity contracted with is a Signatory, the contract with it, except as otherwise provided herein, shall limit the amount of its compensation to its actual costs. The Signatories may be involved in activities other than the Project. In pursuing other activities each Signatory shall act equitably and fairly with respect to the other Signatories' interests in the Project.

8.02 Duty to Use Good Faith: All contracts shall be entered into in good faith in a manner designed to result in the lowest reasonable cost consistent with Prudent Utility Practice.

8.03 Lecting of Contracts: As a matter of normal practice, separate contracts for readily separable parts of the work to the extent consistent with the construction of the Project shall be awarded at the least overall cost, consistent with high quality, Prudent Utility Practice, and the requirements of governmental agencies having jurisdiction. Construction contracts may be lump sum, unit price, or cost plus and, whenever deemed prudent, may be negotiated and may also contain incentive and liquidated damages clauses. As a matter of policy, bids shall be requested from qualified contractors. Contracts shall be awarded after appropriate evaluation, negotiation, and review to the lowest evaluated bidder unless there are substantial reasons for deviating from that policy in a particular case.

9. CONSTRUCTION AND OPERATING COSTS AFTER ACQUISITION OF INTEREST

9.01 Costs of Construction: Each Party shall advance to the Project Manager sufficient funds to pay its Ownership Share of Costs of Construction of the portion of the Project in question arising after the respective Date of Closing (or so close to the respective Date of Closing that they have not been included in the accumulated Costs of Construction used in calculating the purchase price at the respective Date of Closing). The Project Manager shall request such funds for deposit to its account as near to the date such funds are to be expended as is practicable under the circumstances. A Party shall have not less than five business days advance notice prior to the deposit date for the requested funds. The Project Manager shall credit any excess funds it receives against the next ensuing request it makes upon a Party for Costs of Construction. The Project Manager shall account for Costs of Construction paid in the preceding month, using a summary of expenditures by account charged.

9.02 Costs of Operation: Each Party shall advance to the Project Manager sufficient funds to pay its Ownership Share of Costs of Operation of the portion of the Project in question. Each Party shall make an initial advance to the Project Manager in an amount equal to the Party's Ownership Share of the estimated Costs of Operation for two and one-half months. Advances to cover emergencies or unusually large expenditures may be requested by the Project Manager as required to timely pay such obligations. After the expiration of the first month after the Date of Commercial Operation of the portion of the Project in question, the Project Manager shall request each calendar month and each Party shall, within ten business days after such request, deposit to the account of the Project Manager its Ownership Share of the Costs of Operation actually paid during the preceding calendar month. Such payments shall be made thereafter for the life of the Project. At the end of the Project the unexpended portion of each Party's advance shall be returned to the Party. The Project Manager shall account for the expenses paid in the preceding month, using a summary of expenditures by account charged.

9.03 Budgets and Estimates: The Project Manager shall provide the Owners Committee for its approval with the following:

(a) Costs of Construction: The Project Manager shall provide the members of the Owners Committee with the following budgets and forecasts during the Project construction period:

(1) A detailed budget of Costs of Construction of the overall Project, updated annually in July.

(2) Monthly estimates of cash requirements for the next succeeding four calendar months covering the overall Project, such estimates to be provided no later than the fifth business day of the first

month included therein. Estimates distributed in January, April, and October shall be extended to show cash requirements by months through December of the subsequent calendar year.

(3) Such other forecasts as may reasonably be requested from time to time by any member of the Owners Committee.

(b) Costs of Operation: The Project Manager shall provide the members of the Owners Committee with the following budgets and forecasts during the operation period of the portion of the Project in question:

(1) A detailed budget of Costs of Operation by months for the next succeeding calendar year, detailed by using the Uniform System of Accounts, and forecasts of such Costs of Operation for the next two calendar years, provided no later than the fifth business day of July of each fiscal year.

(2) An amended budget provided not later than the fifth business day of January, April, and October of each year. Such amended budget shall include data by months through December of the next succeeding calendar year.

(3) Such other forecasts as may reasonably be requested from time to time by any member of the Owners Committee.

9.04 Separate Records: All cost expenditures and other accounting items referred to in this Agreement shall be determined from separate books and records that the Project Manager shall keep on the Project in accordance with the Uniform System of Accounts.

9.05 Annual Audit: The Project Manager shall permit all Project accounts to be audited in accordance with Paragraph 4.03(i) of this Agreement at annual intervals. A copy of the report of such Project accounts issued by said indepen-

dent Certified Public Accountants shall be made available to each Party and the Project Manager.

9.06 Fiscal Year: For all purposes contemplated in this Agreement, the fiscal year shall be the calendar year.

10. FUEL

10.01 Ownership Interests in Fuel: Pursuant to, and subject to the restrictions in, Paragraphs 2.01 and 3.01, the Parties shall own and possess, in proportion to their respective Ownership Shares at the applicable time, the Fuel, including all of the rights and privileges in the Project Fuel contracts listed in Exhibit 5, attached hereto and made a part hereof, pertaining to the Fuel, including but not limited to, procurement, conversion, enrichment, fabrication, shipping, reprocessing, storage, and sale of spent Fuel contracts, owned and possessed by the Companies and the Project Manager, or any of them or their affiliates, at the respective Date of Closing.

When additional Fuel is acquired or Fuel contracts are executed pursuant to this Agreement, the Parties shall own and possess such Fuel and all of the rights and privileges in such Project Fuel contracts in proportion to their respective Ownership Shares at the applicable time.

10.02 Project Manager to Act as Fuel Agent: Subject to the restrictions in Paragraph 3.01 hereof, the Project Manager shall have responsibility for, and is authorized to act for the Parties with respect to, the procurement of Fuel, the procurement of services for conversion, enrichment, and fabrication, the consumption of Fuel, and the storage, transportation, disposition, and reprocessing of Fuel, all in accordance with procedures established by the Owners Committee.

In discharging its responsibilities and so acting with respect to the procurement, disposition, and reprocessing of Fuel, the Project Manager shall have the

authority, subject to the terms of this Agreement, to purchase or lease uranium, plutonium, or other Fuel materials in an enriched or unenriched form, to arrange for the conversion of U_3O_8 to UF_6 feed material, to arrange for the enrichment or processing of Fuel materials, to arrange for Fuel design and fabrication, or to purchase or lease fabricated Fuel, and generally to make several and not joint long-term or short-term commitments on behalf of each of the Parties with respect to any phase of nuclear Fuel procurement, disposition, and reprocessing; provided, however, that the Project Manager, in addition to any other notice herein required, shall keep the Parties informed, insofar as practicable, of the means by which it intends to satisfy nuclear Fuel requirements for the foreseeable future.

Provided, further, if one or more Parties would prefer to purchase or lease Fuel while one or more Parties would prefer to do the opposite, the Project Manager will make a good faith effort to arrange for each Party either to purchase or lease, as such Party deems best.

It is specifically understood that activities of any Signatory or any of its affiliates, other than Chaco Energy Company, Basic Resources, Inc. or any similar venture capital entity, in surveying for, exploring for, mining, developing, or milling of uranium in any form and processing, refining, converting, enriching, fabricating, or otherwise dealing with Fuel for this Project are for the benefit of all the Parties. Project Manager agrees that, in the procurement of Fuel and in the procurement of services for conversion, enrichment, fabrication, storage, transportation, disposition and reprocessing of Fuel, it will not, directly or indirectly, through affiliates or otherwise, discriminate or engage in any activity which results in discrimination against TMPA or BEPC.

10.03 Costs of Fuel: Costs of Fuel as used in this Agreement refers to all direct and indirect costs and expenses reasonably incurred by or on behalf of the

Parties with respect to the acquisition, consumption, and disposal of Fuel for the Project that are properly chargeable to the Project under the Uniform System of Accounts, excluding any financing costs, including but not limited to, interest, bond discounts, legal, fiscal, and printing fees, and other cos related to any financing. Credits relating to such Costs of Fuel, including insurance proceeds, premium refunds and earnings on the investment of advances to Project Manager of Costs of Fuel, shall be applied to Costs of Fuel when receive

Subject to revision by the Owners Committee, the following principles shall govern the allocation of the Costs of Fuel, including fixed charges and the sharing and payment of costs incurred in connection with the acquisition, use, and disposal of Fuel, such principles recognizing that investments in Fuel are being made considerably in advance of its use, that some elements affecting Fuel costs may not be known until several years after Fuel is used, and that accounting requirements of certain regulatory agencies impose certain limitations respecting Fuel cost accounting:

(a) All investments in Fuel, including all costs to obtain such Fuel incurred up to the time of its delivery to the Project in a form ready for use in a Project generating unit, and relating to a particular Batch shall be shared by the Parties in accordance with their respective Energy Entitlement Shares for that Batch.

(b) Each Party's share of such investments in Fuel, incurred subsequent to the Closing, shall be budgeted and paid in the same manner as Costs of Construction.

(c) All expenses incurred in connection with the receipt, storage, and handling of Fuel at the Project and the preparation for shipment of Fuel from the Project and relating to a particular Batch, shall be

determined, accounted for, and shared in proportion to each Party's respective Energy Entitlement Share for that Batch and shall be budgeted and paid in the same manner as Costs of Operation.

(d) All expenses incurred in the shipment of Fuel from the Project, its storage, reprocessing, if any, or other disposition and the disposal of waste by-products and relating to a particular Batch shall be shared in proportion to each Party's Energy Entitlement Share for that Batch and shall be budgeted and paid in the same manner as Costs of Construction.

(e) All net monies or credits recovered from the reprocessing or other disposition of spent Fuel and relating to a particular Batch and any costs associated therewith shall be shared by the Parties in accordance with their respective Energy Entitlement Shares for that Batch.

10.04 Operational Fuel Data: An Energy production schedule for each Batch shall be furnished by the Project Manager to the Owners Committee. Such schedule shall be updated monthly reflecting the actual Energy produced for the previous month and any adjustments in the forecast for future months that may be appropriate. Estimated salvage value of the Fuel (which may be negative) shall be determined from time to time as actual data becomes available or at such other times as the Owners Committee shall direct.

10.05 Title to the Fuel: Subject to the restrictions in Paragraph 3.01 hereof, unless arrangements are made for the leasing of Fuel for the Project or other joint Fuel financing arrangements are made, all Fuel relating to a particular Batch shall be deemed to be owned by the Parties as tenants in common according to their Ownership Shares.

10.06 Financing Fuel: Each Party shall have the right to make whatever arrangements it may desire, including without limitation, to lease, purchase,

sale and lease back, or mortgage or enter other security transactions, to the extent feasible and without adversely affecting the Costs of Fuel, for the discharge of its Fuel payment obligations so long as such arrangements do not impair the Project Manager's activities in respect to Fuel nor the rights of the other Parties.

10.07 Fuel Plan: The Project Manager shall prepare and submit a Fuel management plan to the Owners Committee sufficiently in advance of the proposed action to allow the Owners Committee to approve the plan. Each such Plan shall describe in detail each contemplated action related to Fuel management, the terms of payment and the dates thereof, and, where applicable, core usage and design burnup and estimated fueling date.

10.08 Fuel Litigation: Anything in this Section 10 or elsewhere in this Agreement to the contrary notwithstanding, it is understood and agreed that Project Manager (for itself and in behalf of the Companies) has been in litigation with Westinghouse Electric Corporation over the latter's obligation to supply uranium for the fabrication of cores for use in the Station and that:

(a) Any Project Fuel, or right to buy the same, acquired by Project Manager as a result of such litigation, or its settlement, shall belong to the Parties in proportion to their respective Ownership Share; and that

(b) Any cash payments, consideration, concessions, or benefits of any other nature or kind, flowing to Project Manager or the Companies as the result of litigation, or its settlement, shall belong to the Parties in proportion to their respective Ownership Share since the Cost of Fuel will reflect these; and that

(c) The conduct and management of such litigation and any settlement thereof shall be entirely within the control and discretion of Project Manager, subject to the standards specified in Paragraph 3.04 hereof, free from any obligation, particularly in connection with any settlement of such litigation, to

obtain, or attempt to obtain, Project Fuel, or the right to buy the same, rather than cash payments or consideration, concessions, or benefits other than Project Fuel or the right to buy the same.

11. PROJECT OPERATION

11.01 Duties of Project Manager: The Project Manager shall have the authority and responsibility to execute the duties assigned to it under Paragraph 3.04 and submit to the Owners Committee those items set out in Paragraph 4.03 in a timely fashion. The Project Manager shall establish the operating practices and procedures, including performance and efficiency testing, establishing inventories for spare parts, materials, equipment, and supplies, the determination of Net Effective Generation, and the delivery of Power and Energy from the Project in accordance with the Parties' Energy Entitlement, providing for modifying said delivery to account for hour-by-hour operation and emergencies on a Party's system. The Project Manager shall schedule planned Project outages for maintenance and establish procedures for Project operations during curtailments and the selection of maintenance contractors. The Project Manager shall have no authority to sell or otherwise dispose of any Party's Energy Entitlement Share and shall operate the Project in accordance with Prudent Utility Practice for the benefit of all Parties with the objective being to operate the Project as efficiently, economically, and reliably as feasible.

11.02 Cooperation: The Project Manager and the Parties will cooperate with each other in all activities in connection with the Project including, without limitation, the execution and filing of applications for authorizations, permits, and licenses and the execution of such other documents as may be reasonably necessary to confirm the authority of the Project Manager to act for the Parties in connection with the Parties' interests in the Project and to confirm the

assumption by the other Parties of their proportionate shares of the obligations to be assumed hereunder.

12. INSURANCE, LIABILITY, AND LEGAL ACTIONS

12.01 Claims of Third Parties: With respect to claims of persons or entities, not Signatories to this Agreement, any loss, cost, liability, damage, or expense incurred by any of the Signatories to this Agreement and that arises out of a transaction entered into under this Agreement or that results from the performance of this Agreement shall be charged to the Costs of Fuel, Costs of Construction, or Costs of Operation, whichever may be appropriate; provided, however, should any Signatory to this Agreement breach the terms of this Agreement or commit a Willful Action against a third party, leading to any loss, cost, liability, or expense to any of the other Signatories, the Signatory breaching this Agreement or committing the Willful Action shall bear all such costs, losses, liabilities, or expenses individually. "Transaction" includes but is not limited to any tort or contract involving a third party claimant.

Notwithstanding the first provision of this Paragraph 12.01, each Party shall protect, indemnify, and hold all other Signatories to this Agreement, and their directors, officers, and employees, free and harmless from and against any and all claims, demands, causes of action, suits, or other proceedings (including all costs in connection therewith and in connection with the defense thereof, including reasonable attorney's fees) of every kind and character arising in favor of any of that Party's electric customers (or anyone claiming through that Party's electric customers) on account of bodily injuries, death, damage to property, or economic loss in any way occurring, incident to, arising out of, or in connection with the furnishing of, or failure to furnish, electric service pursuant to this Agreement to such customers, it being the intention of this

Paragraph 12.01 to impose on each Party to this Agreement the sole responsibility for the defense and discharge of such claims, demands, causes of action, suits, or other proceedings brought against one or more Signatories to this Agreement by such Party's customers even when caused by the sole fault of another Signatory to this Agreement. Nothing herein is intended to derogate from the protection otherwise available under Section 170 of the Atomic Energy Act.

12.02 Claims Between the Signatories: The Signatories to this Agreement shall have no cause of action or remedies against any of the other Signatories to this Agreement for tortious conduct based upon injury to or death of persons or damage to or loss of Project property or property of others arising out of the construction, operation or ownership of any portion of the Project except where a breach of this Agreement (other than the failure to follow Prudent Utility Practice) by a Signatory thereto or a Willful Action committed by a Signatory either constitutes or leads to the tortious conduct. In the case of such a breach of the terms of this Agreement or Willful Action, the Signatory to this Agreement breaching this Agreement or committing the Willful Action shall bear all such costs, losses, liabilities, or expenses individually.

12.03 Waiver of Subrogation: Each Signatory to this Agreement waives its rights of subrogation against the other Signatories, their agents, and employees for losses, costs, damages, or expenses, arising out of the design, construction, operation, maintenance, reconstruction, repair, or decommissioning of the Project.

12.04 Insurance: The Project Manager shall have the authority and responsibility to purchase contracts of insurance for the Project in accordance with Prudent Utility Practice and the Atomic Energy Act of 1954, as amended, and shall name all Signatories as insureds. Such insurance shall provide appropriate coverage for TMPA and BEPC between the applicable Date of Closing and the date of specific NRC approval.

All policies of Project insurance shall to the extent available and as allocable:

(a) Provide insurable values, limits, deductibles, retentions, and other special terms as determined by the Project Manager;

(b) List as loss payees or additional insureds (as their interests may appear) such mortgagees, trustees, or secured parties as a Party, by written notice to the Project Manager, may designate;

(c) Contain endorsements providing for positive notice of cancellation to the Project Manager;

(d) Contain endorsements providing that the insurance is primary insurance for all purposes except for situations specified in a Nuclear Energy Liability Policy (suppliers and transporters form) should such insurance be purchased;

(e) Contain cross-liability endorsements for comprehensive bodily injury liability and property damage liability coverages; and

(f) Conform to the requirements of the Atomic Energy Act of 1954, as amended, and the NRC regulations thereunder.

The following procedures shall be observed in connection with the procurement of Project insurance and changes in Project insurance:

(a) The Project Manager shall give to the Owners Committee a written report of insurance procured and shall keep the Owners Committee informed of any changes in insurance coverages.

(b) Each Party, at its expense, shall have the right to secure such additional or different insurance coverage as may be required under any mortgage or contract provision, and, to the extent practicable, such additional or different insurance coverage may be effected through endorsements on policies of Project insurance.

(c) The costs of insurance shall be charged to Costs of Fuel, Costs of Construction, or Costs of Operation, whichever is appropriate. Parties requesting additional coverage by endorsements provided in the immediately preceding provision shall be so charged individually for any additional premium.

13. TAXES

The Parties and the Project Manager recognize that they are governed by and each agrees to be governed by Section 4(3) of Article 1435a of Vernon's Annotated Civil Statutes of the State of Texas, as amended, in connection with the rendering and payment of all taxes and assessments attributable to the Project or service bought, sold, leased, or used in connection with the construction, maintenance, repair, or operation of the Project (including but not limited to ad valorem and similar taxes, excise taxes, and taxes on the sale, lease, or use of properties or services). This Paragraph does not apply to the taxes paid by or assessed against the Companies prior to the respective Date of Closing.

14. UNCONTROLLABLE FORCES

In the event of any Signatory to this Agreement being rendered unable, wholly or in part, by an uncontrollable force to perform any of its obligations under this Agreement (other than obligations to pay costs and expenses due), upon such Signatory giving notice and the full particulars of such uncontrollable force in writing or by telephone to the Owners Committee as soon as reasonably possible after the occurrence of the cause relied upon, the obligations of the Signatory giving such notice, so far as they are affected by such uncontrollable force, shall be suspended during the continuance of any inability of performance so caused, but for no longer period. Telephone notices, allowable under the provisions of this Section, shall be confirmed in writing as soon as reasonably

possible and shall specifically state full particulars of the uncontrollable force, the time and date when the uncontrollable force occurred, and when the uncontrollable force ceased. This Agreement shall not be terminated by reason of any such cause but shall remain in full force and effect. The term "uncontrollable force" shall mean any cause beyond the control of the Signatory affected, including, but not restricted to, failure or threat of failure of facilities or Fuel supply, flood, earthquake, storm, fire, lightning, epidemic, war, acts of the public enemy, riot, civil disturbance or disobedience, strike, lockout, work stoppages, other industrial disturbance or dispute, whether determined to have arisen out of an unfair labor practice of any Party, labor or material shortage, sabotage, restraint by court order or other public authority, and action or nonaction by, or failure to obtain the necessary authorizations or approvals from, any governmental agency or authority, which by the exercise of due diligence such Signatory could not reasonably have been expected to avoid. Nothing contained herein shall be construed so as to require a Signatory to settle any strike, lockout, work stoppage, or other industrial disturbance or dispute in which it may be involved. Any Signatory rendered unable to fulfill any of its obligations under this Agreement by reason of uncontrollable force shall exercise due diligence to remove such inability with all reasonable dispatch.

15. MORTGAGE AND TRANSFER OF INTEREST

15.01 Party's Right to Mortgage. Each Party shall have the right at any time and from time to time to mortgage, pledge, create, or provide for a security interest in, or convey in trust all or a part of its present or anticipated Ownership Share or other interests in the Project, together with an equal interest in this Agreement, to a trustee or trustees under deeds of trust, mortgages, or indentures, or to secured parties under a security agreement, as security for its

present or future bonds or other obligations or securities, and to any successors or assigns thereof, without need for the prior written consent of any other Party and without such mortgagee, trustee, or secured party assuming or becoming in any respect obligated to perform any of the obligations of the Party arising prior to such time as such mortgagee, trustee, or secured party obtains or assumes the right to exercise such Party's rights in respect of such Ownership Share, or after such ownership or assumption ceases.

15.02 Rights of Secured Party. Any mortgagee, trustee, or secured party under present or future deeds of trust, mortgages, indentures, or security agreements of any of the Parties and any successor or assign thereof, and any receiver, referee, or trustee in bankruptcy or reorganization of any of the Parties, and any successor by action of law or otherwise, and any purchaser, transferee or assignee of any thereof may, without need for the prior written consent of the other Parties, succeed to and acquire all of the rights, titles, and interests of such Party in the Project and in this Agreement, and may, subject to applicable law, and the rights of any Parties under contracts with respect to the Project, take over or foreclose upon said property, rights, titles, and interests of such Party.

15.03 No Need for Prior Approval. To the extent to which the existing contracts permit, no prior approval will be required, and each Party shall have the right, subject to Paragraph 15.04, to transfer or assign all or a part of its Ownership Share in the Project, together with a proportionate part of its rights under this Agreement, to any of the following without the need for prior written consent of any other Party:

(a) To any entity acquiring all or substantially all of the electric utility properties and business of such Party; or

(b) To any entity merged or consolidated with such Party; or

(c) To any entity that is wholly-owned by such Party; or

(d) To any entity constituting a part of the Texas Utilities Company System.

15.04 Duties of New Party and Secondary Liability of Prior Party. Any successor to the rights, titles, and interests of a Party in the Project shall agree in writing to fully perform all of the obligations hereunder of such Party, and such successor shall notify each of the other Parties in writing of such transfer, assignment, or merger, and shall furnish to each Party evidence of such transfer, assignment, or merger. Any Party that so transfers or assigns any part of its Ownership Share in the Project shall remain secondarily liable as to the performance of all duties and obligations arising out of its ownership of that part of the Project so transferred or assigned.

15.05 Right to Sale and Leaseback. All Fuel purchased for use in or removed from the Project or recovered after reprocessing, if any, for reuse in the Project or for sale to others and related to a particular Batch shall be jointly owned by the Parties in accordance with their respective Energy Entitlement Shares for that Batch, provided that any Party may at any time sell and assign all or any part of its interest in such Fuel to any person or entity ("Fuel Lessor") for leaseback to such Party subject to the conditions that: (i) the Fuel Lessor shall waive all right to partition of such Fuel prior to completion of the reprocessing, if any, thereof; (ii) the Fuel Lessor shall not obtain any rights not possessed by such Party with respect to the operation or scheduling of the Project or the removal of Fuel therefrom; (iii) the Fuel Lessor shall not become a Party in the Project unless or until it succeeds to all of such Party's right, title, and interest in the Project in accordance with the terms and provisions hereof; and (iv) such Party shall indemnify all other Parties against any costs or expenses incurred by them because of such Party's sale and lease.

16. RIGHT OF FIRST REFUSAL

16.01 Rights of Non-Transferring Parties. Except as provided in Sections 15 and 17 hereof, should any Party, prior to the expiration of the period described in Section 21 hereof, desire to transfer its ownership or other interests in the Project or any part thereof to any person, entity or another Party, ready, able and willing to acquire same, the Party desiring to make such transfer shall obtain a written offer from the prospective transferee, setting forth the consideration and other terms of the offer, and each of the other Parties shall have the right of first refusal to acquire all or any part of such interest on similar terms and for similar consideration, which shall be:

(a) If the offer is in cash, whether payable in one payment or in installments, the amount of the bona fide written offer from the prospective transferee, payable as specified in the offer; or

(b) If the offer is not in cash but is in securities having a readily ascertainable market value, the fair market value of the securities offered by the prospective transferee; or

(c) If the offer is neither in cash nor in securities having a readily ascertainable market value, the fair market value of the consideration being offered.

16.02 Notice. At least seven months prior to the date on which the intended transfer is to be consummated, the Party desiring to transfer shall serve written notice of its intention to do so upon all of the Parties. Such notice shall contain the proposed date of transfer and the terms and conditions of the transfer.

16.03 Term of Option. Each Party shall have the option to acquire all or any part of the interest to be transferred and shall exercise said option by serving written notice of its intention upon the Party desiring to transfer and

on the remaining Parties within three months after service of the written notice of intention to transfer given pursuant to Paragraph 16.02. Failure of a Party to exercise said option as provided herein within the time period specified shall be conclusively deemed to be an election not to exercise said option.

16.04 Multiple Optionees. If two or more of the Parties desire to acquire all, or parts aggregating more than all, of such interest, unless otherwise agreed, such interest shall be transferred in the ratio that the Ownership Share of each Party desiring to acquire bears to the total Ownership Shares of all Parties desiring to acquire.

16.05 Less Than All Interest Purchased. If one or more of the Parties exercise their options to acquire a part of the interest to be transferred but fail to exercise their options so as to acquire in the aggregate the entire ownership interest to be transferred, then the Party desiring to transfer shall serve written notice of this fact upon the Parties exercising their options within fourteen days after its receipt of all of the written notices permitted by Paragraph 16.03 hereof or after the expiration of the three month period referred to in Paragraph 16.03 hereof, whichever is earlier.

16.06 Right to Purchase Interest Previously Unpurchased. In the event that the Parties fail to exercise their option to acquire in aggregate the entire ownership interest to be transferred, then the Parties who exercise their option to acquire less than the entire ownership interest to be transferred shall have the option to acquire, for the consideration provided in Paragraph 16.01 hereof, the remaining ownership interest to be transferred, which such option shall be exercised by serving written notice of such election upon the Party desiring to transfer within three months after the receipt of the notice given pursuant to Paragraph 16.05 hereof.

16.07 Obligations Upon Exercise of Option to Purchase. When the options to acquire all or any part of said ownership interest have been exercised, the Parties shall thereby incur the following obligations:

(a) The Party desiring to transfer the ownership interest and the Party or Parties having exercised the option to acquire all or any portion of such ownership interest shall be obligated to proceed in good faith and with due diligence to obtain all required authorizations and approvals of such acquisition.

(b) The Party desiring to transfer such ownership interest shall be obligated to obtain the release of any lien encumbering the ownership interest that is the subject of the transfer at the earliest practicable date.

(c) The Party or Parties having exercised the option to acquire such ownership interest shall be obligated to perform all of the terms and conditions required of them to complete the acquisition of said ownership interest.

16.08 Time Limit on Purchase. The acquisition of the ownership interest by the Party or Parties having elected to acquire the same shall be fully consummated within seven months following the date upon which all notices required to be given under this Section 16 have been duly served, unless said Party or Parties are then diligently pursuing applications for required authorizations or approvals to effect such transfer or are then diligently pursuing or defending appeals from orders entered or authorizations issued in connection with such applications or any liens have not been removed, in which event the transfer shall be consummated within three months following the date upon which the final order is entered or authorization issued in connection with such applications.

16.09 Party Free to Transfer. If the Parties receiving notice of the proposed transfer fail to exercise their options to acquire all or some part of

the ownership interest to be transferred, the Party desiring to transfer such interest shall be free to transfer such interest, if any, as may be left after the exercise of such options to the Party that made the offer referred to in Paragraph 16.01 hereof upon the terms and conditions set forth in said bona fide written offer. If such transfer is not consummated by the proposed date of transfer referred to in Paragraph 16.02 hereof, the Party desiring to transfer said ownership interest must give another complete new right of first refusal to the remaining Parties pursuant to the provisions of this Section 16 before such Party shall be free to transfer said ownership interest to another party. The rights under this Section 16 shall be exercised in good faith and in such manner as not to unreasonably interfere with operations and opportunities of the other Parties.

16.10 Status of Transferee Party. The Party or Parties who acquire an ownership interest pursuant to this Section 16 shall receive title to and shall own the interest as tenants in common, subject to the same rights, duties, and obligations as are applied by this Agreement, to the interest being transferred in the hands of the transferring Party.

16.11 Transferee to Comply with this Section. Any transferee who may succeed to an ownership interest pursuant to this Section 16 shall specifically agree in writing with the remaining Parties at the time of such transfer that it will not transfer or assign all or any portion of such ownership interest without complying with the terms and conditions of this Section 16.

16.12 Rule Against Perpetuities. It is intended that the provisions of this Section 16 shall, to the full extent permitted by law, continue in effect and be enforceable by the Parties, their successors, and assigns, so long as two or more of them continue to own an interest in the Project under this Agreement.

However, should it be finally determined by a court of competent jurisdiction that Article I, Section 26, of the Constitution of the State of Texas or any other constitutional provision, statute, or rule of common law of like import is applicable to the rights created by this Section 16, then the agreements contained in this Section 16 shall terminate and be of no further force and effect whenever twenty-one years less one day shall have elapsed after the death of the last surviving descendant, living at the date of the earliest execution of this Agreement on behalf of any of the Parties by any person signing this Agreement in behalf of a Party in any capacity.

17. DESTRUCTION OR ABANDONMENT

17.01 If Covered by Insurance. If any portion of the Project should be damaged or destroyed to the extent that the estimated cost of repairs, replacement, or reconstruction is not more than one hundred percent (100%) of the aggregate amount of the proceeds from property damage insurance plus deductible carried and covering the cost of the repairs, replacement, or reconstruction of such portion of the Project, the Parties, unless otherwise unanimously agreed, shall repair, replace, or reconstruct such portion of the Project to substantially the same general character or use as the original. The Parties shall share the costs of such repairs, replacement, or reconstruction in proportion to their Ownership Shares in the Project.

17.02 If Not Covered by Insurance. If any portion of the Project should be damaged or destroyed to the extent that the estimated cost of repairs, replacement, or reconstruction is more than one nundred percent (100%) of the aggregate amount of the proceeds from property damage insurance plus deductible carried and covering the cost of the repairs, replacement, or reconstruction of such portion of the Project, the Parties shall, upon agreement, repair, replace, or reconstruct such

portion of the Project to substantially the same general character or use as the original; provided, however, that should all of the Parties not agree to repair, replace, or reconstruct such portion of the Project, but one or more of the Parties nevertheless desire to do so, then any Party who does not agree to repair, replace, or reconstruct shall sell its undivided ownership interest in the Project to the Parties desiring to repair, replace, or reconstruct such portion of the Project for a price equal to the selling Party's ownership interest in the salvage value of such portion of the Project plus such Party's proportionate cost, less depreciation at straight line rates, as determined by the Owners Committee, in its interest in the remainder of the Project. The Parties, if more than one, desiring to repair, replace, or reconstruct such portion of the Project, unless otherwise agreed between them, shall share the payments to, and the interests acquired from, any Party not desiring to repair, replace, or reconstruct such portion of the Project and the costs of repair, replacement, or reconstruction of such portion of the Project in the proportion that the Ownership Share of each bears to the total Ownership Shares of all Parties agreeing to repair, replace, or reconstruct such portion of the Project, and appropriate transfers of interest will be made.

17.03 Abandonment. Should the NRC or a court of competent jurisdiction by final order not subject to judicial or administrative appeal require, or should Parties having in excess of a ninety percent (90%) Ownership Share in the Project agree upon, the abandonment of a portion of or the entire Project, the Project Manager shall seek authorization of the NRC to surrender the operating licenses for the affected portion of the Project and, upon obtaining same, shall decommission and sell or make such other final disposition as may be required by law of the affected properties. The costs of abandonment shall be shared and paid according

to the respective Ownership Shares of the Parties remaining owners of the Project at the time the decision or agreement to abandon is reached. Proceeds derived from the sale of any property by virtue of an abandonment pursuant to this Paragraph shall be shared by the Parties in the same proportions as the costs of abandonment of the particular item of property sold.

18. DEFAULTS

18.01 Defined. For purposes of this Section 18, the word "default" shall mean the failure of any Party to make any payment or perform any obligation in the time and manner provided by this Agreement. No default shall exist where such failure to discharge obligations (other than payment of money) is the result of an uncontrollable force as defined in Section 14.

18.02 Opportunity to Cure Default. Upon a Party's failure to make payment or perform any of its obligations, the Owners Committee or a Signatory or the Project Manager shall serve written notice upon such Party. Such Party shall then have thirty days from the date it receives such notice to make such payment or perform such obligation. Should the Party so pay or perform within the thirty day period, the default of which the Party was notified shall cease to exist.

18.03 Procedure in Event of Default. In the event of default which is not cured as provided in Paragraph 18.02, the nondefaulting Parties shall have the option either to (1) discontinue the Project immediately and liquidate same for the benefit of all the Parties as may best serve the interest of the non-defaulting Parties or (2) proceed with the Project under the following conditions:

(a) The nondefaulting Parties, following the expiration of thirty days after notice was received by the defaulting Party and provided such defaulting Party did not cure its default as allowed by Paragraph 18.02, shall make payments and take actions necessary to cover the

default, with the cost thereof allocated among and paid by each of the nondefaulting Parties in the ratio that its Ownership Share bears to the total Ownership Shares of all nondefaulting Parties.

(b) The defaulting Party shall remedy such default as soon as possible and shall pay upon demand to each nondefaulting Party any amount paid by such nondefaulting Party for the account of the defaulting Party plus all incidental costs, including interest at the rate of ten percent (10%) per annum, incurred by each nondefaulting Party in relation to the payments made or actions taken to cover said default.

(c) If such default by a Party shall continue for a period of six months, without having been remedied by the defaulting Party, following a determination by the Owners Committee that default exists, or if a written admission of default is made by the defaulting Party, the nondefaulting Parties shall be entitled to all remedies afforded by law. In addition to such remedies:

(1) Upon notice from the members of the Owners Committee representing the nondefaulting Parties, the defaulting Party shall cease taking its Energy Entitlement Share of Energy produced from any Batch. Each nondefaulting Party's available Energy Entitlement Share in each Batch shall be increased to allocate the defaulting Party's Energy Entitlement in that Batch in the ratio that the Energy Entitlement Share of each nondefaulting Party with respect to that Batch bears to the total Energy Entitlement Shares of all of the nondefaulting Parties in that Batch.

(2) The nondefaulting Parties, or the one or more of them electing to do so, shall have the option and right to acquire all or any part

of the undivided interest and entitlements of the defaulting Party at such defaulting Party's cost, less depreciation at straight-line rates as determined by the Owners Committee. Such option and right may be exercised from time to time prior to the return of the defaulting Party to the status of an active Party pursuant to Paragraph 18.03(c)(3) by giving written notice of such election to the defaulting Party and to all other Parties. Upon such notice being given, title to the affected interest (or such lesser designated part as the acquiring Party or Parties may select) of the defaulting Party and such Party's corresponding entitlements hereunder shall be purchased by and shall be deemed to vest, subject only to the obtaining of requisite authorizations or approvals, in the Parties so electing to acquire the same in proportion to their respective shares or as agreed between them. Within three months after the requisite authorizations and approvals of the purchase and transfer of the defaulting Party's interest to be purchased are obtained, the amount payable shall be paid to such defaulting Party after applying so much of the consideration as may be necessary to remedy the default. Upon such payment being made, the purchasers shall be entitled to full conveyance and assignment and a release of encumbrances, if any. In the event any dispute should arise as to the exercise of such option, the amount payable or the application thereof, the same shall be determined by the Project Consultant.

(3) If a defaulting Party's entire interest has not been acquired pursuant to Paragraph 18.03(c)(2) or is not otherwise sold or

transferred, and such defaulting Party is capable of, and elects to, return to the status of an active Party, bearing a share of construction, fuel, and operation costs and receiving Power generated at the Project, such defaulting Party shall either pay all of its accumulated deficit (including incidental costs incurred by non-defaulting Parties in covering the default plus interest at the rate of ten percent (10%) per annum) or its undivided interest and entitlements, upon resumption of active status, shall be reduced to reflect adjustment of its total contributions to the Costs of Construction, Fuel, and Operation of the Project, by the accrued deficits (including incidental costs plus interest at the rate of ten percent (10%) per annum), and the balance of the interests and entitlements that such defaulting Party would otherwise own shall vest in the nondefaulting Parties having made payments to cover the default in the proportion of such payments.

19. WAIVER

Failure of a Signatory to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement including, without limitation, the provision of Section 18 dealing with default, shall not be considered to waive the obligations, rights, or duties imposed upon any Signatory hereto.

20. INTRASTATE OPERATION

If any Party plans to transmit, directly or indirectly, Power and Energy in interstate commerce, it shall (1) give adequate notice thereof to all other Parties so as to permit them to arrange their affairs in such a manner as to avoid Federal regulation under the Federal Power Act, and (2) shall engage in such

transmission only pursuant to the provisions of Sections 202(d), 210 or 211 of the Federal Power Act. In the event any Party violates this Section, such violating Party shall be immediately in default and shall receive no delivery of Power and Energy hereunder until such default shall have been cured to the satisfaction of the Owners Committee.

21. END OF PROJECT

The Project shall be terminated only upon agreement of the Parties having in excess of a ninety percent (90%) Ownership Share in the Project, but in no case until the abandonment of, authorization by the NRC of the surrender of all licenses for, and final disposition of all components of the Project.

22. TRAINING

A familiarization and training program shall be established by the Project Manager to maintain adequate staffing, engineering, and operation of the Project during construction and operation of the Project. The expenses thereof shall be a part of the Costs of Construction or Costs of Operation as appropriate.

23. MISCELLANEOUS

23.01 Counterparts. This Agreement may be simultaneously executed in several counterparts. All such counterparts executed and delivered, each as an original, shall constitute but one and the same instrument.

23.02 Further Assurances. Each Signatory to this Agreement will promptly and duly execute and deliver to the other Signatories hereto such documents and assurances and take such other and further action as a Signatory hereto may from time to time reasonably request of the other Signatories hereto in order:

1022 346

(a) to carry out more effectively the intent and purpose of this Agreement, or

(b) to establish and protect the rights and remedies created or intended to be created in favor of a Signatory hereto, or

(c) as may be reasonably necessary and convenient in the conduct of a Signatory's business affairs.

23.03 Captions. The captions of the various sections and paragraphs herein are intended for convenience or reference only and shall not define or limit any of the terms of provisions hereof.

23.04 Governing Laws. This Agreement shall in all respects be governed by and construed in accordance with the laws of the State of Texas including all matters of construction, validity, and performance.

23.05 Benefits of this Agreement. This Agreement is for the benefit of the Signatories hereto and shall not be construed to confer any rights or benefits on any third party.

23.06 Amendment. Neither this Agreement nor any terms hereof may be terminated, amended, supplemented, waived, or modified except by an instrument in writing signed by the Signatory hereto against which the enforcement of the termination, amendment, supplement, waiver, or modification is sougnt.

23.07 Succession. All covenants and agreements contained in this Agreement shall be binding upon, and inure to the benefit of, the Signatories hereto and their respective successors and assigns, subject however to the requirements of Sections 15 and 16.

23.08 Regulatory Bodies: This Agreement and all operations hereunder are subject to the applicable federal and state laws and the applicable ordinances, orders, rules, and regulations of any local, state, or federal governmental

authority having or asserting jurisdiction; but nothing contained herein shall be construed as a waiver of any right to question or contest any such law, ordinance, order, rule, or regulation in any forum having jurisdiction in the premises.

23.09 Source of TMPA Payments. The proceeds of TMPA obligations for borrowed funds, and the proceeds of the investment thereof, shall be the sole source of funds from which TMPA may be required by any other entities to pay Costs of Construction and Costs of Fuel; provided, however, irrespective of this Paragraph, the failure of TMPA to make any payment in the time and manner specified in this Agreement shall constitute a default under Paragraph 18.01 of this Agreement.

IN WITNESS WHEREOF, the Signatories hereto have caused this Agreement to be executed as of the day and year first hereinabove written.

ATTEST:

Secretary

DALLAS POWER & LIGHT COMPANY

BY: _____
President

ATTEST:

Secretary

TEXAS ELECTRIC SERVICE COMPANY

BY: _____
President

ATTEST:

Secretary

TEXAS POWER & LIGHT COMPANY

BY: _____
President

ATTEST:

Secretary

TEXAS UTILITIES GENERATING COMPANY

BY: _____
President

1022 348

ATTEST:

Marlene Wooten
Asst. Secretary

TEXAS MUNICIPAL POWER AGENCY

BY: Edward Smith
President

ATTEST:

_____
Secretary

BRAZOS ELECTRIC POWER COOPERATIVE, INC.

BY: _____
President

The provisions of this Agreement to submit certain controversies between the Parties to arbitration by the Project Consultant have been concluded upon the advice of counsel to the respective Parties as evidenced by counsels' respective signatures hereto.

FOR THE COMPANIES AND TEXAS UTILITIES GENERATING COMPANY
BURFORD & RYBURN

BY: Frank M. Ryburn, Jr.
Frank M. Ryburn, Jr.

FOR BRAZOS ELECTRIC POWER COOPERATIVE, INC.
SEGREST, MILLS, CAMERON & RILEY

BY: _____
R. Coke Mills

FOR TEXAS MUNICIPAL POWER AGENCY
NAMAN, HOWELL, SMITH, LEE & MULDROW

BY: Rodney Lee
J. Rodney Lee

1022 349

PROJECT, STATION AND SITE DESCRIPTION

The complete description of the station, site, and all licenses, permits, rights and approvals necessary or convenient for construction, operation, maintenance and decommissioning of the Project is given in the Environmental Report Operating License Stage (ER(OLS)) and the Final Safety Analysis Report (FSAR). Portions of these documents are reproduced here in summary.

2.1 GEOGRAPHY AND DEMOGRAPHY

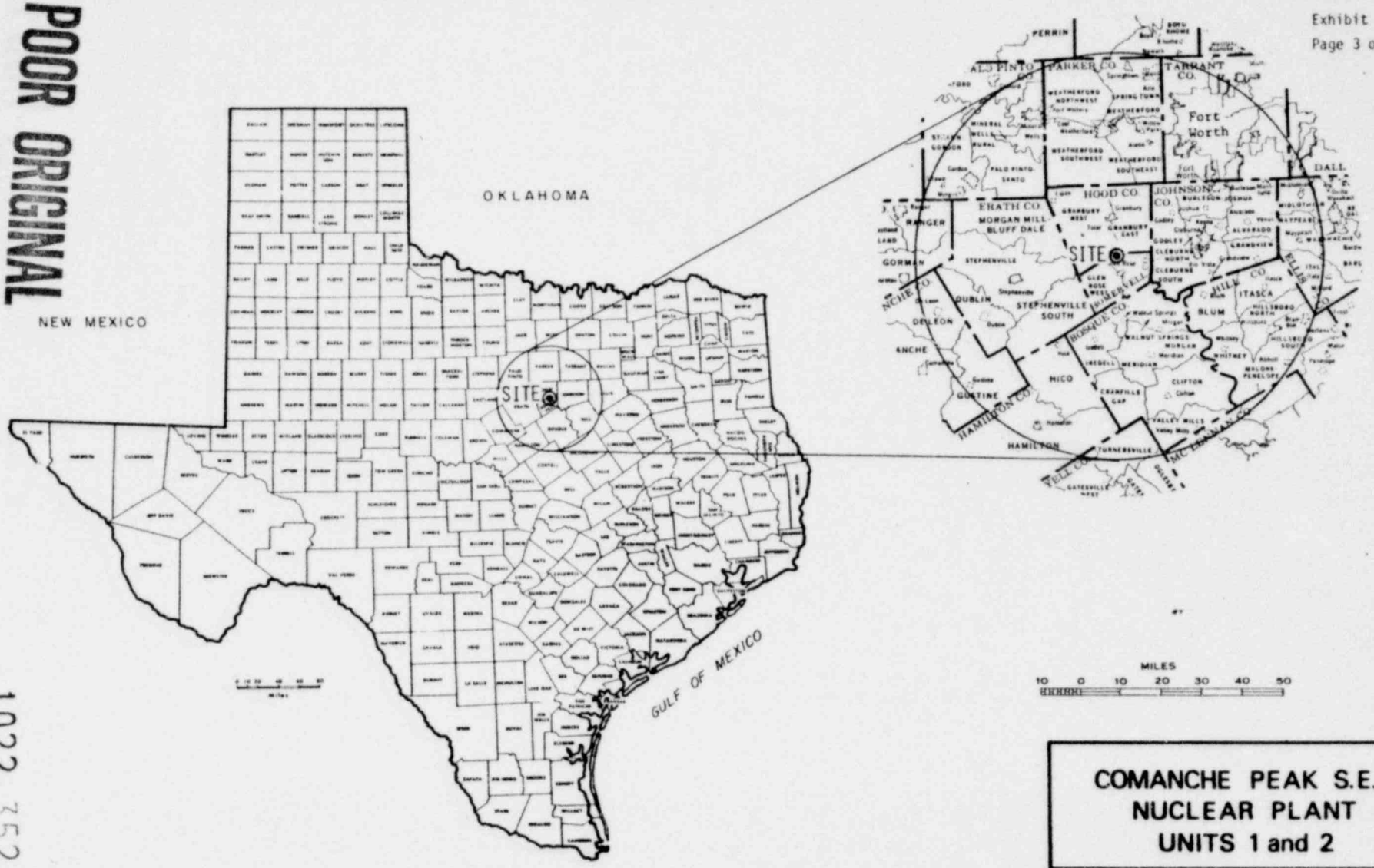
2.1.1 SITE LOCATION AND DESCRIPTION

2.1.1.1 Specification of Location

The CPSES site is located in Somervell County in north central Texas. Squaw Creek Reservoir (SCR), established for Station cooling, extends northward into Hood County. The 7,669 acre site is owned by Dallas Power & Light Company, Texas Electric Service Company, and Texas Power & Light Company (Owners) and is situated along Squaw Creek, a tributary of the Paluxy River, which is a tributary of the Brazos River. The Station site is over 30 miles southwest of the nearest portion of the Fort Worth area and approximately 4.5 miles north-northwest of Glen Rose, the nearest community (see Figure 2.1-1). Site coordinates are:

	Unit No. 1	Unit No. 2
Texas Coordinate System (North Central Zone) (Feet)	Y=229,723.96	Y=230,010.86
	X=1,911,921.11	X=1,911,951.27
U.T.M. Grid (Zone 14) (Meters)	N=3,573,903	N=3,573,991
	E=614,393	E=614,401
Latitude	32° 17' 52.02"	32° 17' 54.85"
Longitude	97° 47' 06.15"	97° 47' 05.79"

1022 351

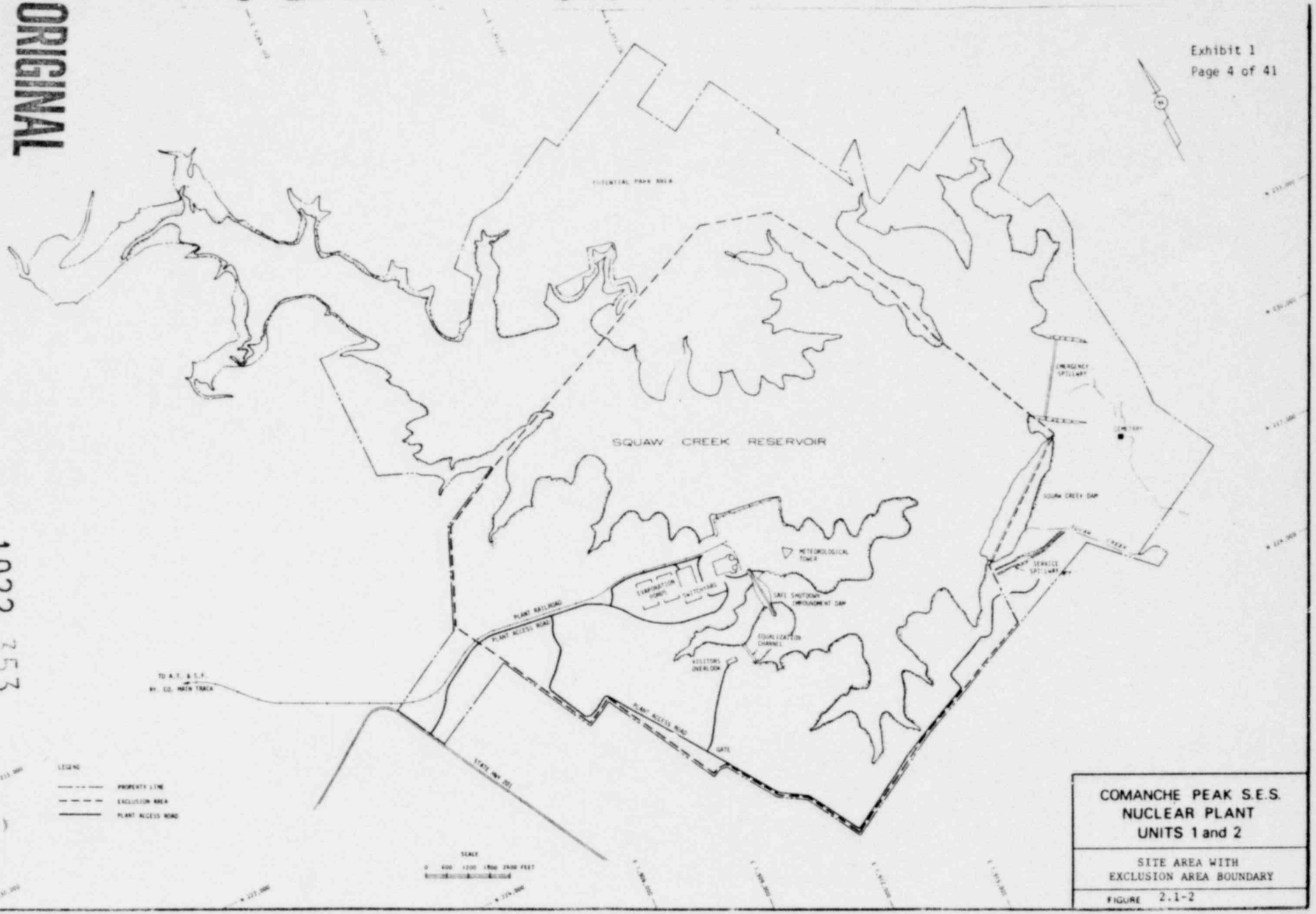


COMANCHE PEAK S.E.S.
NUCLEAR PLANT
UNITS 1 and 2

SITE LOCATION

FIGURE 2.1-1

POOR ORIGINAL



COMANCHE PEAK S.E.S.
NUCLEAR PLANT
UNITS 1 and 2

SITE AREA WITH
EXCLUSION AREA BOUNDARY

FIGURE 2.1-2

1.2 GENERAL PLANT DESCRIPTION

1.2.1 SITE CHARACTERISTICS

The site of the Comanche Peak Steam Electric Station (CPSES) is in an area of low population (520 persons within four miles of site) having a rural farm-ranch community setting. There are no residents within one mile of the site, and only 75 persons reside within two miles. There are approximately 12,000 persons within 10 miles of the site. The nearest communities, Glen Rose and Granbury (combined 1970 population about 4,000 persons), are 4 1/4 and 10 miles from the site, respectively. Fort Worth (1970 population about 400,000), from 33 to 50 miles from site, is the nearest major population center.

Land use in the site vicinity and surrounding area is predominantly agricultural. Dairy cattle are a minor portion of the total livestock with the closest commercial dairy herd nearly five (5) miles from the site. There is no commercial fishing in the site vicinity.

Although local population is projected to increase, no land use characteristics are projected to be drastically altered during station life. The site is well-suited for locating a nuclear generating installation because of a large exclusion area with a minimum boundary distance of 5,067 feet (1544 meters), a population center distance greater than 20 miles, a rock foundation for all seismic Category I structures, a lack of high surface water conditions, an available cooling water supply, and because of favorable hydrologic, geologic, seismic, and meteorologic conditions.

1.2.1.1 Geology and Seismology

The CPSES site is located on the Comanche Plateau, a subdivision of the Central Texas section of the Great Plains physiographic province.

Gently dipping Lower Cretaceous limestone and sandstone directly underlie the site.

Structurally, the site occupies the south flank of the Fort Worth basin, a sedimentary depositional trough filled with Pennsylvanian and Permian sediments formed in mid-Pennsylvanian time. A regional unconformity separates the Paleozoic sediments from the lower Cretaceous sediments underlying the site.

Detailed investigation within five miles of the site has disclosed no evidence of surface faulting, thus eliminating the need for considering this factor as a design basis.

With regard to the stability of subsurface materials, there is no evidence in the site region indicating actual or potential uplift or subsidence, cavernous or karst terrain, tectonic warping or deformational zones pertinent to the site. Also not in evidence are zones of alteration, significant weathering, structural weakness, unrelieved residual stresses, or geologically hazardous materials.

Two major fault systems, the Balcones and the Luling-Mexia-Talco fault zones occur within 200 miles of the site. They are not regarded as active faults but are considered in establishing the Safe Shutdown Earthquake (SSE).

Seventeen seismic events have been reported with epicenters within 200 miles of the site. The closest large event was a modified Mercalli Intensity VII which occurred in 1882 near Bonham, Texas, 155 miles northeast of the CPSES. The closest known event to the site occurred 90 miles to the north in 1950 and exhibited an intensity of IV. Two events occurred 90 and 100 miles to the southeast of the site in 1932 (V-VI) and 1970 (IV), respectively. For the purpose of establishing the Safe Shutdown Earthquake (SSE), it has been assumed that a Bonham type event could occur at the closest approach of the Wichita-Ouachita

tectonic subprovince to the site (70 miles). Based on these considerations, a conservative safe shutdown earthquake of 0.12g has been selected for the site. An acceleration of 0.06g has been selected for the site operating basis earthquake based on similar analysis.

In conclusion, the site is acceptable from a geologic and seismic standpoint for the facility designed for the SSE.

1.2.1.2 Hydrology

The CPSES site is on Squaw Creek, a tributary of the Paluxy and thence Brazos rivers. Squaw Creek Reservoir (SCR) is impounded for station cooling by a dam constructed on Squaw Creek approximately 4 1/2 miles upstream of its confluence with the Paluxy and Brazos rivers.

The site grade is at elevation 810 feet, which provides 20.3 feet of freeboard above the Probable Maximum Flood (PMF) and superimposed wave runup on Squaw Creek Reservoir. The site grade is well above the maximum water levels conceivable on the Brazos River. Hence, the site will be unaffected by river flooding of any kind and will not be affected by tsunami, seiche, or ice flooding.

A continuous supply of service water is assured by means of a seismic Category I dam which encloses an arm of SCR. For the purpose of controlling the concentration of dissolved solids, SCR receives makeup water from Lake Granbury, on the Brazos River, and SCR blowdown is returned to Lake Granbury.

Most of the groundwater in the site region occurs in bedrock, although some does exist in shallow flood plain alluvium in stream valleys, but is not withdrawn for use. Bedrock aquifers pertinent to the CPSES vicinity include, in order of increasing age, the Paluxy, Glen Rose, and Twin Mountains formations. Locally, the CPSES and SCR are on the Glen Rose outcrop, which in turn is underlain by the Twin Mountains

Formation. The Paluxy Formation is absent at the CPSES location and is not found within the limits of the reservoir; the Glen Rose Formation is the upper most stratigraphic unit exposed in these areas.

In these formations, groundwater percolates slowly along bedrock joints and fractures, and through interstices in the rock fabric. The Twin Mountains Formation is the only moderately productive bedrock zone in the site vicinity. The Paluxy Formation has nominal pumpage near the site. The Glen Rose Formation yields very little water in the site area and is usually less productive than the other formations.

The station's liquid waste processing system is designed so that radioactive liquid waste can be processed adequately prior to release to the environment as described in Section 11.2.

1.2.1.3 Meterology

Located approximately 290 miles to the northwest of the Gulf of Mexico, the CPSES site usually experiences a continental climate with marked temperature extremes both diurnally and seasonally. Maritime tropical air masses almost completely dominate the weather in summer. During the winter, outbreaks of polar continental air are the most common frontal activity, while pacific maritime cold fronts are more frequent in the spring and fall. Wide variations in precipitation amounts occur from year to year, including both drought and persistent rains (occasionally induced by land-weakened, but rain-filled tropical cyclones from the Gulf of Mexico).

Tornado average return is about once in 320 years for the station site.

The accident dilution factors at the site are similar to those specified by Regulatory Guide 1.4 for tentative use in site evaluations. The highest frequency of poorer diffusion conditions generally occur with winds blowing toward the northwest, north-north-

west, and north sectors. Some amelioration of the conditions in these sectors will be provided by the warmed waters of the SCR and by reduced topographic variation. The routine diluation factors were evaluated according to Regulatory Guide 1.111.

1.2.1.4 Environmental Radiation Monitoring

Pre-operational baseline radiological monitoring has been performed to determine the average background radiation level.

Conditions of radioactive releases are expected to be infrequent and thus contribute little dose to humans. Of primary concern are doses attributable to I-131 uptake and the submersion dose from noble gases. The primary emphasis of the operational environmental monitoring program will be to measure whole body dose from gaseous effluent and onsite sources, I-131 in air, and radionuclides (especially I-131) in milk. Radionuclides will also be measured in airborne particulate, surface water, well water, forage, fish, and milk. Frequency of data collection and location of measurements have been evaluated to maximize the data relating to the dose in humans.

1.2.2 PLANT DESCRIPTION

1.2.2.1 Design Criteria

The design of the CPSES complies with Appendix A of 10 CFR Part 50, General Design Criteria for Nuclear Power Plants.

1.2.2.2 Nuclear Steam Supply System

The Nuclear Steam Supply System (NSSS) consists of a Westinghouse pressurized water reactor (PWR) and supporting auxiliary systems. The nuclear, mechanical, and thermal-hydraulic design of the reactor core is similar to the design of other Westinghouse units under

construction. The rated thermal output of each NSSS is 3425 megawatt thermal (MWt). Heat balances, showing the major parameters of the plant for the rated power condition and maximum expected power condition, are shown in Section 10.1.

Performance at warranted steam flow of the NSSS based on 0 percent makeup is as follows:

1.	Thermal output of NSSS, MWt	3425
2.	Thermal output of reactor core, MWt	3411
3.	Steam flow from NSSS, lb/hr	15,160,000
4.	Steam pressure at a steam generator outlet, psia	1000
5.	Maximum moisture content, percent	0.25
6.	Assumed feedwater temperature at steam generator inlet, ^{o}F	440

1.2.2.2.1 Reactor Core

The reactor core is a three-region cycled core composed of slightly enriched uranium dioxide pellets enclosed in pressurized, cold worked, sealed Zircaloy tubes. The fuel tubes are grouped and supported in fuel assemblies of the canless type. The basic fuel assembly consists of the control rod guide thimbles attached to the grids and the top and bottom nozzles. The fuel rods are held by the spring clip grids in the assembly to provide for very stiff support.

The initial loading of fuel into the core is designed so that fuel assemblies with the highest enrichment are placed in the outer region

of the core while the two groups of fuel assemblies with lower enrichment are selectively arranged in the central core region. During refueling operations, one third of the fuel is discharged, and new fuel is loaded into the outer region of the core. The balance of the fuel in the reactor core is arranged in the central two-thirds of the core to achieve an optimum power distribution.

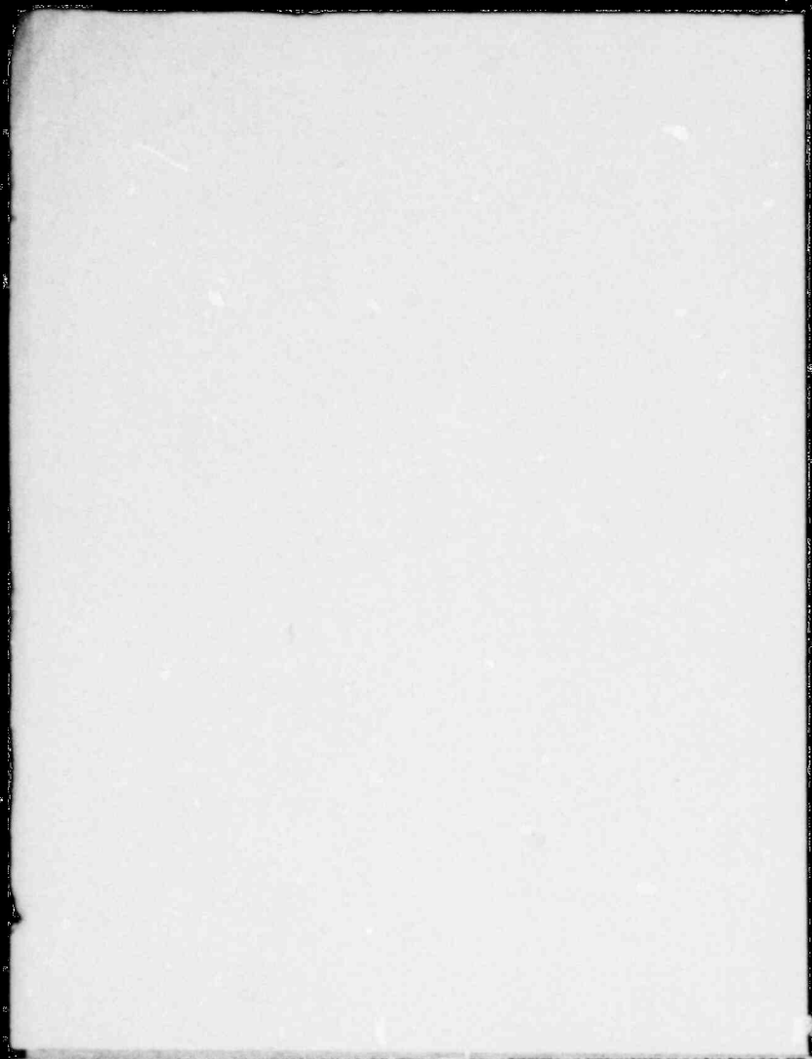
Control rod assemblies are inserted into the guide thimbles of the fuel assemblies. The absorber sections of the control rods are fabricated from silver-indium-cadmium and sealed in stainless steel tubes. Neutron control for slow transients is provided by means of boric acid in solution in the Reactor Coolant System (RCS).

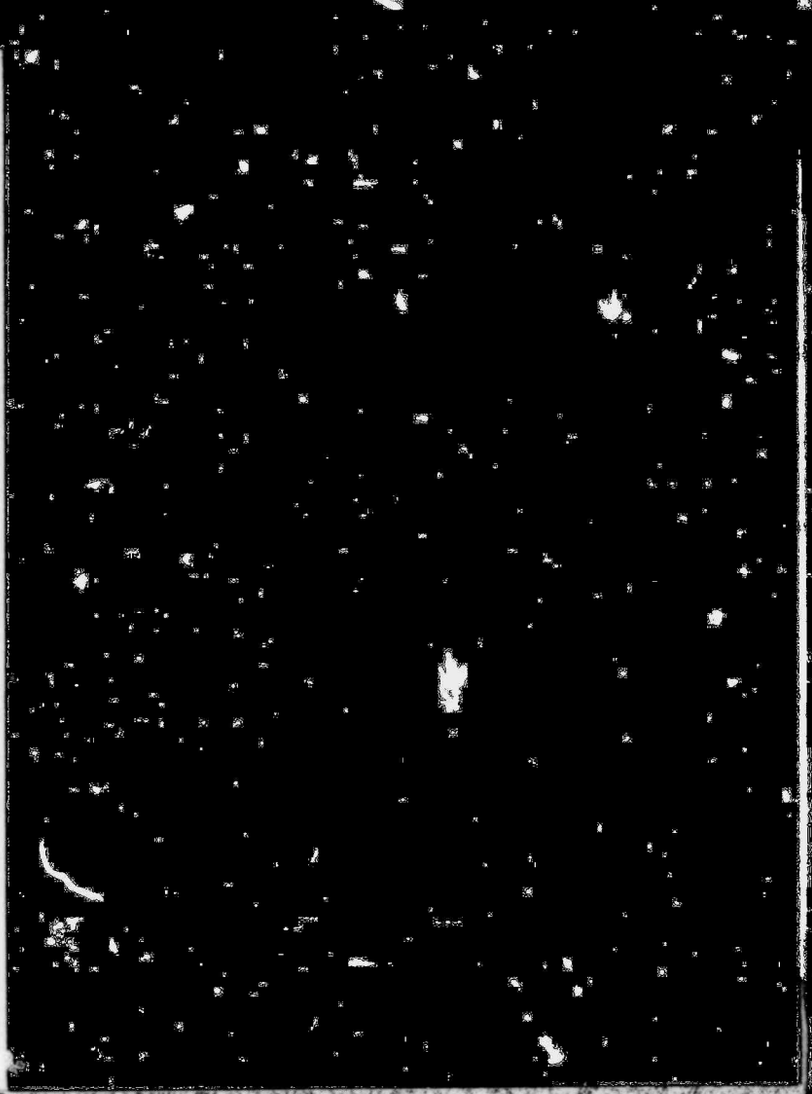
Each control rod cluster is attached to a spider connector and drive shaft. The drive mechanisms for the control rod assemblies are equipped with magnetic latches which are controlled by three magnetic coils and the latches are designed so that upon loss of power to the coils, the rod cluster control assembly (RCCA) is released and falls by gravity into the reactor core, effecting a shutdown of the reactor.

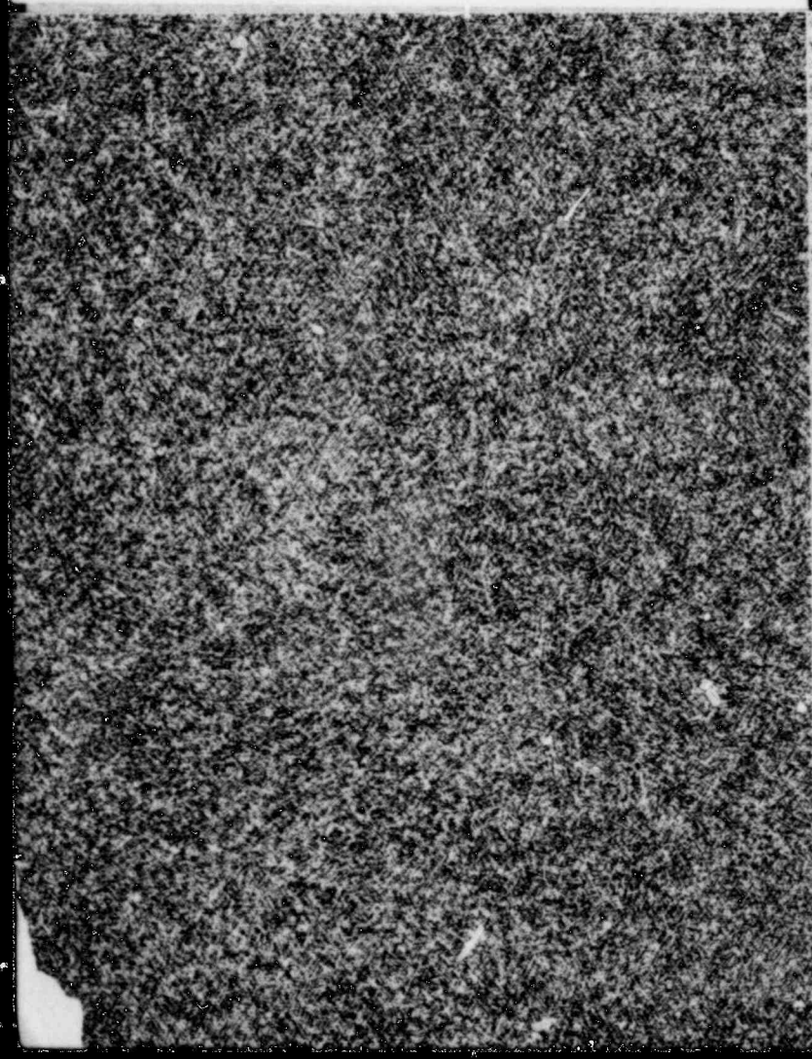
The reactor core rated thermal power is 3411 MWt; this results in a NSSS rated thermal power of approximately 3425 MWt with the additional 14 MWt of energy input to the RCS by nonreactor sources such as pump heat.

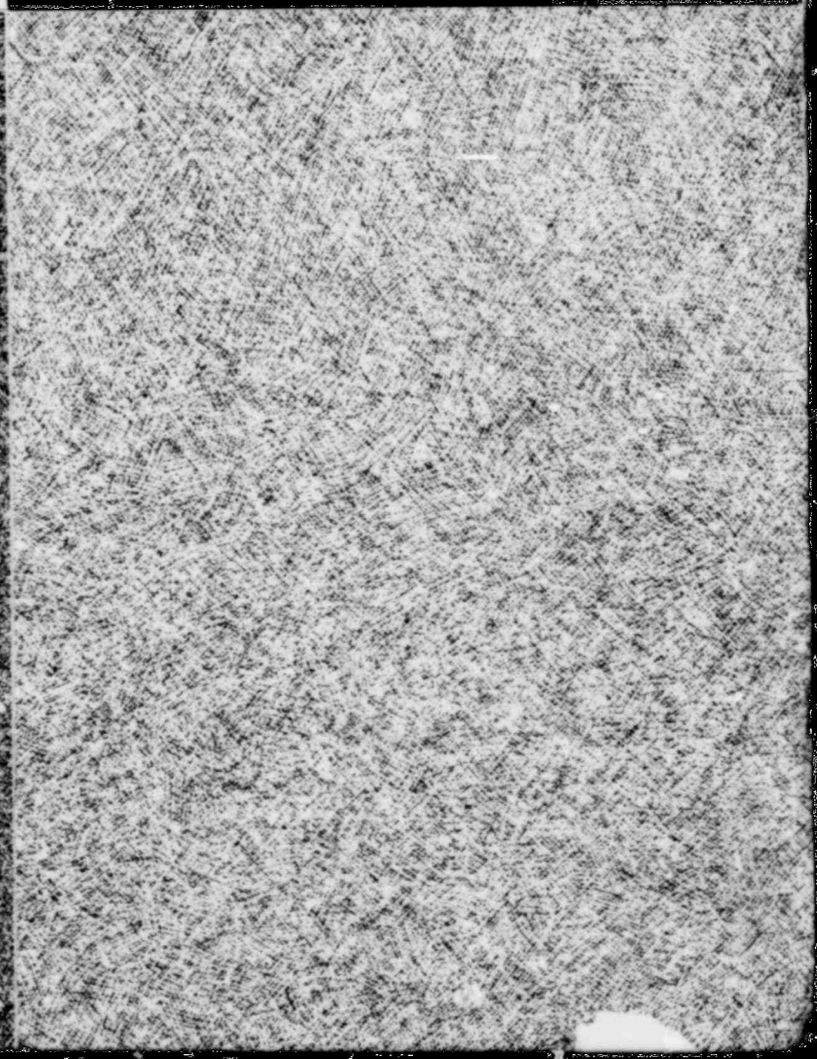
1.2.2.2.2 Reactor Coolant System

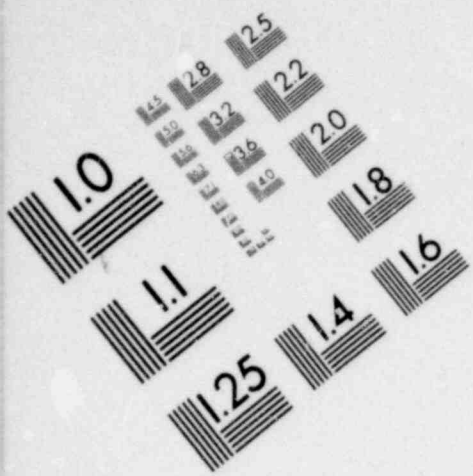
The Reactor Coolant System (RCS) consists of four parallel, similar, heat transfer loops, each consisting of a reactor coolant pump and steam generator, connected to the reactor vessel. In addition, the system includes a pressurizer, pressurizer relief tank, connecting piping, and the instrumentation necessary for operational control and protection.











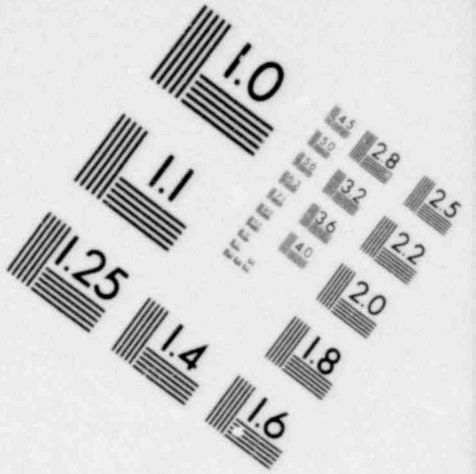
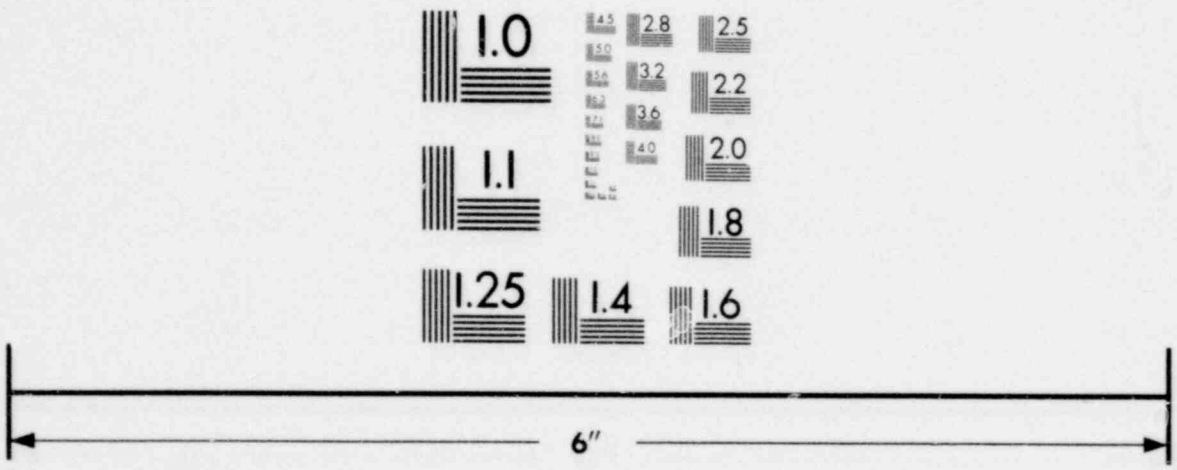
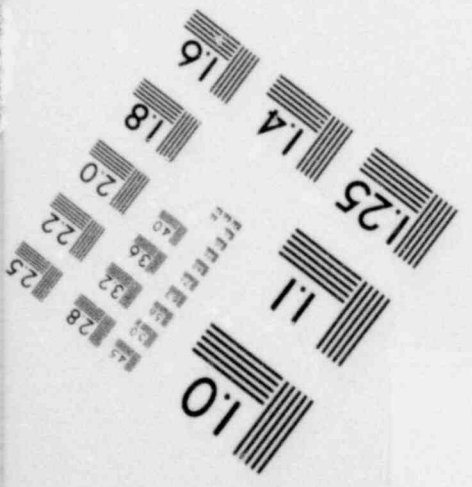
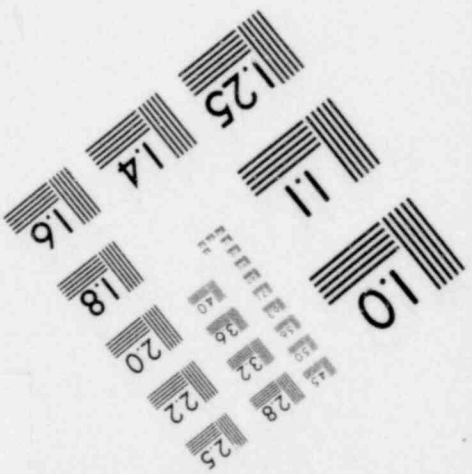
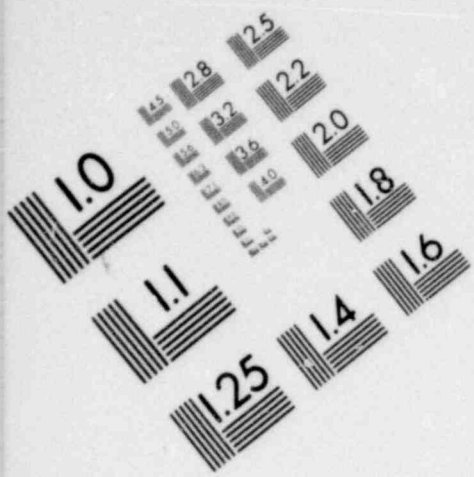


IMAGE EVALUATION TEST TARGET (MT-3)









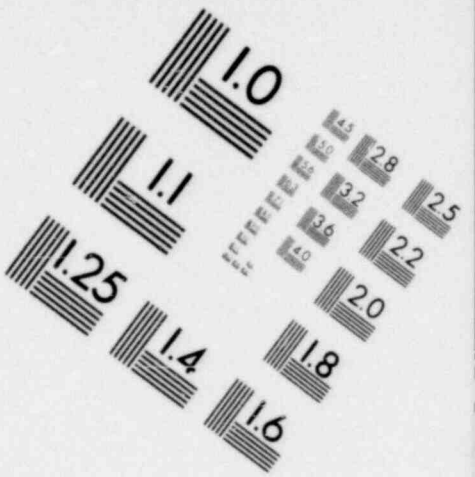
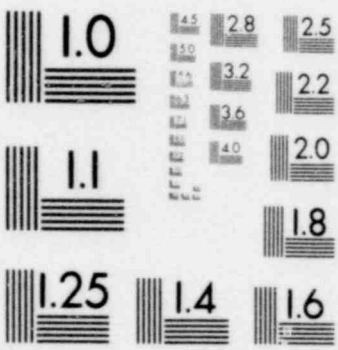
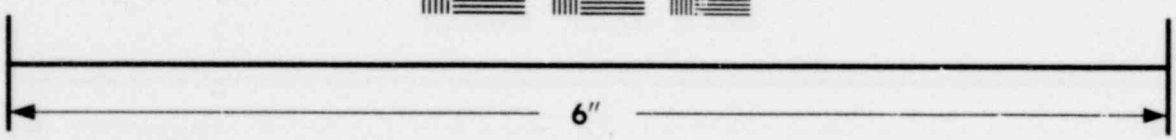
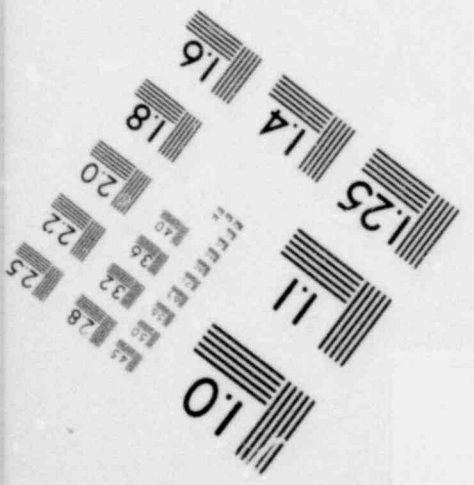
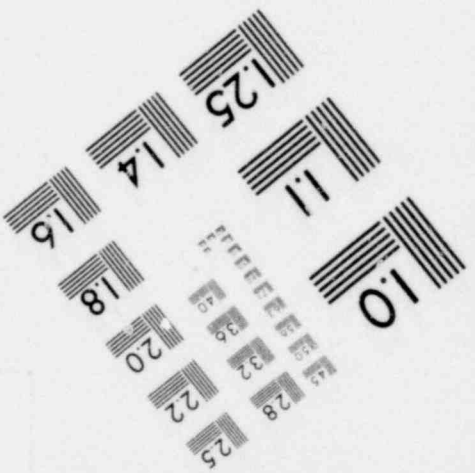


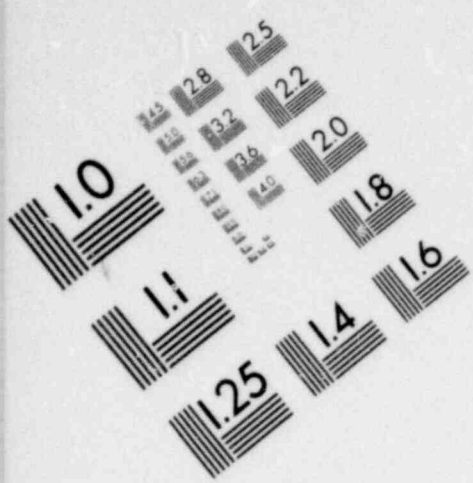
IMAGE EVALUATION TEST TARGET (MT-3)











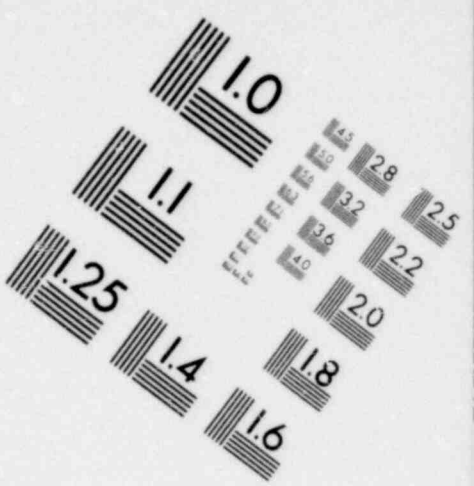
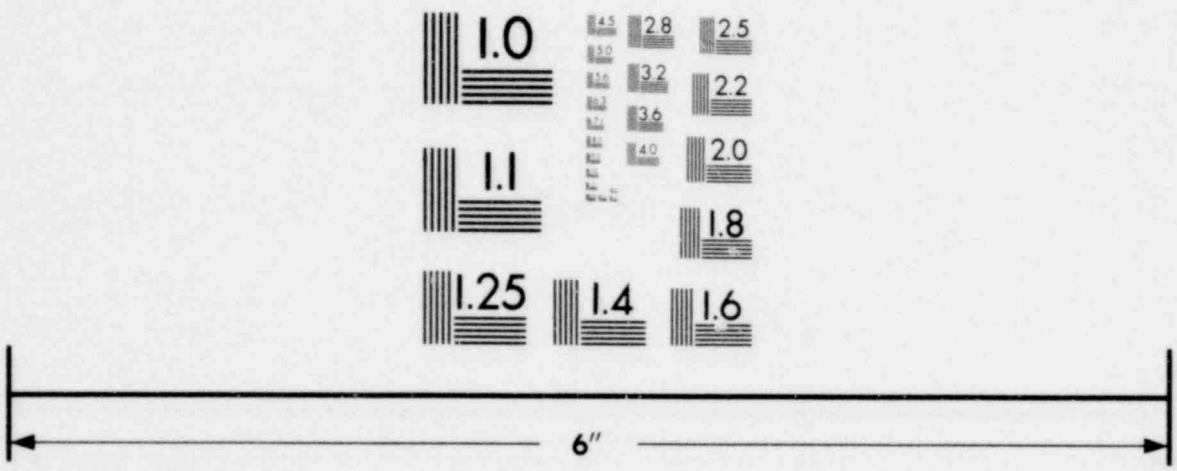
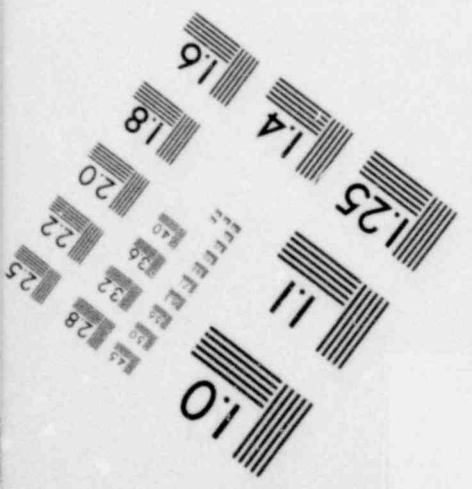
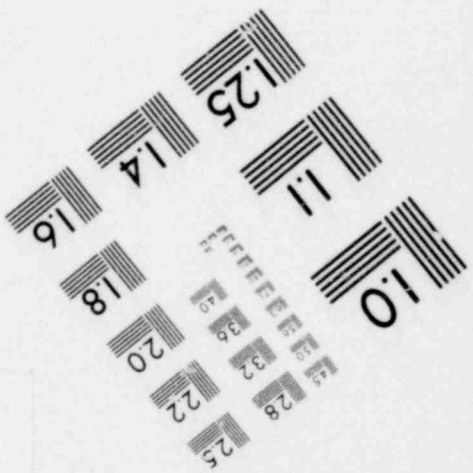


IMAGE EVALUATION TEST TARGET (MT-3)







The RCS transfers the heat developed in the reactor core to the steam generators, where steam is generated to drive the plant turbine-generator. Borated, demineralized light water is used as the heat transfer medium for the RCS and is circulated at a flow rate and temperature consistent with achieving the desired thermal-hydraulic performance for the reactor core. The water of the RCS also serves as neutron moderator, reflector, and solvent for the neutron absorber.

The reactor coolant pumps are Westinghouse vertical, single stage, centrifugal pumps of the shaft-seal type. The power supply systems for the pumps are designed to provide for adequate coolant flow to the reactor core under all required conditions.

The steam generators are Westinghouse vertical U-tube units containing Inconel tubes and equipped with integral moisture separation equipment to reduce the moisture content of the steam to 0.25 percent or less.

All reactor coolant piping as well as all pressure-containing and heat transfer surfaces in contact with the reactor water is stainless steel clad except for the fuel tubes and steam generator tubing which are Zircaloy and Inconel, respectively. The reactor core internals, including the control rod drive shafts, are primarily stainless steel.

The electrically heated pressurizer, which is connected to one of the four parallel reactor coolant loops (RCLs), is designed to perform the following functions:

1. To maintain the pressure of the RCS during normal operation

2. To limit the pressure variations during plant loading transients

3. To maintain the RCS pressure within the design limits during abnormal occurrences

1.2.2.3 Engineered Safety Features

The engineered safety features (ESF) systems are designed to limit the potential radiation exposure to the public as well as to plant personnel in the event of a postulated accidental release of radioactive fission products from the reactor system, particularly as the result of a loss-of-coolant accident (LOCA). These ESF function to localize, control, mitigate, and terminate all such postulated accidents to ensure that the guidelines of 10 CFR Part 100 for exposure limits are not exceeded.

The following is a list of ESF:

1. Containment
2. Containment Spray System
3. Containment spray chemical additive subsystem
4. Containment Isolation System
5. Combustible Gas Control Systems
6. Emergency Core Cooling System (ECCS)
7. Control Room habitability systems
8. Residual Heat Removal (RHR) System

Each of the ESF systems is missile-protected and designed to withstand all normal and accident loads including the Safe Shutdown Earthquake (SSE).

1.2.2.3.1 Containment

The containment is a steel-lined, reinforced concrete structure which consists of a vertical cylinder with a hemispherical dome supported on a foundation mat with a reactor cavity pit. The interior steel liner is constructed with carbon steel plate for leaktightness.

The Containment Building completely encloses the reactor and the RCS. An interior structure within the Containment Building supports and provides shielding for the reactor and other components of the NSSS.

The containment is designed to withstand the pressures and temperatures resulting from a spectrum of LOCAs and secondary system breaks.

1.2.2.3.2 Containment Spray System

The Containment Spray System, including the containment spray chemical additive subsystem, is designed to meet the following criteria:

1. To ensure that the containment pressure and temperature do not exceed the design parameters for all accidents including LOCAs

2. To ensure that offsite radiological consequences are within the limits of 10 CFR Part 100 by reducing the fission product concentration within containment

The Containment Spray System initially supplies the containment atmosphere with borated water drawn from the Refueling Water Storage Tank (RWST). When the water level in the RWST reaches the low-level set point, water is drawn from the Containment sump and recirculated through the Containment spray heat exchangers to provide for the continued cooling of the containment atmosphere.

1.2.2.3.3 Containment Spray Chemical Additive Subsystem

The containment spray chemical additive subsystem is designed to insure that the concentration of the iodines within the Containment, following all postulated accidents, is reduced to limit the offsite radiological consequences.

The desired reduction in containment iodine concentration is accomplished by the injection of sodium hydroxide from the containment spray chemical additive subsystem into the containment spray water; this chemically-treated water absorbs the fission product iodines from the containment atmosphere and retains them in solution in the containment sump.

The containment spray chemical additive subsystem, together with the balance of the Containment Spray System, is designed as follows:

1. To be fully redundant

2. To meet the single failure criterion

3. To withstand all normal and accident loads

4. To be fully missile-protected

1.2.2.3.4 Containment Isolation System

In the event of postulated accidents, the Containment Isolation System is designed to minimize the leakage of radioactive materials through fluid lines penetrating Containment.

This design objective is achieved by the use of double isolation barriers. The use of double isolation barriers ensures that no single failure of any active or passive component renders the Containment

Isolation System partially or wholly inoperable. The isolation valves are checked regularly during normal unit operation and are designed to assume a fail-safe position.

The Containment Isolation System ensures that the offsite radiological consequences of a main steam line rupture or LOCA are within the guidelines of 10 CFR Part 100.

1.2.2.3.5 Combustible Gas Control Systems

Two systems are provided to control the concentration of combustible gases in the Containment: the Hydrogen Recombiner System and the Hydrogen Purge System.

The Hydrogen Recombiner System is designed to remove hydrogen produced during a LOCA from the containment atmosphere and to limit its concentration to the levels specified in NRC Regulatory Guide 1.7. The hydrogen recombiners receive air containing hydrogen and induce a reaction between the hydrogen and the oxygen present in air. The controls for the recombiners are located outside the Containment in an area accessible after a LOCA.

Working as a backup system for the hydrogen recombiners, the Hydrogen Purge System is designed to provide an independent means of controlling the hydrogen concentration in the Containment after a LOCA, in accordance with NRC Regulatory Guide 1.7. This system purges the containment atmosphere through filters which reduce radioactive releases. Both the Hydrogen Recombiner System and the Hydrogen Purge System are designed to withstand all loads associated with normal operations and accident conditions, including the SSE and the pressure and coincident temperature of a LOCA. Protection from missiles is also provided.

1.2.2.3.6 Emergency Core Cooling System

The ECCS, with active and passive subsystems, is designed to perform the following functions:

1. To inject borated water into the RCS following a LOCA to minimize core-damage, metal-water reactions, and fission-product release

2. To ensure adequate shutdown margin regardless of temperature

3. To provide for long-term postaccident cooling of the reactor core by recirculating borated water from the containment sump

1.2.2.3.7 Control Room Habitability Systems

The Control Room habitability systems are designed to ensure that the Control Room is habitable for a period not less than 30 days following any LOCA.

The Control Room air-conditioning system has a recirculation mode designed to maintain Control Room ambient conditions suitable for personnel occupancy during accident conditions. An emergency filtration unit removes airborne activity from the makeup air during the recirculation mode of operation.

Communication and domestic facilities are provided to meet personnel needs during an extended stay in the Control Room area.

1.2.2.3.8 Residual Heat Removal System

The RHR System serves as a part of the ECCS during both the low pressure injection and recirculation phases following a LOCA. The RHR System is designed to provide an adequate supply of water for cooling of the reactor core; this is accomplished by the RHR pumps delivering

water from the RWST to the RCLs. When the supply of refueling water is depleted, recirculation of containment sump water through a heat exchanger is initiated and maintained to ensure continued core cooling.

1.2.2.4 Plant Instrumentation and Control System

Instrumentation and controls are provided to monitor and maintain plant parameters within the prescribed operating ranges.

Reactor control is provided by the following:

1. Temperature coefficients of reactivity

2. Control rod cluster motion

3. Injection of neutron absorbing chemical shim in the form of boric acid

The control rod clusters provide for load-follow transients as well as for startup and shutdown requirements. The chemical shim is inserted during cold shutdown, partially removed during startup, and further adjusted during the lifetime of the core to compensate for such effects as fuel consumption and accumulation of fission products which act to decrease the excess reactivity of the core.

The reactor control system permits the plant to accept 10 percent step-load increases and ramp load increases of 5 percent per minute over the load-range of 15 to 100 percent of full power. Step-and ramp-load reductions of the same magnitude are also possible over the range of 15 to 100 percent of full power.

The non-nuclear-safety-related process and containment instrumentation measure temperatures, pressure, flows, and levels in the steam and auxiliary systems and in the Containment. Process variables required

on a continuous basis for startup, operation, and shutdown of the unit are indicated, recorded, and controlled from the Control Room. The quantity and types of process instrumentation provided ensure safe and orderly operation of all systems and processes over the full operating range of the plant.

The nuclear-safety-related instrumentation and control systems provide automatic protection and exercise proper control to ensure safe reactor operation and to provide initiating signals to mitigate the consequences of design basis accidents (DBAs). Supervision of both nuclear and turbine generator plants is accomplished from the Control Room.

1.2.2.5 Power Conversion and Electrical Systems

The electrical systems transmit the output of the generator units to the utility system and provide power for plant auxiliary loads. Independent and redundant Class 1E standby power systems function during a DBA to ensure operation of necessary safety-related systems.

The main generator for each unit is rated 1350 MVA at 0.90 power factor, 22 kV, 60 Hz, three-phase, 1800 rpm. Power output from each generator is fed to its respective main step-up transformer bank through the isolated phase bus system. Generator voltage is stepped up to 345 kV and transmitted through overhead transmission lines to the 345 kV Switchyard where distribution to the utility system is accomplished. Four 345 kV transmission lines connect the Switchyard to other switching stations in the owners' transmission system. The AC station power is distributed through the 6900 V, 480 V, and 118 V uninterruptible AC auxiliary bus systems to the unit loads. The DC load requirements are satisfied by 125-V, 125/250-V, and 24-V systems.

During normal operation, the main generators supply power to all the auxiliary loads except for the loads connected to the emergency buses.

These loads are normally energized from the offsite power systems. Startup and shutdown power is derived from two independent offsite power circuits. One circuit is connected to the 345 kV Switchyard, and the second feeder is connected to the 138 kV system. Each high voltage circuit is transformed through startup transformers to 6900 V.

Under LOCA and loss-of-offsite power conditions, power to the safety-related loads is achieved through the standby diesel generator system. A total of four 100 percent diesel generators, two per unit, is provided. Each diesel generator is assigned to a specific safeguard bus. One diesel generator and its associated bus and loads can satisfy the safety load requirements for one unit. There is no sharing of diesel generators.

Each unit has two independent Class 1E 125-VDC systems to provide DC and uninterruptible AC power to essential plant instruments and controls. An independent 125/250-VDC system is provided for each unit to supply non-Class 1E power and control loads.

1.2.2.6 Fuel Handling and Storage System

The Fuel Handling System is designed to permit the handling of spent fuel under water from the time it leaves the reactor vessel during refueling until it is placed in a cask for offsite shipment. The transfer of spent fuel under water provides both a transparent radiation shield and a reliable cooling source for the removal of residual and decay heat.

The Fuel Handling System is located in two separate areas. The first area is comprised of the refueling cavity and the refueling canal inside the Containment Building, both of which are flooded during the refueling operations; the second area is the Fuel Building, which includes two spent fuel pools and connecting fuel transfer canal, and which is external to the Containment Building and accessible to

authorized personnel. The two areas of the Fuel Handling System are connected by the Fuel Transfer System, which moves the fuel through an opening in the Containment. The Fuel Handling System provides for the safe handling of RCCA under all conditions and for the required assembly, disassembly, and storage of reactor internals This system includes a refueling machine located inside the Containment above the refueling cavity Fuel Transfer System (which includes a fuel transfer tube), a fuel handling crane above the fuel storage racks area, the RCCA changing fixture, and lifting devices (which are used for handling the reactor vessel head and internals).

The new fuel assemblies are stored in racks in the new fuel pit and separated by sufficient distance to preclude criticality. Spent fuel is placed in storage racks in the spent fuel pools where it will remain for a sufficient decay and cooling period before shipment in a cask to a fuel reprocessing facility or a storage facility.

1.2.2.7 Cooling Water Systems

Two separate closed-loop cooling water systems are provided to facilitate heat removal from ESF, safety-related, and non-safety-related equipment. These are the Component Cooling Water System (CCWS) and the Turbine Plant Cooling Water (TPCW) System. Cooling for the CCWS is provided by the Station Service Water System (SSWS) and the heat is ultimately rejected to the Safe Shutdown Impoundment (SSI). Cooling for the TPCW System is provided by the Circulating Water System and this resulting heat is ultimately rejected to the Squaw Creek Reservoir (SCR).

The design criteria for the CCWS are as follows:

1. To remove residual heat from the RCS by means of the RHR System during plant shutdown

2. To cool the letdown flow to the CVCS during power operation

3. To dissipate waste heat from containment and auxiliary components

4. To remove ESF heat loads after an accident

The CCWS transfers heat to the SSWS via the component cooling water heat exchangers.

The CCWS consists of two separate and independent full capacity, safeguards-related, redundant trains of pumps and heat exchangers to remove heat from the engineering safeguards components and a nonredundant, safety-related loop with an ANS non-safety-class-related portion. Corrosion inhibiting demineralized water is circulated through the CCWS. The CCWS is maintained at a higher pressure than the SSWS to prevent inleakage of potentially corrosive station service water fluids. The CCWS provides an intermediate barrier between the RCS and the service water system to preclude direct leakage of radioactive material to the SSI.

An uninterrupted supply of water for the service water system is ensured by the SSI, a seismic Category I structure. Makeup water for the SSI is provided via a bleed-off from the Circulating Water System and a shallow canal connecting it with the SCR.

The design criterion for the TPCW System is to remove waste heat from various Turbine Building auxiliaries.

The TPCW System passes its heat load via the TPCW heat exchanger to the Circulating Water System.

Cooling water for the main condensers is provided by the Circulating Water System. The Circulating Water System Intake Structure is located north of the plant on the SCR. The heated water of the Circulating

Water System is discharged to the SCR via a discharge tunnel at a point southeast of the plant.

1.2.2.8 Auxiliary Systems

The auxiliary systems are designed to perform the following functions:

1. To supply RCS water requirements
2. To purify reactor coolant water
3. To introduce chemicals to inhibit corrosion
4. To introduce and remove chemicals for reactivity control
5. To cool system components
6. To remove residual heat during a portion of the reactor cooling period and when the reactor is shut down
7. To cool the spent fuel pool water
8. To permit sampling of reactor coolant
9. To provide for safety injection
10. To vent and drain the RCS and the auxiliary systems
11. To provide containment ventilation and cooling
12. To provide plant fire protection

The principal auxiliary systems are the following:

1. Chemical and Volume Control System (CVCS)

2. Sampling systems

3. Compressed air systems

4. Plant ventilation systems

5. Station Service Water System (SSWS)

6. Plant Fire Protection System

7. Spent Fuel Pool Cooling and Cleanup System

1.2.2.8.1 Chemical and Volume Control System

Performance of the following functions will establish the design criteria of the CVCS:

1. Purification of reactor coolant fluid

2. Corrosion control

3. Regulation of reactor coolant inventory

4. Reactivity shim

5. Seal water injection for reactor coolant pumps

1022 373

During power operation, a continuous feed-and-bleed system is maintained to and from the RCS. The bypassed fluid is depressurized, cooled, purified, and stored by a series of valves, heat exchangers,

1023 013

demineralizers, and tanks. Furthermore, the amount of reactor coolant is automatically adjusted to compensate for changes in volume as a result of coolant temperature changes. The CVCS provides reactivity control by varying the boron concentration in the reactor coolant.

Water for the reactor coolant pump shaft seals is supplied from the charging pump.

The centrifugal charging pumps associated with the CVCS also serve as the high-head pumps for the ECCS. In the event of a LOCA, the CVCS is isolated except for the charging pumps, which inject borated water into the reactor core.

1.2.2.8.2 Sampling Systems

The CPSES is equipped with two sampling systems: the Primary Sampling System and the Secondary Sampling System. The Primary Sampling System serves the RCS and its auxiliary systems while the Secondary Sampling System serves the feedwater and main steam systems. These systems provide a determination of both the chemical and radiological makeup of various plant fluids. Samples drawn from radioactive sources are passed through sample coolers or delay coils, or both, as required.

1.2.2.8.3 Compressed Air Systems

Each of the two CPSES units is equipped with nonlubricated air compressors, which discharge compressed air into either the Service Air System or the Instrument Air System. There is one instrument air compressor and aftercooler for each unit, and one common instrument air compressor and aftercooler is shared by the two units.

The Service Air System provides compressed air for routine maintenance at various stations throughout the plant.

The Instrument Air System provides compressed air, which is dried and filtered, for all air-operated instruments and valves. The compressed air of the Instrument Air System is dried and filtered.

1.2.2.8.4 Plant Ventilation Systems

To facilitate the independent control of the atmosphere in various plant areas, separate ventilation systems have been provided. The following areas are served by separate ventilation systems:

1. Containment Building
2. Auxiliary Building
3. Safeguards Building
4. Fuel Building
5. Turbine Building
6. Diesel Generator Building
7. Control Room

In addition, a Containment Purge System and a Containment Preaccess Filtration System are provided for the containment atmosphere.

1.2.2.8.5 Station Service Water System

The SSWS removes heat from the CCWS to meet the cooling requirements of the plant as follows:

1. During normal operations

2. Following shutdown

3. During and after all postulated LOCAs

The SSWS is assured of a constant supply of water by the SSI Dam which is a seismic Category I structure founded on bedrock. The SSI maintains the necessary volume of water required by NRC Regulatory Guide 1.27. Makeup water is provided via a bleed-off from the Circulating Water System and a shallow canal to the SCR.

The SSWS of each of the units is completely independent and redundant. Each unit has two fully independent trains, either of which can supply the required cooling waterflow. The pumps and heat exchangers of each train can be aligned with the other train in the event of a component failure.

1.2.2.8.6 Plant Fire Protection System

The Fire Protection System provides means for detecting, alarming, and extinguishing fires. The system is divided into two basic subsystems: the Fire Detection System and the fire extinguishing system. The Fire Detection System is a plantwide instrumentation system provided to detect fires in various areas of the plant and to alert the Control Room operators of a fire and its location. The fire extinguishing system includes such fire fighting equipment as sprinkler systems (both wet pipe and preaction), deluge systems, standpipe and hose stations, halon systems, and portable extinguishers. The Fire Protection System is not required to ensure the integrity of the reactor coolant pressure boundary (RCPB), the capability to shut down the reactor, and the capability to prevent or mitigate the consequences of accidents which could result in potential offsite exposures as detailed in 10 CFR Part 100. To ensure that failure of any portion of the Fire Protection

System will not damage seismic Category I equipment, Fire Protection System components are, insofar as possible, separated from safety-related equipment by seismic Category I barriers. In the absence of such barriers, fire protection piping and supports within the Auxiliary, Safeguards, and Containment buildings are designed as seismic Category I systems.

The station fire main system, including the associated pumps, piping, and valves, is shared by the two CPSES units.

Noncombustible and fire-resistant materials are selected where practical for use throughout the CPSES facility, particularly in controlled-access portions of the plant such as the Containment and Control Room.

1. Fire Detection System

A Fire Detection System is provided throughout the plant. When a fire is detected, the respective zone and fire indication appears on the local zone panel and the main fire detection panel in the Control Room, and an audible fire alarm is sounded over the plant paging system. An alarm indicating lamp illuminates up in the base of the detector indicating the actuated detector, or if the detector is concealed from view, a remote lamp illuminates at the local zone panel or nearest visible location. The majority of detectors are placed overhead in their respective areas. Detectors located in areas protected by fixed systems serve a dual purpose; they indicate an alarm condition and actuate the fixed system unless the system is designed strictly for manual operation. Detectors located in areas not protected by a fixed system sound an alarm condition via the Control Room fire detection panel and plant paging system to permit additional remedial action to be taken by the plant fire brigade.

The Fire Detection System uses fire, smoke, and heat detection devices located throughout the entire plant; they include the following:

a. Ionization smoke detectors

Ionization detectors are of the two-chamber-type design. The first is a reference chamber to compensate against sensitivity changes due to temperature, barometric pressure, and humidity variations. The second chamber is a sensing chamber open to the outside elements through a protective screening which permits combustion products to enter while preventing insects and foreign matter from entering and causing false alarms.

b. Thermal detectors

The thermal detectors are of the fixed-temperature or combination fixed-temperature rate-of-rise type, as required.

Continuous strip thermistor heat detectors are used to monitor the temperature of transformers, charcoal adsorber beds of the atmosphere cleanup units, and other areas where accurate measurement of temperatures for fire detection is required. The strip thermistors are of the negative coefficient of resistance type.

The detectors are strategically positioned throughout the facility to detect fires, annunciate alarms in the Control Room, sound fire alarms over the plant paging system, and indicate the location of the fire on the Control Room fire detection panel or local zone panel. In addition to these functions, detectors located in areas protected by

automatic fixed extinguishing systems are used to actuate the extinguishing systems in their respective areas.

The detection system is electrically supervised against shorts and open wiring faults in the detection and alarm circuits. A short or open wiring fault causes an audible and visible trouble indication at the fire detection control panel in the Control Room. The system is designed for Class A operation in accordance with NFPA 720.

2. Fire Extinguishing System

The fire extinguishing system uses portable extinguishers, in conjunction with hose stations and fixed water spray systems, as primary and secondary means of suppression. Water is supplied for the standpipes and spray systems from the SSI via an underground piping distribution system and water supply lines for each building and transformer branch from the underground loop; every branch has a post indicator gate valve for isolation of the branch or building. The main loop is divided into sections by postindicator valves to allow isolation of the loop in case of a line break. There are two redundant and completely separate trains to supply water to the system. Train A has an electric motor-driven pump whereas Train B has a diesel engine-driven pump. Water is supplied to the underground fire loop by the lead pump, the electric motor-driven pump, when the jockey pump cannot maintain the system pressure above 110 psig.

A siamese fire department connection is provided for emergency fill of the system by a fire truck or a portable auxiliary pump. This fill is used as a backup to the pumps. As required by National Fire Protection Association (NFPA) No. 24, a check valve

and a ball drip valve are provided for the connection of the siamese to the main loop. The siamese connection is located adjacent to the Service Water Pump House.

The Safeguards, Fuel Handling, and Auxiliary buildings have internal loops to supply standpipes systems. These loops have two connections to the underground loop. Valves are available for isolation of sections of the loops as well as isolation of the internal loop from the underground loop. Each standpipe which is normally dry, has a shutoff valve before the deluge valves to facilitate work on the system. Approved control valves are located in the system in accordance with NFPA No. 14.

The Turbine Buildings have an internal loop to supply standpipes and deluge systems. This internal loop has four connections to the underground loop in Unit 1 and three connections in Unit 2. A tie line is provided inside the construction cutoff of the Unit 1 Turbine Building to facilitate construction of Unit 2 and for isolation of sections of the loop. Valves are provided in accordance with NFPA No. 14 to control the waterflow and isolate the system. The deluge systems are connected to the outside loop via isolation valves and deluge valves located in the fire protection valve rooms, which are accessible from inside and outside the Turbine Buildings, as required, to control the waterflow to the deluge systems protecting the lube oil rooms.

The sprinkler systems and hose stations located in the Administration and Maintenance buildings are supplied from the main loop. The yard postindicator valves located in the branch lines to the buildings are used in accordance with NFPA No. 13 and No. 14 to shut off the water supply. A separate cutoff valve is provided in the mechanical equipment room of the Administration Building to shut off the water supply to the

preaction sprinkler system in the QA record storage area. Access to this valve is not essential as it is only used to mitigate water damage to the records after a fire. The hose stations are wet up to the shutoff valves at each station. Each hose station in both buildings is equipped with a fire extinguisher.

Four houses are provided for the deluge valves protecting the main and startup transformers. The houses protect the deluge valve, isolation valve, piping, and associated controls from freezing. The piping and nozzles outside the houses are normally dry. The deluge systems for the transformers are actuated manually either from the Control Room or at the valve house after receipt of a fire signal. The system can only be shut off manually at the valve house.

The deluge systems for the diesel generators are supplied from the main loop independently. Each system has a deluge valve, a cutoff valve, and a detection system. Actuation of one deluge system does not affect operation of the other diesel generator; each diesel generator compartment is provided with watertight doors to prevent flooding of the adjacent areas. The systems are actuated manually from the Control Room or from pushbuttons located adjacent to the respective area after receipt of a fire signal. The systems can only be shut off manually at the valve.

The deluge system for the diesel engine-driven fire pump is supplied from the internal piping in the service water pump house. The system has a deluge valve, cutoff valve, nozzles, and detection system.

Actuation of the system does not affect operation of the other fire pump. The system is actuated automatically upon receipt of a fire signal.

The deluge water spray systems for the atmosphere cleanup units, except the preaccess units, are supplied by the underground yard piping loop. The preaccess units are supplied by the Demineralized Water System. Each system has two solenoid-operated valves, nozzles, and a detection system. Actuation of one deluge system will not affect the operation of an adjacent atmosphere cleanup unit. The deluge systems for all of the atmosphere cleanup units, except the four preaccess units, are actuated remote manually from the Control Room or manually at the unit upon receipt of a high temperature signal from the carbon adsorber bed. The preaccess unit deluge systems are actuated automatically upon receipt of a high temperature signal.

The halon systems for each cable spreading area and the computer rooms consist of a detection system, storage cylinders, manifold and header assembly, control valves, piping, nozzles, and local control panels. Each system is designed with two charges of halon. The first charge is released automatically after receipt of a fire signal from detectors located in the respective area. Each system incorporates a time delay which does not affect extinguishment of the fire, but provides a warning for personnel in the area. The system provides sufficient extinguishment with the delay time, in that ionization detectors are used in conjunction with the halon system to detect a fire during incipient stages.

Hose stations are located inside and outside and adjacent to the cable spreading areas for secondary suppression. Portable extinguishers are used for secondary suppression in the computer rooms. The second charge of halon is only released if the fire has not been extinguished by the first and the fire brigade has not been able to enter or extinguish the fire with the secondary suppression system. The second charge is released manually,

either from the Control Room or from remote pushbuttons located adjacent to the areas. Fire dampers equipped with fusible links and a halon override are provided for isolation of the respective a ventilation system.

1.2.2.8.7 Spent Fuel Pool Cooling and Cleanup System

The Spent Fuel Pool Cooling and Cleanup System serves the spent fuel pools of both units.

The cooling portion of this system has two cross-connected trains consisting of a pump, heat exchanger, and other associated equipment. During a refueling operation, the spent fuel pool of the unit being refueled is cooled by one of the two cooling trains. The redundant train is maintained in a standby condition.

The purification portion of this system consists of two trains containing a filter and a demineralizer which can be operated in parallel with either of the two cooling trains.

The skimmer portion of this system consists of a single skimmer train and is shared between both pools.

1.2.2.9 Waste Processing Systems

The waste processing systems (WPS) are designed to process liquid, gaseous, and solid waste while achieving the lowest reasonable radioactive release to the environment available through current technology. Liquid and gaseous wastes to be recycled within the plant are first segregated from those to be processed or shipped offsite.

Segregation of wastes is consistently maintained in the subsystems to ensure proper handling.

The Liquid Waste Processing System (LWPS) is designed to perform the following functions:

1. To collect reactor grade water

2. To process reactor grade water

3. To recycle reactor grade water

4. To collect floor drains and laundry waste

5. To process floor drains and laundry waste

6. To recycle or discharge processed floor drain and laundry waste

7. To remove radioactive constituents

8. To concentrate the removed radioactive constituents

9. To process concentrated radioactive constituents for solidification and shipment offsite

In addition, all liquid wastes are sampled and activity levels recorded prior to release. All processed liquid effluents from the RCS are subjected to purification by the CVCS ion exchanger in addition to the components of the WPS. The limits established by 10 CFR Part 20 are met.

The Gaseous Waste Processing System (GWPS) is designed to perform the following functions:

1. To reduce fission product gas concentrations in the RCS during normal operation

2. To contain indefinitely the fission product gases removed from the RCS

3. To collect gases generated by other systems

4. To maintain a low level of hydrogen gas in the collected gases

5. To discharge radioactive effluents after monitoring for radioactivity via a controlled path to ensure that the expected offsite doses are as low as reasonably achievable (ALARA)

The waste gases generated during plant operations including anticipated operational occurrences are collected and processed and are stored in waste gas decay tanks.

The solid-waste processing system is designed:

1. To provide a means of solidifying radioactive liquids and encapsulating or compacting radioactive solid wastes generated by reactor plant operations

2. To provide adequate equipment and storage area shielding for the protection of operating personnel pending shipment of waste to disposal facilities

3. To measure and record the radiation levels of the solid waste processed for shipment from the site to disposal facilities

4. To provide a 3- to 6-month storage capacity for the processed wastes depending upon plant operation

Solid wastes are compacted into containers for offsite disposal.

The WPS, with the exception of the equipment associated with the reactor coolant drain tanks, are completely shared. The reactor coolant drain tanks and associated equipment are located inside their respective Containment structures.

1.2.2.10 Safe Shutdown Impoundment

The SSI is an enclosed body of water formed from a cove of the SCR and is retained by a seismic Category I dam. It is designed and constructed to withstand the most severe postulated natural phenomena. The water level of the SSI is maintained by a spillway between the SSI and the reservoir behind the Squaw Creek Dam.

Since the Squaw Creek Dam is not a seismic Category I structure, it is assumed that ground motion from the SSE results in catastrophic, total, and instantaneous drawdown of the water level on the downstream side of the SSI Dam. The spillway limits the low water level in the SSI to 769 ft 6 in, at which point the volume of water contained is approximately 300 acre-feet.

The SSI is designed to serve as the ultimate heat sink of the CPSES and acts to dissipate heat rejected by the SSWS during postaccident shutdown and normal cooldown conditions. It has been sized to provide adequate cooling capacity for the CPSES in accordance with the requirements of NRC Regulatory Guide 1.27.

The materials used in construction of the SSI Dam include limestone rock from excavation at the plantsite, clay from a borrow area located upstream from the Squaw Creek embankment, and a granular filter zone material.

1.2.2.11 Shared Structures, Systems, and Components

1.2.2.11.1 Shared Structures

The following structures are shared by both units of the CPSES:

1. Auxiliary Building, including Control Room
2. Fuel Building
3. Service Water Intake Structure
4. Circulating Water Intake Structure
5. Circulating Water Discharge Structure

1.2.2.11.2 Shared Systems

The following systems are shared by both units of the CPSES:

1. Chemical and Volume Control Systems (CVCS)
2. Boron Recycle System (BRS)
3. Compressed Air Systems (CASs)
4. Station Service Water System (SSWS)
5. Waste Processing Systems (WPS)
6. Fire Protection Systems
7. Hydrogen Purge System

8. Turbine Building ventilation system

9. Control Room ventilation system

10. Fuel Building ventilation system

11. Auxiliary Building Ventilation System

1.2.2.11.3 Shared Components

The following components are shared by both units of the CPSES:

1. Fuel handling equipment (in Fuel Building only)

2. Startup transformers

3. 480-V motor control centers feeding to the common services systems (mechanical) load and lighting

4. Control Room panels where common services controls are located

1.2.2.12 General Arrangements

Figure 1.2-1 through Figure 1.2-46 provide sufficient detail of major structures and equipment to give an understanding of the general layout of the plant. Plan and elevation drawings are provided for the following structures:

1. Containment and Safeguards Buildings (Unit 1)

2. Containment and Safeguards Buildings (Unit 2)

3. Turbine Building (Unit 1)

4. Turbine Building (Unit 2)

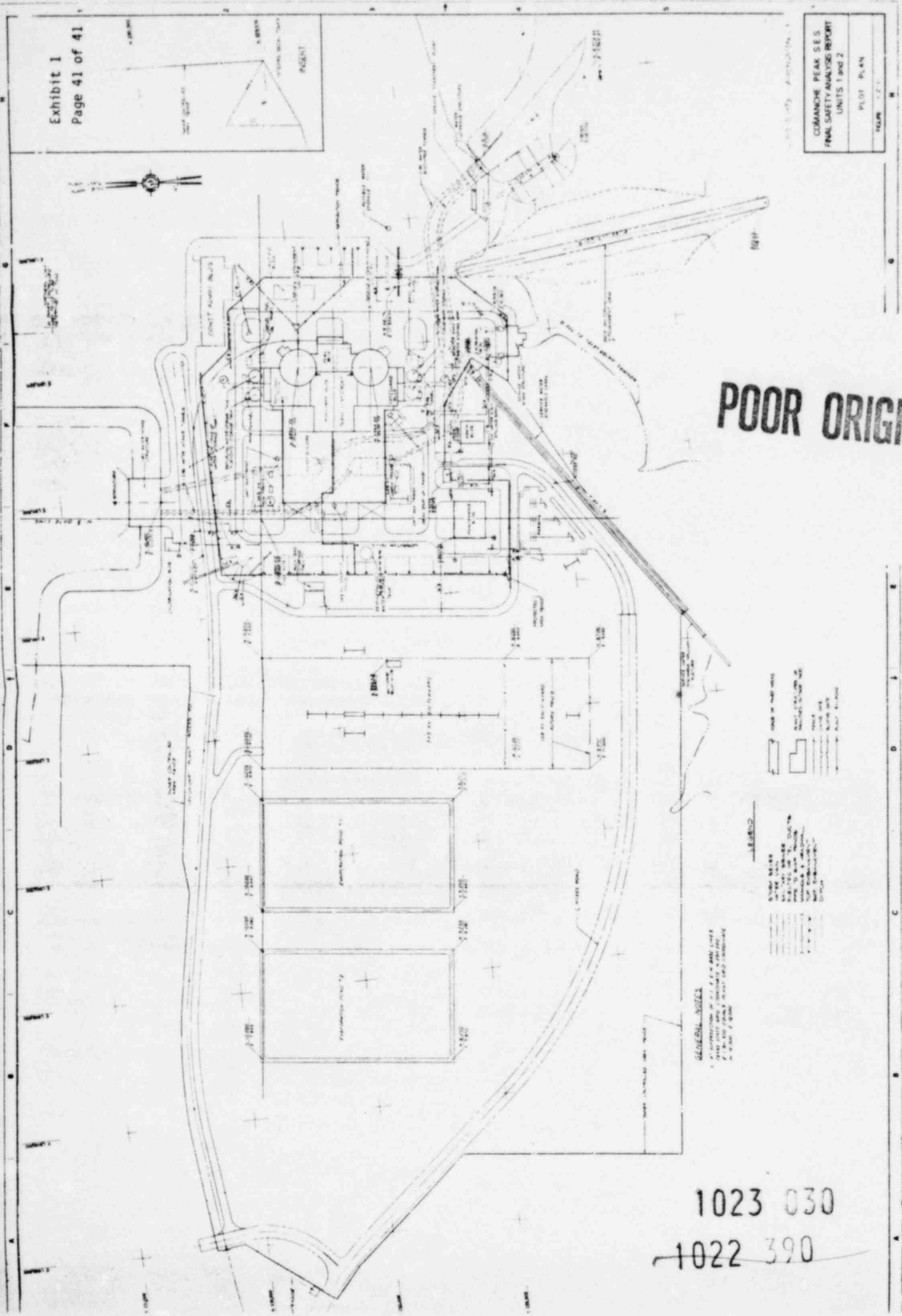
5. Auxiliary and Electrical Control Building

6. Fuel Building

7. Circulating Water Intake Structure

8. Service Water Intake Structure

Exhibit 1
Page 41 of 41



POOR ORIGINAL

1023 030

~~1022~~ 390

WARRANTY DEED

STATE OF TEXAS X
X
COUNTY OF DALLAS X

KNOW ALL MEN BY THESE PRESENTS:

THAT Dallas Power & Light Company, (hereinafter the "Grantor"), a Texas Corporation, for and in consideration of the sum of TEN and no/100 ($10.00) DOLLARS and other good and valuable consideration paid to the undersigned by Texas Municipal Power Agency, (hereinafter the "Grantee"), the receipt and sufficiency of which are hereby acknowledged and confessed, has GRANTED, SOLD, CONVEYED, AND/OR ASSIGNED and by these presents does hereby GRANT, SELL, CONVEY, AND/OR ASSIGN an undivided eighteen and six-tenths (18.6%) percent interest of Grantor's undivided one-third interest in certain real estate (hereinafter the "Property") unto Grantee, said Property lying and being situated in Hood County and Somervell County, Texas, and more particularly described on xhibit "X" attached hereto and made a part hereof for all pu oses.

This conveyance is expressly made subject to applicable terms and conditions of the Joint Ownership Agreement between Dallas Power & Light Company, Texas Electric Service Company, Texas Power & Light Company, Texas Utilities Generating Company, Texas Municipal Power Agency and Brazos Electric Power Cooperative, Inc. for Comanche Peak Steam Electric Station, including but not limited to the following:

1023 031

~~1022~~ 391

(i) The lien for current taxes, assessments, or governmental charges or levies not in default.

(ii) The claims of materialmen or mechanics, the payment of which is not due or being contested in good faith.

(iii) The waiver by Grantee of any right to partition, pursuant to Section 3.03 of the Ownership Agreement executed between parties.

(iv) Easements and mineral reservations, grants, and leases of record in Hood County and Somervell County.

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto, unto the said Grantee, its successors and assigns, and Grantor does hereby bind itself and its successors and assigns to warrant and forever defend all and singular the Property unto Grantee and its successors and assigns, against every person whomsoever claiming or to claim the same, or any part thereof, by, through, or under it, but not otherwise, subject, however, as aforesaid.

Executed this _____ day of _____, 1979.

GRANTOR

_____

1023 032

1022 392

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared _____ _____, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said _____, a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the _____ day of _____, A.D. 1979.

_____
Notary Public in and for
Dallas County, Texas

~~1022~~ 393

1023 033

BILL OF SALE

STATE OF TEXAS §
§
COUNTY OF DALLAS §

KNOW ALL MEN BY THESE PRESENTS:

THAT, for good and valuable consideration, the receipt of which is hereby acknowledged by Dallas Power & Light Company (hereinafter the "Seller"), in accordance with the terms of the "JOINT OWNERSHIP AGREEMENT BETWEEN DALLAS POWER & LIGHT COMPANY, TEXAS ELECTRIC SERVICE COMPANY, TEXAS POWER & LIGHT COMPANY, TEXAS UTILITIES GENERATING COMPANY, TEXAS MUNICIPAL POWER AGENCY AND BRAZOS ELECTRIC POWER COOPERATIVE, INC. FOR COMANCHE PEAK STEAM ELECTRIC STATION (hereinafter the "Agreement"), said Seller has SOLD, TRANSFERRED, AND CONVEYED, and by these presents does SELL, TRANSFER, AND CONVEY an 18.6% undivided interest of its one-third undivided interest in the Comanche Peak Steam Electric Station Project (hereinafter the "Project") and in the Fuel acquired for that Project, unto the Texas Municipal Power Agency (hereinafter the "Purchaser"), its successors and assigns, to have and to hold forever, as a tenant in common.

For purposes of this Bill of Sale, "Project" means the following, to the extent such may exist on the date of execution of this Bill of Sale: (a) the Station, and (b) all licenses, permits, rights and approvals necessary or convenient for construction, operation, maintenance, and decommissioning. The Station includes,

but is not limited to, the following: two nuclear steam generating units, each having a rating of approximately 3425 megawatts thermal, two turbine-generator units, each having a nominal capacity of approximately 1150 megawatts electric, the railroad, the cooling reservoir and makeup facilities, and all related structures and facilities, together with additions and betterments thereto and replacements thereof, appropriate equipment, transportation equipment, spare parts and initial operating supplies, easements, and any other personal, mixed, or real property which would properly be chargeable as cost of construction or costs of operation, including all water reserved for the Project, but excluding Fuel.

For purposes of this Bill of Sale, "Fuel" means Project nuclear fuel, irrespective of chemical and/or physical form, and rights related thereto, to the extent such may exist on the date of execution of this Bill of Sale.

This conveyance is expressly made subject to applicable terms and conditions of the Joint Ownership Agreement between Dallas Power & Light Company, Texas Electric Service Company, Texas Power & Light Company, Texas Utilties Generating Company, Texas Municipal Power Agency and Brazos Electric Power Cooperative, Inc. for Comanche Peak Steam Electric Station, including but not limited to the following:

(i) The lien for current taxes, assessments, or governmental charges or levies not in default.

(ii) The claims of materialmen or mechanics, the payment of which is not due or being contested in good faith.

(iii) The waiver by Purchaser of any right to partition, pursuant to Section 3.03 of said Ownership Agreement.

(iv) The condition that this Bill of Sale shall not be construed as conveying any rights, privileges, or ownership beyond that contemplated in the Agreement.

Seller binds itself to WARRANT AND DEFEND said Project and Fuel unto the said Purchaser, its successors and assigns, from and against the lawful claims of whomsoever claims or shall claim the same, or any part thereof, by, through, or under Seller, but not otherwise, subject, however, as aforesaid.

IN WITNESS WHEREOF, this Bill of Sale is executed on the _____ day of _____, 1979.

SELLER

_____

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared _____ _____, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said _____, a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the _____ day of _____, A.D. 1979.

_____
Notary Public in and for
Dallas County, Texas

1022 397

1023 037

LISTS OF LICENSES, PERMITS CONTRACTS, OBLIGATIONS AND COMMITMENTS AND AMOUNTS EXPENDED AND COMMITTED

U. S. Nuclear Regulatory Commission (formerly Atomic Energy Commission)

Construction Permit Application Tendered 6/5/73
Construction Permit Application Docketed 7/20/73
Limited Work Authorization received 10/17/74
Construction Permit received 12/19/74
Operating License Application Tendered 2/28/78
Operating License Application Docketed 4/25/78
Unit 1 Operating License expected 8/1/80
Unit 2 Operating License expected 8/1/82

U. S. Environmental Protection Agency

National Pollutant Discharge Elimination System Permit expected in 1978

Texas Department of Water Resources (formerly Texas Water Quality Board

Permit for discharges into and from Squaw Creek Reservoir received 2/27/74

Texas Water Commission (formerly Texas Water Rights Commission)

Construction Permit for Squaw Creek Dam and Reservoir received 6/26/73

Texas Department of Labor and Standards

Certificate of Operation expected 1980

1022 299

TEXAS UTILITIES GENERATING COMPANY
COMANCHE PEAK STEAM ELECTRIC STATION
1981-83 2300 MW INSTALLATION
PURCHASE ORDER COST

ORDER #	VENDOR	DESCRIPTION	COST AS OF 8-31-78	TOTAL ESTIMATED COST
CP-0001	Westinghouse Electric Corporation	Nuclear Steam Supply System	$ 48,536,163	$ 155,041.238
CP-0003	ACPSI	Turbine Generators	17,394,885	70,005,040
CP-0004	Bingham-Willamette	Steam Generator Feedwater Pumps	308,232	608,217
CP-0005	General Electric Co.	Feedwater Pump Turbine Drives	1,165,909	2,559,948
CP-0006	Ingersoll-Rand Co.	Condensate Pump	298,764	512,860
CP-0007	Ingersoll-Rand Co.	Auxiliary Feedwater Pumps	624,185	964,590
CP-0008	Bingham-Willamette Co.	Heater Drain Pumps	429,120	636,656
CP-0009	Ingersoll-Rand Co.	Circulating Water Pumps	2,958,404	3,038,662
CP-0010	Babcock & Wilcox	Service Water Pumps	564,993	1,166,554
CP-0011	Bingham-Willamette Co.	Component Cooling Water Pumps	420,389	535,033
CP-0012	Bingham-Willamette Co.	Containment Spray Pumps	920,331	1,963,161
CP-0013	Bingham-Willamette Co.	Spent Fuel Pool Cooling	146,401	254,737
CP-0014	Ingersoll-Rand Co.	Turbine Plant Cooling Water Pumps	93,037	93,037
CP-0015A	Bingham-Willamette Co.	Reactor Makeup Water Pumps - Nuclear	-0-	96,275
CP-0016A	Goulds Pumps	Miscellaneous Pumps - Non-Nuclear	265,987	334,885
CP-0016B	Crane Co.	Canned Type Pumps	25,559	26,440

1023 039

TEXAS UTILITIES GENERATING COMPANY
COMANCHE PEAK STEAM ELECTRIC STATION

ORDER #	VENDOR	DESCRIPTION	COST AS OF 8-31-78	TOTAL ESTIMATED COST
CP-0017	Graver Water Conditioning Co.	Condensate Demineralizer	1,119,798	2,588,979
CP-0018	Pall Trinity Micro Corp.	Nuclear Process Filters	76,943	76,943
CP-0019A	Keene Corp	Turbine Oil Conditioner	28,190	76,590
CP-0019B	Liquifio, Inc.	Turbine Oil Conditioning Equipment	23,079	55,780
CP-0020A	ITT Grinnell	Steel Valves 2" and Smaller-Nuclear	75,164	115,201
CP-0020A.1	Rockwell Mfg. Co.	Steel Valves 2" and Smaller - Nuclear	-0-	1,356,072
CP-0020B	ITT Grinnell	Steel Valves 2½" and Larger	2,968	123,445
CP-0020B.1	Borg-Warner	Steel Valves 2½" and Larger	2,534,641	4,691,662
CP-0020B.2	Rockwell International	Steel Valves 2½" and Larger	579,802	1,491,210
CP-0020C	Posi-Seal International	Butterfly/Wafer Disc Valves Nuclear	374,503	761,591
CP-0021A	Jenkins Bros.	C.I. Valves 2" and Smaller	17,963	37,046
CP-0021B	Rockwell International	Steel Valves 2" and Smaller Non-Nuclear	516,177	581,397
CP-0021B.1	ITT Grinnell	Steel Valves 2" and Smaller	77,948	96,673
CP-0021C	Jenkins Bros.	C.I. Valves 2½" and Larger	15,190	34,673
CP-0021D	ITT Grinnell	Steel Valves 2½" and Larger	83,399	109,255
CP-0021D.1	Crane Co.	Steel Valves 2½" and Larger	4,058,172	8,128,803
CP-0021E	Posi-Seal International	Butterfly/Wafer Disc. Valves	369,137	651,570

1023 040
1022 [illegible] 400

POOR ORIGINAL

TEXAS UTILITIES GENERATING COMPANY
COMANCHE PEAK STEAM ELECTRIC STATION

ORDER #	VENDOR	DESCRIPTION	COST AS OF 8-31-78	TOTAL ESTIMATED COST
CP-0022	FMC Corp	Fire Protection Pumps	88,462	88,462
CP-0023	Westinghouse Electric Corporation	Main Condensers	2,542,910	3,300,335
CP-0024	Struthers-Wells	Feedwater Heaters	3,384,182	6,313,275
CP-0025	FMC Corp	Travelling Water Screens	784,836	784,836
CP-0025A	ENVirex, Inc.	Service Water Screens	156,186	156,186
CP-0026	Crosby Valve & Gage Co.	Safety Relief Valves - Nuclear	-0-	106,990
CP-0027	Dresser Industries	Safety and Relief Valves Non-Nuclear	7,836	37,510
CP-0028	Cam Industries	Auxiliary Boiler, Steam Seperator and Associated Equipment	112,294	112,805
CP-0029A	Zurn Industries	Strainers - Nuclear	809,118	915,100
CP-0029B	Zurn Industries	Strainers - Non-Nuclear	66,954	82,216
CP-0032A	Ingersoll-Rand Co.	Instrument Air Compressors	78,360	78,360
CP-0032B	Worthington Corp.	Service Air Compressors	137,593	137,593
CP-0033	C.M. Kemp Mfg. Co.	Air Dryers	40,827	40,827
CP-0034	DeLeval Turbine Inc.	Diesel Generator Sets	8,215,547	8,383,380
CP-0039	Kranco, Inc.	Polar Crane	2,211,468	3,411,972
CP-0040A	Kranco, Inc.	Turbine Building Gantry Crane Circulating Water Intake Structure Gantry Crane	1,160,544	2,069,019
CP-0040B	Stewart Eng. Equip. Co.	Maintenance Building Crane	85,298	85,298
CP-0041A	Ederer, Inc.	Miscellaneous Cranes	86,654	1,352,086
CP-0041B	Whiting Corp.	Containment Dome Access Rotating Platform	361,901	878,744

1023 CAL 4022

TEXAS UTILITIES GENERATING COMPANY
COMANCHE PEAK STEAM ELECTRIC STATION

ORDER #	VENDOR	DESCRIPTION	COST AS OF 8-31-78	TOTAL ESTIMATED COST
CP-0041C	Wright Hoist Co.	Miscellaneous Hoists	32,414	218,350
CP-0041D	Kranco, Inc.	Service Water Intake Structure Crane	79,377	99,940
CP-0042	PX Engineering Co.	Miscellaneous Handling Equipment Racks	19,105	45,852
CP-0043A	ITT Grinnell	Piping - Nuclear	17,020,212	45,685,459
CP-0044A	ITT Grinnell	Piping - Non-Nuclear		
CP-0045	ITT Grinnell	Seismic Snubbers	1,203,849	31,567,627
CP-0046A	ITT Grinnell	Piping Hangers - Nuclear		
CP-0046B	ITT Grinnell	Piping Hangers - Non-Nuclear		
CP-0046A.1	NPS Industries	Piping Hangers - Nuclear	974,008	6,000,000
CP-0046B.1	NPS Industries	Piping Hangers - Non-Nuclear		
CP-0047	SPray Engineering	Containment Spray Nozzles	52,664	109,257
CP-0049	Struthers-Wells Corp	Component Cooling Water Heat Exchangers	1,019,138	1,019,138
CP-0050	Joseph Oat Corp.	Containment Spray Heat Exchanger	566,988	566,988
CP-0051	Joseph Oat Corp.	Spent Fuel Heat Exchanger	245,584	245,584
CP-0052	Struthers-Wells Corp.	Turbine Plant Cooling Water	468,078	468,078
CP-0054	Joseph Oat Corp.	Steam Generator Blowdown Heat Exchanger	951,171	990,660
CP-0055	Air Products & Chem	N_2, H_2, O_2 and CO_2 Bulk Storage and Supply	396,668	433,675
CP-0059	Phelps Dodge	Main and Auxiliary Condenser Tubes	1,807,527	4,256,454

1023 042 4022 402

POOR ORIGINAL

TEXAS UTILITIES GENERATING COMPANY
COMANCHE PEAK STEAM ELECTRIC STATION

ORDER #	VENDOR	DESCRIPTION	COST AS OF 8-31-78	TOTAL ESTIMATED COST
CP-0060	Ecolair, Inc.	Auxiliary Condensers	322,564	428,938
CP-0061	Nash Engineering Co.	Condenser Vacuum and Waterbox Priming Pumps	263,477	557,502
CP-0064	Hungerford & Terry	Spent Fuel Pool Demineralizers	23,487	132,436
CP-0065	Applied Engineering Co.	Shop Fabricated Tanks - Nuclear	130,509	143,292
CP-0066	A.R.M. Corp	Shop Fabricated Tanks - Non-Nuc.	149,923	149,923
CP-0066A	General Steel Co.	Shop Fabricated Tanks - Non-Nuc.	28,791	52,000
CP-0068A	Universal Tanks, Inc.	Potable Water Storage Tank	83,326	83,326
CP-0069A	Joseph Oat Corp.	Valve Isolation Tanks	459,764	802,793
CP-0070	General American Transportation Corp.	Pressure Vessels	8,249	178,385
CP-0070A	Richmond Engineering Co	Blowdown Spent Resin Tank	18,689	18,689
CP-0071A	Pathway Bellows, Inc.	Expansion Joints - Nuclear	-0-	73,000
CP-0071B	Temp. Flex Co.	Expansion Joints - Non-Nuclear	60,289	102,944
CP-0072	Garlock, Inc.	Rubber Expansion Joints	109,772	234,706
CP-0074	Engineered Systems Division	Mechanical Penetration	-0-	1,834,560
CP-0075	Henry Pratt Co.	Butterfly Valves	616,295	1,342,206
CP-0076	Rockwell International	Main Steam Isolation Valves	-0-	1,971,344
CP-0077	Crosby Valve & Gage Co.	Main Steam Valves - Nuclear	124,655	610,615
CP-0078	Fisher Controls	Main Steam Relief Valves - Nuclear	-0-	226,660
CP-0079	Fisher Controls	Steam Dump Valves - Non-Nuclear	-0-	365,738

1023 043 +022 403

POOR ORIGINAL

Exhibit 4
Page 6 of 19

TEXAS UTILITIES GENERATING COMPANY
COMANCHE PEAK STEAM ELECTRIC STATION

ORDER #	VENDOR	DESCRIPTION	COST AS OF 8-31-78	TOTAL ESTIMATED COST
CP-0080A	Trane Co.	Centrifugal Water Chillers	570,238	579,610
CP-0080B	Borg-Warner Corp.	Centrifugal Water Chillers	604	571,085
CP-0081	American Air Filter	Emergency Fans & Coil Units	96,077	346,725
CP-0082	C.V.I. Corp	Atmospheric Cleanup Trains	1,522,380	2,319,714
CP-0083A	D.J. Citron Associates, Inc.	HVAC - Fans	17,868	267,432
CP-0083B	Buffalo Forge Co.	HVAC - Fans	-0-	579,771
CP-0084	Pacific Air Products	HVAC - Dampers	126,677	1,650,000
CP-0086	Posi-Seal International Inc.	HAVC - Containment Isolation Valves	-0-	1,170,072
CP-0087	C.V.I. Corp	Control Room Air Conditioners	-0-	756,986
CP-0088	Trane Co.	Packaged Air Conditioning Systems	165,003	166,064
CP-0089	Buffalo Forge Co.	CoolingCoil Assemblies	200,150	200,150
CP-0090	Brasch Manufacturing	HVAC - Electric Heaters	45,241	133,160
CP-0091	American Air Filter	Automatic Roll Filters	29,287	29,287
CP-0092A	Joy Mfg. Co.	Vaneaxial Fans - Non-Nuclear	455,022	676,144
CP-0092B	Joy Mfg. Co.	Vaneaxial Fans - Nuclear	-0-	239,042
CP-0150	Hungerford & Terry	Pretreat and Makeup Demineralizer System	621,077	621,077
CP-0152	Hungerford & Terry	Steam Generator Blowdown Process Equipment	383,978	383,978
CP-0153	Power Specialty	Secondary Chemical Feed System	-0-	118,364
CP-0154	Waters Equipment Co.	Primary Plant Sampling Equipment	-0-	410,131

1023 044 1022 404

POOR ORIGINAL

TEXAS UTILITIES GENERATING COMPANY
COMANCHE PEAK STEAM ELECTRIC STATION

ORDER #	VENDOR	DESCRIPTION	COST AS OF 8-31-78	TOTAL ESTIMATED COST
CP-0155	Comsip Delphi, Inc.	Secondary Sampling System	314,228	314,228
CP-0156	Fisher and Porter	Chlorination System	214,802	214,802
CP-0159B	Kewaunee Scientific Equipment	Laboratory Equipment	42,926	42,926
CP-0160	Comsip Delphi, Inc.	Containment Hydrogen Analyzer System	-0-	53,580
CP-0161	STock Equipment Co.	Radioactive Waste Compactor	43,170	43,170
CP-0162	Protective Packaging	Radioactive Waste Solidification System	-0-	734,292
CP-0162A	Protective Packaging	Radioactive Waste Handling Equip.	-0-	123,000
CP-0163	Union Carbide Corp.	Radioactive Laundry Water Reverse Osmosis System	193,467	218,495
CP-0223	Nuclear Pacific, Inc.	Radiation Shielding Windows	43,151	43,151
CP-0290.1	Dover Elevator Co.	Hydraulic Elevator	62,469	62,459
CP-0290.2	Dover Elevator Co.	Traction Elevator	-0-	299,168
CP-0410.A	Electric Machine	Condensate, Heater Drain and Turbine Plant Cooling Water Pump Motors	713,947	751,835
CP-0410.B	General Electric Co.	Circulating Water Pump Motors	790,002	1,807,468
CP-0411	Westinghouse Electric Corp.	Large Electric Motors - Nuclear	398,832	652,762
CP-0411A	Allis Chalmers	Service Water Pump Motors	114,961	355,789
CP-0415A	General Electric Co.	Startup Auxiliary Transformers	573,845	1,080,800
CP-0415B	Westinghouse Electric	Generator Set-up and Startup Transformers	-0-	5,645,409

1023
045 1022 005

POOR ORIGINAL

Exhibit 4
Page 8 of 19

TEXAS UTILITIES GENERATING COMPANY
COMANCHE PEAK STEAM ELECTRIC STATION

ORDER #	VENDOR	DESCRIPTION	COST AS OF 8-31-78	TOTAL ESTIMATED COST
CP-0415C	Westinghouse Electric Corp.	Miscellaneous Tranformers and Accessories	139,385	197,221
CP-0420	H.K. Porter	Isolated Phase Bus and Accessories	35.000	1,012,764
CP-0425	ITE Imperial Corp.	Switchgear Assemblies	659,069	2,491,933
CP-0430	Westinghouse Electric Corp.	480 V. Unit Sub-Stations	734,368	2,358,183
CP-0435	General Electric Co.	Motor Control Centers	32,344	838,409
CP-0440A	Goulds, Inc.	Batteries and Racks	-0-	249,746
CP-0440B	Power Conversion Products, Inc.	Battery Chargers and Accessories	52,625	143,940
CP-0445	Elgar Corp.	Static Uninterruptible Power Supply Systems	-0-	138,831
CP-0450	General Electric Co.	AC Distribution Panels	-0-	98,722
CP-0455	General Electric Co.	DC Distribution Panels	-0-	316,676
CP-0460	Amphenol Sams., Inc.	Electrical Penetration Assemblies	20,853	905,129
CP-0465.1	Okonite Co.	8 KV Insulated Power Cable	50,351	294,667
CP-0465.2A	Anaconda Wire & Cable Co.	Copper Grounding Cable	96,761	120,241
CP-0465.2B	Okonite Co.	600 V Power and Lighting Cable	477,265	937,506
CP-0465.2C	Rockbestos Company	1000 V Switchyard and 600 V Control Cable	168,939	1,025,772
CP-0465.3	Rockbestos Company	Instrument Cable and Thermocouple Wire	9,046	390,906

1023 046

1022 406

POOR ORIGINAL

TEXAS UTILITIES GENERATING COMPANY
COMANCHE PEAK STEAM ELECTRIC STATION

ORDER #	VENDOR	DESCRIPTION	COST AS OF 8-31-78	TOTAL ESTIMATED COST
CP-0470	P-W Industries	Nonsegregated Phase Bus Duct and Accessories	505,447	505,447
CP-0475	Browne-Davies Electronic Corp.	Plant Communication System	102,560	138,962
CP-0480	General Atomic Co.	Radiation Monitoring System	447,436	1,016,899
CP-0490	York Electro Panels	Protective Relay Panels	-0-	343,088
CP-0491	Beta Products Div. Optron, Inc.	Annunicator System Sequence of Events Recorder and Associated Equipment	199,327	388,926
CP-0493A	Carl Menger Co.	Rigid Steel Conduit and Accessories	576,965	576,965
CP-0493B	General Electric Supply	Plastic Conduit & Accessories	49,369	49,369
CP-0494	Forney Engineering	Solid State Isolation Equipment	81,653	141,448
CP-0495	Power Structures Inc.	345 and 138kv Switchyard Steel and Structural Supports	1,001,555	1,011,347
CP-0495A	Honeywell, Inc.	Supervisory Remote Station	-0-	16,878
CP-0500	ITE Impreial Corp.	345 kv Outdoor Power Circuit Breakers	-0-	1,588,090
CP-0555A	Power Structure, Inc.	345 kv Outdoor Bus and Switch Support Structures	158,353	179,937
CP-0555B	Southern States, Inc.	345 kv Outdoor Bus and Disconnecting Switch	460,131	595,604
CP-0560	General Electric Co.	Carrier Current Equipment	29,975	39,975
CP-0565	York Electroc Panels	345 kv Switchyard Relay Panels	7,869	177,068
CP-0570A	Allis-Chalmers Co.	High Speed Grounding Switch	8,523	8,523

1023 047

1022

POOR ORIGINAL

TEXAS UTILITIES GENERATING COMPANY
COMANCHE PEAK STEAM ELECTRIC STATION

ORDER #	VENDOR	DESCRIPTION	COST AS OF 8-31-78	TOTAL ESTIMATED COST
CP-0570B	General Electric Co.	Line Equipment	160,145	160,145
CP-0570C	Ohio Brass Co.	300 kv Lighting Arresters	40,167	40,167
CP-0570D	Southern States, Inc.	345 kv High Speed Grounding Switch	1,338	1,338
CP-0575	Automatic Industries	Solid State Safeguards System Sequences	145,415	266,244
CP-0579	T.J. Cope, Inc.	Cable Trays, Fittings and Accessory Equipment	69,903	459,098
CP-0580	Graybar Electric Co.	Administration and Maintenance Building Lighting System	42,810	42,810
CP-0582	Wayne Broyles Engineering	Cathodic Protection Equipment	15,291	15,291
CP-0600	Fisher Controls	Control Valves - Nuclear	-0-	1,961,529
CP-0601	Fisher Controls	Control Valves - Non-Nuclear	433,766	920,369
CP-0603	Valcor Engineering Corp.	Process Solenoid Valves	-0-	68,332
CP-0604	ITT Grinnell Corp.	Power Operated Diaphragm Valves	20,876	33,736
CP-0605	Reliance Electric Co.	Control Boards and Termination Racks	402,669	1,441,222
CP-0609	Albi Mfg. Co.	Fire Retardant Paint	14,914	14,914
CP-0611A	Rosemount, Inc.	Transmitters	-0-	169,485
CP-0611B	Westinghouse Inc.	Analog Control System	405,226	706,351
CP-0612	Tracor Westronics	Multipoint Recorders	13,664	27,447
CP-0613	Westinghouse	Recorders - Miniature Inking	-0-	84,204
CP-0614	Dresser Industries	Pressure Gauges	483	8,676

1023 048
1022 033

POOR ORIGINAL

TEXAS UTILITIES GENERATING COMPANY
COMANCHE PEAK STEAM ELECTRIC STATION

ORDER #	VENDOR	DESCRIPTION	COST AS OF 8-31-78	TOTAL ESTIMATED COST
CP-0615	Mercoid Corp.	Pressure Switches	-0-	54,506
CP-0616	ITT Barton Co.	Differential Pressure Switches	-0-	140,368
CP-0617	Jerguson Gage & Valve Company	Guage Glasses	33,675	72,621
CP-0618	Brooks Instruments Division Emerson Electric Co.	Flow Rotameters	164,456	221,282
CP-0620	Magnetrol	Level Switches	20,249	153,446
CP-0621	Dresser Industries	Temperature Indicators	-0-	12,399
CP-0622	Conax Corporation	Thermocouples & RTD Assemblies - Nuclear & Non-Nuclear	60,486	60,486
CP-0624	B.I.F. Inc.	Flow Elements	51,116	190,435

TEXAS UTILITIES GENERATING COMPANY
COMANCHE PEAK STEAM ELECTRIC STATION

ORDER #	VENDOR	DESCRIPTION	COST AS OF 8-31-78	TOTAL ESTIMATED COST
CPD-0001	Eds Nuclear	Engineering Review Services	125,221	125,221
CPD-0002	Lone Star Gas Co.	Reroute 6" Natural Gas Pipeline	336,424	336,424
CPD-0003	Mechanics Research, Inc.	Review of Concrete Specifications	1,800	1,800
CPD-0004	Westwood Research Inc	Environmental Consulting	342,599	342,599
CPD-0009	Gibbs & Hill, Inc.	Engineering, Design and Related Services	66,595,868	106,689,000
CPD-0012	West Texas Gulf Pipe Line	26" crude Oil Line Reroute	921,945	921,945
CPD-0014	Sempco Incorporated	Surveying Services	159,177	225,000
CPD-0018	Dura-Wood Corp.	Purchase of Railroad Ties	499,765	499,765
CPD-0021	Gifford-Hill-American Inc.	Prestressed concrete lined cylinder	2,572,990	2,572,990
CPD-0027	Brown & Blakney, Inc.	Access Road	769,770	769,770
CPD-0029	C.J. Harter & Son	LeBlond Sliding Gap Bed Lathe	48,181	48,181
CPD-0031	C.J. Harter & Son	Mitts and Merrill Shaper	48,712	48,712
CPD-0032	C.J. Harter & Son	Fosdick Sensitive Radial Drill	28,814	28,814
CPD-0033	Arrington machinery Company	Cincinatti 310-14 milling machine	60,599	60,599
CPD-0034	C.J. Harter & Son	F.A. Nagier hydraulic press	11,930	11,930
CPD-0035	C.J. Harter & Son	LeBlond 2516 NF lathe	82,844	82,844
CPD-0036	Machine Tool Assoc.	Monarch Series 612 lathe	50,101	50,101
CPD-0037	Tri-Tex Machine &Tool	U.S. Electric Tool Co. Grinder	4,181	4,181

1023 850 1022

POOR ORIGINAL

TEXAS U[illegible] ELECTRIC [illegible]
COMANCHE PEAK STEAM ELECTRIC STATION

ORDER #	VENDOR	DESCRIPTION	COST AS OF 8-31-78	TOTAL ESTIMATED COST
CPD-0038	Tri-Tex Mach..& Tool	U.S. Electrical Tool Co. Grinder	3,634	3,634
CPD-0039	Tri-Tex Mach. & Tool	SETCO Grinder	1,258	1,258
CPD-0040	Tri-Tex Mach. & Tool	Oyster Model 784 pipe and bolt machine	7,192	7,192
CPD-0041	Tri-Tex Mach. & Tool	Band cut-off saw Rockwell Delta Model 10	8,110	8,110
CPD-0042	Lay Machinery Co., Inc.	American 425-31 lathe	158,403	158,403
CPD-0043	Tri-Tex Mach. & Tool	Wilton 25" drill press	2,879	2,879
CPD-0044	Tri-Tex Mach. & Tool	Wilton 15" drill press	3,016	3,016
CPD-0045	Tri-Tex Mach. & Tool	Giddings & Lewis-Bickford radial drill	74,895	74,895
CPD-0056	Communications Engineering	Preventive maintenance program	4,417	4,417
CPD-0058	General Electric Co.	Radio Transmitter/receiver Equip	35,927	35,927
CPD-0065	W.A. Smith Const.Co.	Railroad rail and accessories	886,782	886,782
CPD-0066	Aurora Pump	Makeup and Return Pumps	619,676	619,676
CPD-0072	Southwestern Lab.	Water Analysis	9,022	10,000
CPD-0090	Johnny M. Jetton	Data Processing Services	14,679	14,679
CPD-0099	Department of Biology SMU	Aquatic Studies on lake Granbury	15,181	15,181
CPD-0104	University Computing Company	Computer programing and related services	16,370	16,370
CPD-0109	Law Engineering Testing	Evaluation of concrete mat	29,543	29,543

1023 851 4022 4111

POOR ORIGINAL

TEXAS UTILITIES GENERATING COMPANY
COMANCHE PEAK STEAM ELECTRIC STATION

ORDER #	VENDOR	DESCRIPTION	COST AS OF 8-31-78	TOTAL ESTIMATED COST
CPD-0113	Anchor Crane & Hoist Service	Jib Cranes	16,516	16,516
CPD-0117	Westinghouse Electric Corp.	Reactor Vessel Shop Inspection	225,000	225,000
CPD-0122	Westinghouse Electric Corp.	Transformer, Gaskets	86,650	86,650
CPD-0126	United States Test Co.	Calibration Services	6,841	6,841
CPD-0127	Ametek/Shutte Koerting	Circulating Water System	3,128	3,128
CPD-0129	Rockwell International	Calibration Services	2,794	2,794
CPD-0135	Tektronix, Inc.	Material for Computer Measuring and Testing Program	2,779	2,779
CPD-0142	IRD Mechanalysis, Inc.	Vibration Meter	985	985
CPD-0144	Whitson Eng. Co., Inc.	Comparator Testers	2,023	2,023
CPD-0149	Wallace & Tiernan Div. Penwalt Corp.	Potable Water System Hypochlorinator	2,746	2,746
CPD-0150	Dr. James G. Teer	Consulting Services for terrestrial biological survey	9,238	9,238
CPD-0156	R. E. Yarborough & Co	Installation at Vistor's Overlook	2,288	2,288
CPD-0158	Radian Corporation	Thermal Plume Study	27,500	27,500
CPD-0159	Information Handling Service	Nuclear Reference Library	10,267	10,267
CPD-0161	NUS Corporation	Licensing Information Support	15,000	15,000
CPD-0165	Layne Texas Co.	Report on the Impact of Groundwater	-0-	1,700
CPD-0166A	Epsey, Houston & Associates	Aquatic Biological Services	672	23,000

1023 552
1023 412

POOR ORIGINAL

TEXAS UTILITIES GENERATING COMPANY
COMANCHE PEAK STEAM ELECTRIC STATION

ORDER #	VENDOR	DESCRIPTION	COST AS OF 8-31-78	TOTAL ESTIMATED COST
CPD-0168	Eberline Instrument Corp.	Radioactivity Analysis	6,509	30,000
CPD-0170	H.J. Gruy & Associates, Inc.	Related services to gas well criteria	54,267	65,000
CPD-0171	NUS Corp.	General Consultants	14,403	40,000
CPD-0176	Radeco/Sai	Weather House	2,633	2,633
CPD-0182	Espey,Houston & Assoc.	Aquatic Biological Survey	7,280	10,000
CPD-0186	Texas Power & Light	Labor to Install Switchyard	49,631	1,300,000
CPD-0187	Texas Electric Service	Labor and Equipment to Construct Switchyard	5,034	150,000
CPD-0189	National Soil Services	QA Inspection and Testing Services	6,230	100,000
CPD-0191	Computerized Interference Elimination, Inc.	Perform an Interference Problem Study	-0-	9,000
CPD-0197	J.E. Edinger Assoc.	Consulting Services at Squaw Creek choloring transport modeling	4,048	18,000
CPD-0198	Yandell & Hiller, Inc.	HVAV Design	-0-	6,000
CPD-0200	Erlin Hime Assoc.	Petrographic Analysis	1,101	7,000

TEXAS UTILITIES GENERATING COMPANY
COMANCHE PEAK STEAM ELECTRIC STATION

ORDER #	VENDOR	DESCRIPTION	COST AS OF 8-31-78	TOTAL ESTIMATED COST
Policy	Alexander & Alexander	Excess Liability Ins.	171,687	800,000
Contract	Austin Raod Co.	Construct Make-up and Return pipeline	1,628,900	1,628,900
Contract	Ted Beggs	Mowing of Railroad R.O.W.	8,002	8,002
Agreement	Bechtel Corp	Seminar on Nuclear Codes	3,042	3,042
Contract	Brown & Blakney	Construction of Railroad Trackbed	952,477	952,477
Contract	Brown & Root, Inc.	General Construction Contract	312,502,000	610,531,000
Agreement	Conner & Knotts	Legal Services	34,315	34,315
Agreement	Somervell County	To Reimburse for R.O.W. cost of F.M. 201	124,470	124,470
Agreement	Hood County	To Reimburse for R.O.W. cost on F.M. 201 and Hwy 51	65,440	65,440
Various PO's	Dames & Moore	Enviromental monitoring and services	1,329,587	1,665,000
Various PO's	Dallas Power & Light	Insurance and Survelliance Services	129,078	264,000
Policy	Davis, Parland and Co.	All Risk Physical Damage Ins.	74,716	350,000
Agreement	Franklin Institute	Engineering Services	2,434	2,434
Agreement	Forrest & Cotton, Inc.	Design Review	13,316	13,316
Contract	Freese & Nichols	Design of Dam and offsite facilities	2,669,722	2,669,722
Agreement	Haskins & Sells	Auditing Cost	3,800	3,800
Agreement	Hood County Title Co.	Cost of R.O.W. on Hwy 51	3,819	3,819

1023 054

1022 414

POOR ORIGINAL

TEXAS UTILITIES GENERATING COMPANY
COMANCHE PEAK STEAM ELECTRIC STATION

ORDER #	VENDOR	DESCRIPTION	COST AS OF 8-31-78	TOTAL ESTIMATED COST
Policy	Highlands Insurance Co.	Auto & General Liability Ins.	31,115	60,000
Policy	John C. Kemp, Inc.	All Risk Builder Risk Ins.	59,302	300,000
Agreement	Lovear Gather Co.	Pipeline Relocation	17,501	17,501
Agreement	Limbaugh Engineers, Inc.	Mapping Services	24,012	24,012
Policy	Lukis-Stewart-Price-Forbes & Co.	Transportation Insurance	161,372	900,000
Contract	Mason-Johnson & Assoc.	Soil Testing Services	3,390,135	3,400,000
Agreement	Otis Nix	Royalty Payment	5,678	5,678
Agreement	Nuclear Assurance Corp.	Information Services	10,600	10,600
Policy	Reed-Shaw-Stenhouse	All Rish Builders Risk Ins.	110,819	600,000
Agreement	Salvage Association, Ltd	Barge Shipment Service	9,210	20,000
	Southwest Battery	Power Supply	7,150	7,150
Various PO's	Southwest Research	Access Engineering	137,834	250,000
Agreement	S.M. Stroller	Nuclear Fuel Evalation	112,720	120,000
Various PO's	Singer-Layne Texas	Water Wells	170,215	170,215
Contract	Wm. A. Smith	Railroad Construction	681,559	681,559
Various PO's	Southern Methodist University	Archaeological Services	190,675	190,675
Agreement	State of Texas	Cost to Reconstruct Hwy 51 and F.M. 201	1,915,746	1,915,746
Contract	Texas Water Development Board	Water Rights Fee	12,965	12,965

TEXAS UTILITIES GENERATING COMPANY
COMANCHE PEAK STEAM ELECTRIC STATION

ORDER #	VENDOR	DESCRIPTION	COST AS OF 8-31-78	TOTAL ESTIMATED COST
Contract	Talon Construction	Construction of Make-up Pump Services	1,115,079	1,115,079
Agreement	Texas A & M	Enviromental Service	57,624	57,624
Agreement	Texas Electric Service Co.	Fee Land, Purchases	5,609,000	5,960,000
Agreement	Texas Electric Service CO.	Bra Water Costs	2,450,932	3,525,000
Agreement	Texas Electric Service Co.	Electric Power Facilities	534,697	900,000
Agreement	Texas Electric Service Co.	Survelliance Services	180,330	320,000
Agreement	Texas Electric Service Co.	Ad Valorum Tax Payments	985,113	8,885,000
Agreement	Texas Power & Light	Electric Power FAcilities	54,157	60,000
Agreement	Texas Power & Light	Survelliance Services	99,174	216,000
Agreement	Texas Power & Light	Bra Water Cost	1,676,594	2,550,000
Agreement	Texas Power & Light	Electric Service Cost	1,815,750	5,400,000
Agreement	Texas Utilities Generating Co.	Cost of Operations, Training and QA During Construction	8,541,193	34,805,000
Agreement	Texas Utilities Service Inc.	Cost of Design & Construction Group during Construction	7,347,708	18,989,000
Agreement	Texas Testing laboratories	Lab Analysis	4,840	4,840
Agreement	U.S. Atomic Energy Commission	Construction Permit Fee	982,200	2,000,000
Contract	Water Resources	Environmental Services	132,903	132,903
Contract	Wyatt & Wagner Const.	Construction of Senic Overlook	5,000	5,000
Various PO's	Weather Measure Corp.	Maintenance of Weather Station	56,737	75,000

1023 056 : ~~1022 416~~

POOR ORIGINAL

COMANCHE PEAK FUEL CONTRACTS

1. Uranium Conversion Services Contract No. CP-5002 between TUGCO and Kerr-McGee.
2. Nuclear Fuel Contract No. CP-5001 between TUGCO and Exxon Nuclear Company.
3. Westinghouse Nuclear Fuel Contract and Agreement of Settlement.
   a. Nuclear Fuel Contract No. CP-5000 between TUGCO and Westinghouse Electric Corporation.
   b. Agreement of Settlement between TUSI and Westinghouse dated 16 December 1977. In particular Exhibits L (Agreement for Uranium Supply) and P (Agreement for Uranium Purchase).
4. Unit 1 Uranium Enrichment Services Contract No. E-(40-1)-4540-DUE between TUGCO and ERDA.
5. Unit 2 Uranium Enrichment Services Contract No. E-(40-1)-4589-DUE between TUGCO and ERDA.
6. Agreement dated 15 September 1977 between TUGCO and Utility Fuels, Inc.
7. Agreement dated 29 October 1976 and all subsequent Amendments to the Agreement between TUGCO and United Nuclear Corporation.
8. Agreement dated 25 June 1976 between TUGCO and United Nuclear Corporation.
9. Usage Agreement Contract No. E-(40-1)-5209 between TUGCO and ERDA dated 25 August 1976.
10. Storage Contract No. EW-78-SA-05-5783 dated 27 April 1978 between TUGCO and ERDA.

WESTINGHOUSE URANIUM SETTLEMENT

ACCOUNTING PROCEDURES

Because of the varying nature of the items in the settlement, an accounting procedure has been established to insure that the cost of fuel for Comanche Peak Steam Electric Station will be properly credited. The items can generally be grouped into the categories of equipment and services, fuel, uranium properties and technology, and cash.

A. Equipment and Services for Comanche Peak - As these items are supplied, Westinghouse will issue an invoice indicating the equipment or service provided and its cost, plus, they will issue a credit memo. The invoice will be charged to the proper account for construction of Comanche Peak. At the same time the credit memo will be credited to the Comanche Peak fuel account.

B. Equipment and Services for Martin Lake - As these items are supplied, Westinghouse will issue an invoice indicating the equipment or service provided and its cost, plus, they will issue a credit memo. The invoice will be charged to the proper account for construction of Martin Lake. At the same time, the credit memo will be credited to the Comanche Peak fuel account.

C. Fuel - The uranium obtained from the settlement will be used at Comanche Peak and all associated costs will be entered directly into the Comanche Peak fuel account.

D. Cash - The cash received has been credited directly to the Comanche Peak fuel account.

E. Uranium Properties and Technology

1. Burwest Properties - Any development and mining costs which may be associated with these properties will be furnished on an Ownership Share basis with all revenues being credited to the Comanche Peak fuel account.

2. Technology - If the proprietary technology regarding in situ recovery of underground uranium is utilized on a project, a total sum of $10,000 will be credited on a one-time basis to the Comanche Peak fuel account.