

New Hampshire Yankee  
April 26, 1991

ENCLOSURE 2

PROCEDURE FOR THE REVIEW OF DRAWINGS

9104300065 910426  
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P PDR



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To	AL Kuehl	From	DT HAMILTON
Co.		Co.	NES
Dept.		Phone #	
Fax #	203-474-2987	Fax #	

PROCEDURE  
FOR THE  
REVIEW OF DRAWINGS

Project Application 2007 - Seabrook RT Review		Copy No.	Assigned To		
APPROVALS					
TITLE / DEPT. - SIGNATURE - DATE					
REV NO	PREPARED BY	REVIEWED BY	APPROVED BY	NHY ENG	NHY QA
0	Albert C. [Signature]	[Signature] 04-15-07	[Signature] 4/15/07	Richard H. [Signature] 4/15/07	Richard [Signature] 4/15/07
1					
2					
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10					
11					



### 1. OBJECTIVE

The objective of this procedure is to develop a list of field welds which were required to be radiographed during construction. This list will be developed from a data extraction of the completed data sheets shown in Figure 6.4.

### 2. GENERAL

This procedure applies to the collection and review of N-5 data packages, NIS-2 Forms, N-5 isometric drawings, support drawings and any applicable design change documents. The appropriate data from these documents will be recorded on the data collection sheet included in this procedure

### 3. REFERENCES

1. ASME Boiler and Pressure Vessel Code, Section III and VIII, 1977 Edition with Winter 1977 Addenda.
2. ANSI Power Piping B31.1 with 1977 Addenda.
3. NHY Procedure 17400, Request for Engineering Services (RES).
4. NES Procedure 83A5641, Procedure for the Review of Radiographic Records.
5. NES Procedure 83A5642, Procedure for the Review of Radiographs.
6. NHY Inquiry No. 76945.

### 4. SCOPE

The scope of this work includes field welds for the following:

- 4.1 ASME B&PV Code Section III, Class 1, 2 & 3 Piping
- 4.2 ASME B&PV Code Section III, Class 1 Supports
- 4.3 ASME B&PV Code Section VIII, Unfired Vessels
- 4.4 ANSI B31.1 Power Piping



## 5. TASK DOCUMENTS

### 5.1 INPUT

- 5.1.1 N-5 data packages
- 5.1.2 Line segment lists
- 5.1.3 P&IDs
- 5.1.4 Isometrics
- 5.1.5 Support drawings
- 5.1.6 Design change documents
- 5.1.7 NIS-2 data packages

### 5.2 OUTPUT

- 5.2.1 Completed data sheets (Figure 6.4)
- 5.2.2 Copies of support documents for the data sheets
- 5.2.3 List of field welds reviewed

## 6. PROCEDURE

- 6.1 Using the N-5 list of ISO's, the Field Engineer shall compile a list of isometrics and support drawings (Class 1 only for supports) to be requested from NHY. The list shall be cross checked against the line segment list and the P&ID to insure that all lines have been included. Any discrepancies shall be resolved by NHY.
- 6.2 The Field Engineer will request the hard copy isometrics and support drawings from the NHY Records Management Department.
- 6.3 The Field Engineer will develop a list of engineering design change documents outstanding against each isometric drawing and support drawing. The N-5 data reports and current reports from the NHY Change Document Tracking System will be the base documents for developing the list.

- 6.4 The Field Engineer shall review each isometric or support drawing, outstanding or unincorporated design change documents and applicable NIS-2 forms and record the following on the data sheet (see Figure 6.4):
- 1) The unit (e.g. 1)
  - 2) The system (e.g. RC, MS, CBS)
  - 3) The line number
  - 4) The ISO number or drawing number for supports
  - 5) The revision level of the ISO/drawing
  - 6) The applicable Construction Code
  - 7) All field welds shown on the ISO/drawing
  - 8) Applicable design change documents impacting the weld status information for an isometric drawing
- 6.5 Any design change document listed in the N-5 package shall be reviewed to determine if it impacts the field welds or the radiography requirements.
- 6.6 The Field Engineer shall review the ISO/drawing to determine which field welds are listed as requiring radiography. This information shall be recorded in the "RT Required" column.
- 6.7 For those welds where RT was not listed as required the Field Engineer shall apply the Code, as summarized in Figure 6.1 for ASME piping systems, Figure 6.2 for ANSI B 31.1 piping systems and Figure 6.3 for Class 1 supports, to determine the reason. This reason shall be recorded on the data sheet using the standard basis codes on the bottom of the data sheet, or if these do not apply, the reason shall be stated.
- 6.8 If the Field Engineer can not determine the reason why RT was not required, the space shall be left blank.
- 6.9 The Field Engineer shall sign and date each data sheet and submit it to the Project Manager along with copies of appropriate isometric drawings or support drawings and any design change documents which were used in compiling the data sheet.
- 6.10 The Project Manager shall review each data sheet for completeness and legibility.



- 6.11 Any blanks in the "Basis for No RT" column shall be investigated by the Project Manager.
- 6.12 If the Project Manager's investigation determines there is not a valid reason for not requiring radiograph for the field weld in question, the Project Manager will document the anomaly using NHY Procedure 17400, Request for Engineering Services (RES). The Project Manager will forward the RES to the NHY IRT Manager. NHY will provide a resolution of the anomalous condition in the response section of the RES.
- 6.13 If the NHY IRT Manager is able to determine a reason for not requiring radiography, this shall be entered on the data sheet. If no reason can be found, the field weld shall be marked "indeterminate".
- 6.14 After the data sheets have been reviewed and signed by the Project Manager a list of field welds will be developed for each system with the designation of "RT required" or "RT not required" or "indeterminate" noted for each field weld.
- 6.15 The work effort is continued in the Procedure for the Review of Radiographic Records, Reference 4.

FIGURE 6.1

NDE Requirements for Field Installation of Piping per the 1977 Edition of ASME Section III with Addendas through Winter 1977.

<u>ASME Type of Welds</u>	<u>ASME Class</u>	<u>RT Examination</u>	<u>Applicable ASME Code Para</u>
1. Circumferential Butt Weld Joints	1 2 3	Required Required Not required	NB-5222 NC-5222 ND-5222
2. Branch Piping Butt Welded Joints	1 2 3	Required for piping > 4" NPS Required for piping > 4" NPS Not required	NB-5242 NC-5242 ND-5242
3. Branch Piping Corner Welded Joints and Oblique Piping Connections	1 2 3	Required for piping > 4" NPS Required for piping > 4" NPS Not required	NB-5243 NC-5242 ND-5242
4. Fillet and Socket Welds (excluding Name Plate Welds)	1 2 3	Not required Not required Not required	NB-5260 NC-5260 ND-5222

FIGURE 6.2

Mandatory Minimum Nondestructive Examination Requirements for Non-Nuclear  
Pressure Welds or Welds to Pressure Retaining Components

Piping Service Conditions and Nondestructive Examination

ANSI B31.1-1977 with Addenda up to and including W-'77

<u>Types of Welds</u>	<u>Critical Service and Systems with design Temperatures over 750°F</u>	<u>Systems with design Temperatures between 350°F and 750°F inclusive and at all design pressures over 1025 psig</u>	<u>All Others</u>
Butt Welds (Girth and Longitudinal)	RT for NPS over 2 in.	RT for over 2 in. NPS with thickness over 3/4 in.	No RT required
RT not required	① ≤ 2 in. NPS	② ≤ 2 in. NPS & ≤ 3/4 in. T	③ Excluded system conditions
Welded Branch connections * (Size indicated is Branch Size)	RT for branch over 4 in. NPS	RT for branch over 4 in. NPS and thickness of branch over 3/4 in.	No RT required
RT not required	④ ≤ 4 in.	⑤ ≤ 4 in. NPS & ≤ 3/4 in. T	③ Excluded system conditions
Fillet, Socket Welds, Deposited Weld Metal as Reinforcement (including at access hole pads)	No RT required	No RT required	No RT required
⑥ Weld types not requiring RT			

\* In lieu of radiography of welded branch connections when required above, liquid penetrant or magnetic particle examination is acceptable.

Ⓝ ANSI B31.1 Code reasons for excluding RT

FIGURE 6.3

RT requirements for piping supports per 1977 Edition of ASME Section III with Addendas through Winter 1977 and Code Case N-413.

ASME Type of Weld	RT Examination	Applicable ASME Code Para
5. Class 1 Plate and Shell Type Support		
Long. and circ. full penetration butt and groove joints, double fillet welded lap joints and full fillet welded tee joints in primary members	Required	NF-5211
S-1 Plate & shell support weld types NOT requiring RT		
6. Class 1 Linear Type Support		
Full penetration butt welded joints, full penetration tee joints, corner joints, and full fillet welds in primary members	Required	NF-5212
S-2 Linear support weld types NOT requiring RT		
7. Class 1 Component Standard Support		
Full penetration butt joints in primary members	Required	NF-5213
S-3 Standard support weld types NOT requiring RT		

FIGURE 6.4

## IDENTIFICATION OF FIELD WELDS REQUIRING RADIOGRAPHY

1125 / NHY

Page \_\_\_\_\_ of \_\_\_\_\_

UNIT

SYSTEM

LINE NO.

ISO NO./Dwg. No.

REV.

APPLICABLE CODE: ASME Section III ☐ ASME Section VIII ☐ ANSI B 31.1 ☐

[illegible]

### Standard Basis Codes

CL3 – Class 3 exempt piping weld

F – Fillet or socket weld

BB – Branch piping butt weld  
≤ 4" NPS (Class 1 & 2)

BC - Branch piping corner weld  
≤ 4" NPS (Class 1 & 2)

T – Tack weld

Field Engineer:

Signature \_\_\_\_\_

Date \_\_\_\_\_

Project Manager:

Signature \_\_\_\_\_

Date \_\_\_\_\_

D – Weld Deleted

(N) – B31.1 Codes from Figure 6.2 (S-N) – Class 1 Support Codes from Figure 6.3



New Hampshire Yankee  
April 26, 1991

ENCLOSURE 3

PURCHASE ORDER 76945

# SEABROOK JOINT OWNERS

Purchase Order 76945

New Hampshire Yankee Division of  
Public Service Company of New Hampshire, Agent.

Purchase Order Date 04/11/91

00000N274

NUCLEAR ENERGY SERVICES  
SHELTER ROCK ROAD  
DANBURY CT

Ship To: \*\*CONTRACT\*\*  
SHIP TO N/A  
06810-7095

Buyer S. PECK	Expediter C. GRANT	SJB	Confirming To JAMES WALKER	Taxable NO TAX
O.B. Point DESTINATION	Ship Via N/A	Prepaid NO	Payment Terms	NET 30

QTY	CID/Description	Quantity/UM	Unit Price	Extended Amount
01	SERVICES	1 LT		
<p>PROVIDE THE NECESSARY PROFESSIONAL SERVICES TO COMPLETE A REVIEW OF RADIOGRAPHS IN ACCORDANCE WITH NEW HAMPSHIRE YANKEE (NHY) SPECIFICATION TITLED - "PROJECT SPECIFICATION FOR VERIFYING COMPLETENESS OF RADIOGRAPHIC RECORDS", REVISION NO. 1, DATED MARCH 28, 1991, AND NUCLEAR ENERGY SERVICES (NES) PROPOSAL NO. 9120-099, DATED APRIL 3, 1991.</p> <p>SERVICES PROVIDED SHALL BE IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE FOLLOWING DOCUMENTS:</p> <p>A. CONSULTING SERVICES AGREEMENT, DATED APRIL 18, 1985</p> <p>B. SPECIAL CONDITIONS FOR SECURITY CLEARANCE FOR UNESCORTED ACCESS, REVISED FEBRUARY 1991</p> <p>C. NEW HAMPSHIRE YANKEE SAFETY HANDBOOK</p> <p>THE SERVICES SHALL COMMENCE ON APRIL 8, 1991 AND BE COMPLETED NO LATER THAN JULY 31, 1991.</p> <p>THE SERVICES SHALL BE PERFORMED FOR THE TOTAL FIXED PRICE OF \$ [REDACTED] WHICH PRICE IS MADE UP OF -</p> <p>(CONTINUED NEXT PAGE)</p>				

## INSTRUCTIONS TO SELLERS:

- 1) Reference the Purchase Order Number on all Invoices, Statements, Containers and Bills of Lading.
- 2) Submit Invoices in triplicate to: Accounts Payable Dept., Box 300 Seabrook, N.H. 03874
- 3) Show Purchase Order Number, Line Item, and CID Number on all Invoices and Packing Lists.
- 4) Invoice each Purchase Order separately. Statements of account will not be processed as Invoices.

Buyer

Authorized Signature

# SEABROOK JOINT OWNERS

PAGE 2

Purchase Order 76945

New Hampshire Yankee Division of  
Public Service Company of New Hampshire, Agent

Purchase Order Date

00000N274

NUCLEAR ENERGY SERVICES

Ship To:

Buyer	Expediter		Confirming To	Taxable
O.B. Point	Ship Via	Prepaid	Payment Terms	

em to	CID/Description	Quantity/UM	Unit Price	Extended Amount
	A. BASIC WORK SCOPE - \$ [REDACTED] B. OPTIONAL WORK SCOPE - \$ [REDACTED]  THE WORK WILL BE INVOICED MONTHLY BASED ON COMPLETED MILE- STONES CONSISTING OF -  A. BASIC WORK SCOPE  - PROJECT INITIATION MILESTONE - \$ [REDACTED] (PERSONNEL ON SITE, PROCEDURES APPROVED)  - DATA COMPILATION FOR EACH OF 22 SYSTEMS - \$ [REDACTED] (DATA SHEETS AND LISTS COMPLETED FOR BOTH THE RADIOGRAPH AND DESIGN TASKS)  - FINAL REPORT - \$ [REDACTED] (SUBMISSION)  B. OPTIONAL WORK SCOPE  - DATA COMPILATION FOR EACH OF 22 SYSTEMS - \$ [REDACTED]  ALL TECHNICAL DIRECTION UNDER THIS ORDER WILL BE PROVIDED BY NEW HAMPSHIRE YANKEE - MR. EDWARD DESMARAIS.  ALL INVOICES REQUIRE THE APPROVAL OF MR. DESMARAIS AND MR.  (CONTINUED NEXT PAGE)			

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- 3) Show Purchase Order Number, Line Item, and CID Number on all Invoices and Packing Lists.
- 4) Invoice each Purchase Order separately. Statements of account will not be processed as Invoices.

Buyer

Authorized Signature

# SEABROOK JOINT OWNERS

PAGE 3

Purchase Order 76945

New Hampshire Yankee Division of  
Public Service Company of New Hampshire, Agent

Purchase Order Date

00000N274

NUCLEAR ENERGY SERVICES

Ship To:

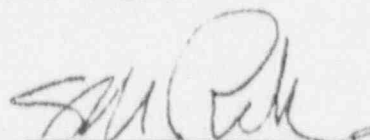
Buyer	Expediter		Confirming To	Taxable
O.B. Point	Ship Via	Prepaid	Payment Terms	

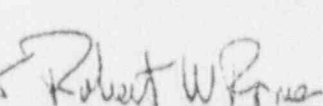
CID/Description	Quantity/UM	Unit Price	Extended Amount
STEVE PECK.			
VENDOR DELIVERY DATE 07/31/91 ***			
DIST ACCT 01001 1 50547 0004			
MPR 331880 ORIGIN: DESMARAIS			
CONFIRMING DO NOT DUPLICATE ACKNOWLEDGEMENT REQUIRED			

## INSTRUCTIONS TO SELLERS:

- 1) Reference the Purchase Order Number on all Invoices, Statements, Containers and Bills of Lading.
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- 4) Invoice each Purchase Order separately. Statements of account will not be processed as Invoices.

TOTAL AMOUNT

  
Buyer

  
Authorized Signature

PROJECT  
SPECIFICATION FOR  
VERIFYING COMPLETENESS OF RADIOGRAPHIC RECORDS

PURPOSE

This Project is in response to the NRC Region I request to have NHY account for code required radiographs corresponding to field welds performed by Pullman-Higgins. The NRC's specific requests are as follows:

1. Re-review the Seabrook as-built isometric drawings and identify all Pullman-Higgins field welds for which radiography was a requirement established by code (e.g., ASME, B31.1).
2. Determine whether New Hampshire Yankee has the required radiographs and RIRs for all welds identified by the above review, and whether those records attest to independent YAEC determination of acceptability. If they do not, please explain why not.
3. During the above review and determination, if any additional incomplete records are noted, assess the individual and generic causes and safety implications, and take appropriate compensatory and/or corrective actions.
4. Report the results of this effort to the NRC within about one week of its completion, retaining auditable records of the effort on-site for reference.

The background for this request begins with allegations raised by a former Level III radiograph reviewer employed by Pullman-Higgins during the construction of Seabrook Station. The NRC and NHY have conducted several extensive studies of the programs and processes that assured the welding process and non-destructive examination. To date, these evaluations have reviewed approximately 960 separate welds and their associated documentation.

SCOPE

The scope of this Project is based on the American Society of Mechanical Engineer's (ASME) Code, up to and including the Winter 1977 addenda; and the American National Standards Institute (ANSI), B31.1 Power Piping Code, 1977 Edition, with addenda up to and including Winter 1977. The following sections provided details for individual components of this effort.



1. This work scope will be performed under the NHY Quality Assurance Program. The contractor will prepare procedures that will control the work process and products resulting from these efforts. NHY will approve the contractor's procedures prior to the start of work. Other NHY QA programs and procedures, such as Records Management, will apply to this work activity.
2. The contractor, using existing NHY engineering records, will develop a list of field welds (piping, unfired pressure vessels, and supports) requiring radiography. The following serves as an example of deriving this list for ASME piping systems.
  - A. Identify the N-5 data reports for each ASME system.
  - B. Determine the applicable N-5 partial data reports.
  - C. Tabulate field welds requiring radiography using the N-5 isometric drawings and referenced design change documents that pertain. Identify field welds with an indeterminate status.
  - D. Resolve field welds with an indeterminate status through a design change document review and application of the ASME criteria.
  - E. Highlight or red line a design ('D') level Piping and Instrumentation Diagram (P&ID) to verify that the ASME class boundaries have been covered by the isometric drawing review.
  - F. Complete the system data collection sheets containing relevant information such as field weld number and corresponding isometric. Compile a single list, by system, of the field welds requiring radiography. Submit copies of this documentation to NHY.
3. The contractor, as a separate activity but in the same system priority sequence, will develop a listing of welds for which radiographs currently exist in the NHY records vault. NHY currently has more than 4,100 radiographic packages in the vault. The contractor will review each film package (Radiograph Inspection Report) for items such as required signatures, approval dates, stations, and documentary evidence that the archived radiographs are in the vault. The contractor will also review

each film package for the Yankee Atomic Electric Company signature and date. The contractor will document these reviews and include relevant information. The contractor will also develop a list, by system, of the field welds for which radiography currently exists. The contractor will submit these data sheets to NHY.

4. The contractor will also verify that the archived radiograph packages in the vault contain the final approved films indicated by the Radiograph Inspection Report (e.g., date shot, system, weld number, station number).
5. The contractor will compare the results of these two efforts (2 and 3 above) and match the list of field welds requiring radiography with the list of field welds for which radiography exists. At the earliest point in time possible and as the questions occur, the contractor will identify and report any discrepancies or anomalies between the lists to NHY. NHY will be responsible for resolving these discrepancies and providing a written response to the contractor.
6. The contractor will prepare and submit a report to NHY documenting the results of their efforts. This report shall include the procedures which controlled the work activities, the individual data collection sheets, the field weld listings, the field weld listings comparison, the NHY written resolution of any anomalies and a listing of any unresolved anomalies.

#### NOT INCLUDED IN THE SCOPE

NHY is responsible for preparing the licensee response to the NRC's four specific requests. The NHY response will use the pertinent parts of the contractor's report as the basis for NHY's report to the NRC. NHY is responsible for assessing the individual and generic causes and safety implications for any anomalies, or deficiencies identified through the contractor's efforts. NHY is responsible for taking the appropriate compensatory and/or corrective actions associated with the anomalies or deficiencies identified through the contractor's efforts.



SCHEDULE

The contractor should complete the described Project, including submittal of the contractor's final report, by July 31, 1991.

SOURCE OF DIRECTION

The NHY Independent Review Team (IRT) Manager will provide scope and administrative direction to the contractor. The contractor will designate a Project Manager who will report to the IRT Manager. The contractor's Project Manager will be responsible for providing technical, quality and engineering related direction to the contractor's employees.

LOCATION

In order to expedite the start-up of this Project, NHY will provide full time assistance (using the contractor's procedure) to the contractor personnel until roughly ten percent (by weld count) of the total work scope has been completed. This entire work activity is to be performed on site. NHY will provide work space and normal office amenities, including clerical support. NHY will also provide ready access to the documentation necessary to perform this activity.

QUALIFICATIONS

The contractor will submit resumes and references (including telephone numbers) for the individuals proposed for this work activity. The contractor's employees will be processed for work on the Seabrook site. This processing will include background investigation, Fitness For Duty and General Employee Training. NHY retains the right to remove any contractor or individual from the site or from the Project without cause.

The contractor's employees are expected to retain the following qualifications and experience:

- A. A working knowledge of 10 CFR 50 Appendix B;
- B. A working knowledge of ASME Sections III, V, VIII, and XI;
- C. A working knowledge of ANSI B31.1;
- D. Prior design engineering experience; and
- E. A working knowledge of Non-Destructive Examination including volumetric examination.

CONSULTING SERVICES AGREEMENT

Between

SEABROOK OWNERS, Acting Through  
NEW HAMPSHIRE YANKEE DIVISION of  
PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
as Agent

P.O. Box 700

Seabrook, New Hampshire 03874

And

NUCLEAR ENERGY SERVICES  
A UNIT OF QUAL CORPORATION  
SHELTER ROCK ROAD  
DANBURY, CT 06810

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## CONSULTING SERVICES AGREEMENT

THIS AGREEMENT is entered into effective as of April 18, 1985, by and between Seabrook Owners (identified herein and collectively referred to as "Owner"), acting through New Hampshire Yankee Division of Public Service Company of New Hampshire, as agent (hereinafter referred to as "Owner's Representative"), P.O. Box 700, Seabrook, New Hampshire, 03874 and Nuclear Energy Services, A Unit of Qual Corporation, Shelter Rock Road, Danbury, CT 06810.

### ARTICLE I.

#### DESCRIPTION OF SERVICES

1.1 The Consultant agrees to perform such engineering and professional services during the term of this Agreement as shall be authorized by Owner and agreed to by the Consultant. Each authorization by Owner will include the name of an individual who shall be responsible for all technical communications and correspondence with the Consultant. All requests by the Consultant for reimbursement and compensation shall be sent to Owner as described in the Purchase Order. Reference to the Purchase Order Number must be made.

1.2 Owner shall authorize the Consultant to perform services by issuing a Purchase Order or Purchase Order Amendment describing the scope of the services. The Consultant shall acknowledge each individual work authorization by signing and returning the Purchase Order or Purchase Order Amendment Acknowledgement copy.



## ARTICLE II.

### OWNER AND OWNER'S REPRESENTATIVE

2.1 This Agreement is being entered into by the several utility companies (collectively the "Owner") which are participants under the Agreement for Joint Ownership, Construction and Operation of New Hampshire Nuclear Units, dated May 1, 1973, as amended (the "Joint Ownership Agreement"), and each of which shall have obligations and rights with respect to this Agreement which are several and neither joint nor joint and several in said proportions:

<u>Utility</u>	<u>Ownership Share</u>
Public Service Company of New Hampshire	35.56942%
The United Illuminating Company	17.50000
Massachusetts Municipal Wholesale Electric Company	11.59340
New England Power Company	9.95766
Central Maine Power Company	6.04178
The Connecticut Light and Power Company	4.05985
Canal Electric Company	3.52317
Montaup Electric Company	2.89989
Bangor Hydro-Electric Company	2.17391
New Hampshire Electric Cooperative, Inc.	2.17391
Central Vermont Public Service Corporation	1.59096
Maine Public Service Company	1.46056
Fitchburg Gas and Electric Light Company	0.86519
Vermont Electric Generation and Transmission Cooperative, Inc.	0.41259
Taunton Municipal Lighting Plant	0.10034
Hudson Light and Power Department	0.07737
	<u>100.00000%</u>

Each such participant reserves the right, in connection with a comparable assignment of its interest under the Joint Ownership Agreement, to assign its interest hereunder, in whole or in part, to any other entity which is or becomes a participant under the Joint Ownership Agreement.

2.2 The Owner hereby represents that it has delegated complete responsibility for management of this Agreement and of the Seabrook Project to New Hampshire Yankee Division of Public Service of New Hampshire, as Owner's Representative and agent. Until it receives written notice to the contrary, Consultant shall be entitled to deal only with the Owner's Representative, except as may otherwise be specified with respect to billing and payments hereunder. Any notice or other communication given or furnished, or any action taken, by the Owner's Representative, making reference to this Agreement and given, furnished or taken in accordance herewith, shall be deemed to be notice given or communication furnished or action taken by the Owner.

### ARTICLE III.

#### TERM OF THE AGREEMENT AND TERMINATION

3.1 This Agreement shall continue in effect until the end of the calendar year of the date of execution and thereafter this Agreement shall continue from year to year unless terminated by Consultant, with or without cause, upon thirty (30) days' written notice. However, Owner shall have the unilateral right to extend this Agreement until the completion of any work which is authorized and is outstanding on the date this Agreement would otherwise terminate. Payment shall be in accordance with Article IV of this Agreement. Notwithstanding the above, Owner shall have the right to suspend or terminate this Agreement or any services hereunder at any time in accordance with Article XI.

3.2 In the event of termination, the Consultant and Owner shall continue to be bound by the provisions of this Agreement, to the extent applicable.



## ARTICLE IV.

### PAYMENT FOR SERVICES

4.1 Owner agrees to compensate the Consultant for all documented services properly performed. The method of calculating such compensation shall be one of the following three bases (4.1.1 - 4.1.3) as designated for a particular task in the relevant Purchase Order or Purchase Order Amendment.

4.1.1 Fixed Cost. Unless otherwise mutually agreed upon by the Parties, all tasks shall be priced on a Fixed Cost basis. The Consultant shall provide to Owner an estimate of the total cost to complete the scope of work for a proposed task including, but not limited to, the Consultant's services, travel and related fees, costs and expenses. The cost mutually agreed upon by the parties, as set forth in the relevant Purchase Order or Purchase Order Amendment, shall be the Authorized Cost for the task. (The Consultant shall not be compensated for any costs in excess of the Authorized Cost for any task without first receiving Owner's prior, written approval.)

4.1.2 Time and Expenses. It is recognized by the Parties that in some instances it may be preferable to price a task on a Time-and-Expense basis rather than a Fixed Cost basis. This may include tasks covering general consulting, technical direction by Owner, or engineering inspection services, where the scope is not controllable by the Consultant. When specified in the Purchase Order, the Consultant will provide an estimate of the total cost for budgetary purposes only. If it becomes apparent that the budgetary estimate is not sufficient to complete the task, the Consultant shall submit to Owner a revised estimate prior to reaching 75% of the initial estimate, at which time Owner may direct the Consultant to proceed with the services based on the Consultant's

revised estimate, or order the services stopped prior to exceeding the initial estimate limit. For any task priced on a Time-and-Expense basis, Owner will be billed and shall be responsible to pay only for time and other expenses necessarily and prudently incurred, as set forth in the relevant Purchase Order or Purchase Order Amendment. Unit charges and expenses for services performed on a Time-and-Expense basis will be based on the fee schedule established in the relevant Purchase Order or Purchase Order Amendment.

4.1.3 Cost Estimate. It is further recognized by the Parties that there may be certain kinds of services where the details of the scope cannot be fully developed until after the task is underway. In such cases, the Consultant will be requested by Owner to commence its services to develop a scope of services and provide a Cost Estimate to complete the task. Two options are available to the Parties when pricing a task on a Cost Estimate basis:

a. The Consultant shall provide a Cost Estimate for the development of a Scope of Services document for that task and a Fixed Cost of the completion of that scope.

or

b. The Consultant shall provide a Cost Estimate for the completion of that task.

For any task priced on a Cost Estimate basis, Owner will be billed and shall pay only for time and other expenses prudently incurred as set forth in the relevant Purchase Order or Purchase Order Amendment. However, in those cases where the Cost Estimate is exceeded, the portion of the labor billing which exceeds the Cost Estimate shall be discounted as follows:

Percentage Exceeding <u>Cost Estimate</u>	Labor <u>Discount</u>
First 25%	0%
Second 25%	30%
Over 50%	50%

In any case where the amount billed is less than the Cost Estimate and the task has been completed within the agreed upon schedule, Owner shall pay the Consultant a cash award equal to 50% of the difference between the amount billed and the cost estimate if the amount billed is at least 25% less than the Cost Estimate.

4.2 Occasional overtime may be required in order to complete a specific portion of the services or to carry out the work effectively. Overtime will be billed and paid in accordance with the fee schedule established in the relevant Purchase Order or Purchase Order Amendment with no premium.

4.3 The Consultant shall submit to Owner a monthly invoice for charges payable in connection with services rendered during the preceding month. Each invoice shall be identified with the appropriate Purchase Order Number and shall be certified as correct by an authorized official of the Consultant and shall be itemized. All expenses shall be itemized on the invoice or shall be supported by appropriate documentation. For Fixed Cost work, a payment schedule shall be as agreed upon in the Purchase Order.

4.4 All monthly invoices shall be due and payable thirty (30) days from receipt thereof by Owner, subject to Owner's right to contest in good faith all or part of the charges set forth therein. Owner agrees to make payment, when due, for all uncontested amounts.

4.5 Owner shall be notified when 50% and 90% of the estimated dollar expenditure is reached when specified on the Purchase Order.

## ARTICLE V.

### STANDARD OF PERFORMANCE

5.1 The Consultant agrees that the services provided hereunder shall conform with the highest professional standards of care and practice appropriate to the nature of the technical and professional services rendered, that the personnel furnishing said services shall be qualified and competent to perform adequately the services assigned to them, and that the recommendations, guidance and performance of such personnel shall reflect the industry standards of professional knowledge and judgment. Owner shall have the right to approve personnel assigned before the fact and to require the removal from the services of any employee of the Consultant, who in the sole opinion of Owner, has shown incompetence, carelessness, or nonqualification to perform the services assigned to that employee, or whose conduct is otherwise improper.

5.2 Subject to the limitations of this agreement, if a defect, error or omission is discovered in any design, plan, drawing, specification, data or information, which results from Consultant's failure to perform the services in accordance with the standards of care stated in Section 5.1; then the Consultant shall correctly reperform such defective portion of its services to correct such error or omission in the design, plan, drawing, specification, data or information at no additional cost to Owner. Should Consultant fail to reperform such defective services in a reasonably expeditious time, at the option of Owner, Consultant shall refund the payments made by Owner to Consultant attributable to such defective portion of the services.

## ARTICLE VI.

### INSURANCE

6.1 Effective upon arrival of nuclear fuel at the Seabrook site at which the Consultant is to perform services as authorized pursuant to Section I of Article I, Owner will, without cost to the Consultant, obtain and maintain in force until the decommissioning of the Seabrook Station an agreement of indemnification as contemplated by Section 170 of the Atomic Energy Act of 1954, as amended, and nuclear liability insurance from American Nuclear Insurers ("ANI") and/or the Mutual Atomic Energy Liability Underwriters ("MAELU") in such form and amount as will meet the financial protection requirements of the Nuclear Regulatory Commission pursuant to Section 170 of the Atomic Energy Act of 1954, as amended.

6.2 In the event that the nuclear liability protection system contemplated by Section 170 of the Atomic Energy Act of 1954, as amended, is repealed or amended, Owner shall obtain and maintain in effect, until the decommissioning of the Seabrook Station to the extent available at reasonable cost and in accordance with prudent utility practice, sufficient nuclear liability insurance or the equivalent with the objective that there will be no substantial diminution of the protection afforded to the Consultant hereunder.

6.3 The Consultant agrees to maintain the following insurance coverage during the performance of its services hereunder and, upon request, will furnish certificates of the same:

- a. Workmen's Compensation Insurance with limits of liability in any state in which Consultant may be required to pay compensation related to performance of services hereunder.



- b. Employer's Liability Insurance with limits of \$1,000,000 per each accident.
- c. Comprehensive General Liability with the following limits:

Bodily Injury Liability and	\$250,000 each person
	\$1,000,000 each occurrence
Property Damage Liability	\$1,000,000 each occurrence
- d. Automobile liability including owned, non-owned, and hired automobile with limits:

Bodily Injury Liability	\$150,000 each person
	\$1,000,000 each occurrence
Property Damage Liability	\$250,000 each occurrence
- e. A Professional Liability Insurance policy with a limit of \$1,000,000 per claim and aggregate for all claims arising from or related to all the services provided under this Agreement. Should this policy no longer be available, Consultant shall promptly notify Owner of said unavailability.

6.4 Since Consultant's service assignments under this Agreement will be in connection with new construction and/or operating units or facilities, Owner shall extend to Consultant and its subcontractors the benefit of all of its nuclear and non-nuclear construction and/or operating property insurance covering said units or facilities and Owner hereby waives all rights of recovery against Consultant and its subcontractors for any loss or damage covered by said policies including any losses not reimbursable due to the deductibles thereunder. However, for loss occurrences attributable to the negligence of Consultant, Consultant assumes an aggregate responsibility for the deductibles under Owner's property insurance up to the proceeds of the insurance provided by Consultant in Article 6.3.

## ARTICLE VII.

### LIMITATION OF LIABILITY

7.1 Neither the Consultant nor its subcontractors shall be responsible for loss or damage to any property (including property to Owner, Owner's Representative, Consultant, subcontractors and any other third party) or any incidental, special, indirect or consequential loss or damage or decontamination cost arising out of a nuclear risk or hazard, and Owner waives any and all rights of recovery against, and agrees to indemnify and hold harmless, the Consultant and its subcontractors for such loss or damage. The above waiver and indemnification provisions will apply regardless of fault, negligence or strict liability.

In addition, Owner shall obtain for the benefit of Consultant and its subcontractors protection against liability for, arising out of, or resulting from a nuclear risk or hazard which causes damage to any property or equipment located at Seabrook Station which is used or intended for use in connection with the operation thereof (including but not limited to fuel) and which is owned by parties other than Owner.

7.2 The Consultant's liability arising out of or in connection with this Agreement including without limit for indemnity, negligence, and breach of the warranties as given in Article V, shall be limited to those claims, breaches, defects, errors, or omissions reported to the Consultant within two (2) years after completion of a particular task. Owner agrees that it shall provide the Consultant with written notice if any such breaches, defects, errors, or omissions within ninety (90) days of their discovery by Owner.



7.3 Neither Party, its agents, officers, directors, employees or subcontractors, shall be liable to the other party, its agents, officers, directors, employees or subcontractors, for claims for incidental, special, indirect or consequential damages of any nature connected with or resulting from performance of this Agreement.

7.4 Except for Consultant's responsibilities for deductibles pursuant to Article 6.4, Consultant's liability for loss or damage to any of Owner's or any of its affiliated companies' stations, facilities, or other property including but not limited to the Seabrook Station whether occurring during Consultant's services or thereafter and arising out of Consultant's performance of its services under this Agreement shall be limited to the proceeds received from the property insurance maintained by Owner pursuant to Article 6.4 and Owner hereby releases Consultant and its subcontractors from any further liability therefore.

7.5 If Owner institutes any action, proceeding or claim against any third party and Consultant is joined therein or claimed over against by that third party, or any insurer of same, Owner agrees to waive, reduce, and/or remit its recovery to the extent Consultant is adjudicated to be liable thereto in contract, tort or otherwise as a result of or arising out of the services performed by Consultant under this Agreement, for any amount in excess of the direct obligations to Owner assumed by Consultant under this Agreement.

7.6 Owner's rights and remedies as set forth in this Agreement are exclusive and Consultant's liabilities are limited as set forth herein whether based on contract or tort and irrespective of fault, negligence or strict liability of Consultant or its subcontractors. As used in this Agreement, the term "subcontractors" shall include without limit any of Consultant's suppliers of

data, material, equipment or services regardless of tier and including employees, agents, and affiliated companies of Consultant and its suppliers.

7.7 Notwithstanding anything to the contrary set forth in this Agreement except for Consultant's obligation to reperform its defective services pursuant to Article 5.2, Consultant's total aggregate liability for all claims of any kind, whether as a result of warranty, breach of contract, indemnity, tort, including fault, negligence or strict liability, or otherwise connected with or arising out of this Agreement shall be limited to the proceeds received from the insurances provided by Consultant or Owner amount to Article 6; and Owner hereby releases Consultant and its subcontractors from any liability in excess thereof.

#### ARTICLE VIII.

##### INDEMNIFICATION

8.1 Consultant shall, at its expense, defend, indemnify and hold harmless Owner, its officers, agents and employees from and against all third party claims, causes of action, suits, losses and damages, including attorney fees, to the extent such claims and causes of action, suits, losses, damages, expenses, and attorney fees arise out of or result from and to the extent of negligent error or omission of the Consultant, its agents or employees including any subcontractor and its agents or employees, and failure of the Consultant, its agents or employees, any subcontractor and its agents or employees, to comply with existing statutes, laws, regulations, and ordinances relating to the work which is the subject of this Agreement and the employment of labor in connection therewith. Such indemnification, hold harmless and assumption of expenses does not extend to claims, etc., arising out of the errors, omission or negligence of Owner or third parties.

## ARTICLE IX.

### RIGHT TO INSPECTION AND AUDIT

9.1 Inspection. Owner shall at all times, during normal business hours, have the right to inspect materials or equipment provided and to review or observe the services performed by the Consultant.

9.2 Audit. Owner reserves the right and Consultant shall allow Owner to audit, or cause to have audited, any and all items related to aspects of this Agreement to assure Consultant's compliance therewith. These items include property, books, and records, including computerized data files (excluding proprietary source codes), of Consultant related to the terms, proposals, and performance under each section of this Contract. Fixed and established costs, rates and charges are not subject to audit.

9.3 When requested by Owner, Consultant shall provide Owner with access to personnel, property, and records necessary to effectuate Owner audit or audits hereunder. When requested by Owner, Consultant shall provide computerized data files and programs for audit purposes using computer equipment under Consultant supervision or control. Subject to the other provisions of this Agreement which may provide for Consultant to furnish supporting documentation to Owner, "access" pursuant to this paragraph contemplates audits on Consultant's premises during normal business hours. Owner's auditors may copy any document which can be properly audited hereunder and Owner agrees that any such copies will be used only for its purpose hereunder and will not be disclosed to unrelated third parties. Consultant agrees that Owner shall be permitted identical audit rights in any subcontract made by Consultant for services hereunder, and shall cause the inclusion of this section in all such

subcontracts after modification to reflect Owner's identification. Consultant shall notify Owner of potential subcontractors so that Owner may contact such subcontractors for a pre-Contract visit to discuss record keeping procedures and audit measures.

## ARTICLE X.

### CHANGES

10.1 Owner shall have the right to make changes in scope of the services within the general scope, for a particular task. No changes shall be made except as authorized by Purchase Order or Purchase Order Amendment. In addition, it is agreed that causes or events beyond Consultant's reasonable controls which impact Consultant's services effort or schedule (including but not limited to force majeure events and unreasonable Owner's delays or inaction with respect to decisions, reviews and/or approvals) shall be the basis of adjustments to Consultant's Fixed Cost or Cost Estimate.

10.2 If Consultant claims that any (i) instructions by drawings or otherwise approved or issued by Owner, or (ii) cause or event beyond Consultant's reasonable control after the date of the relevant Purchase Order or Purchase Order Amendment involve extra cost, the Consultant shall give written notice to Owner including an estimate of changed cost or time thereof within twenty (20) days after (i) the receipt of such instruction, or (ii) the cause or event beyond Consultant's reasonable control, and in any event before proceeding to execute the additional services unless otherwise directed by Owner, and except in an emergency endangering life or property. No such claim shall be considered unless so made. If the change as ordered increases or decreases the cost of the services, a fair and reasonable amount, as agreed upon by Owner and Consultant,

shall be added to or subtracted from the Consultant's compensation (Fixed Price, Cost Estimate, etc.) therefore.

10.3 If, within twenty (20) days after Consultant has provided an estimate of changed cost and/or time, the Parties are unable to conclude a mutually satisfactory agreement, Consultant shall proceed with the services as changed or modified until the differences are resolved, on a Time and Expenses basis per Article 4.1.2. Once the differences are resolved and the compensation basis is agreed upon, the appropriate payment or credit shall be made.

## ARTICLE XI.

### SUSPENSION OR TERMINATION OF THE SERVICES

11.1 Owner may suspend or terminate this Agreement in whole or in part at any time from time to time by written notification to Consultant. Such termination shall be without prejudice to any claims which Owner may have against Consultant. Upon receipt of notification of termination, Consultant shall, unless notified otherwise, immediately order discontinuance of the services and delivery and order of materials, and make reasonable efforts to cancel existing orders, contracts, and subcontracts upon terms satisfactory to Owner. Consultant shall, after notice of termination, continue to perform such services as necessary to preserve and protect work in progress, including equipment, materials, and plant constructed, or in transit, until relinquishing possession and control of same as provided in the notice of termination. For tasks compensated pursuant to Article 4.1.2 and 4.1.3b, upon compliance with the notice of termination, Consultant shall be entitled to receive as compensation such sum as may be necessary to compensate Consultant for his costs; expenditures; and commitments and services performed in connection with this Agreement; together with



a prorated portion of fee (if applicable) in the event of permanent termination based on work completed and costs reasonably incurred in this termination effort, as reasonably judged by Owner, less the payments and credits previously received by Consultant from Owner. For tasks compensated pursuant to Article 4.1.1, and 4.1.3a, upon compliance with the notice of termination, Consultant shall be entitled to receive as compensation a percentage of the Fixed Price based upon the ratio of the work performed (including termination services) to the total work which was to have been performed, as reasonably judged by Owner, less the payments and credits previously received by Consultant from Owner.

## ARTICLE XII.

### LAWS AND REGULATIONS

12.1 Compliance with Laws and Ordinances. Consultant shall comply with all laws, statutes, ordinances, rules, orders, and regulations enacted or promulgated by Federal, State, Municipal or other government authority relating to the services, the employment of labor in connection therewith the purchase, use and manufacturer of materials used or furnished by Consultant or any subcontractor and relating to the preservation of the public health and safety.

12.2 Licenses and Permit Fees. If applicable to the services provided, Consultant shall procure and pay for all temporary licenses and permits and pay all governmental and public utility charges and inspection fees required for any part of the services performed and for its completion, whether or not specifically mentioned in the Contract unless otherwise directed by Owner. All such actual costs will be reimbursed by Owner. Permits, licenses and easements for permanent structures or permanent changes in existing facilities shall be secured and paid for by Owner unless otherwise specified.



PATENTS

13.1 The Consultant hereunder shall communicate promptly and fully to Owner the details of any discovery or invention made and conceived by them for Owner while providing services hereunder. Upon Owner's request, the Consultant shall grant to Owner a nonexclusive, royalty free license to practice and use any and all such patents which may be issued to the Consultant in the United States and/or other countries, which patents are directly based on any discovery or invention initially made and conceived for Owner while providing services hereunder. Said license shall be for the sole benefit of Owner, and Owner shall use said license(s) at its own risk without recourse to the Consultant. If the Consultant decides not to obtain or pursue patent protection for such invention disclosures or its determines to transfer or assign all of its rights, the Consultant shall grant Owner the first opportunity to acquire said patent rights; and Owner shall have a minimum 90-day period to negotiate and acquire said patent rights from the Consultant.

13.2 If joint discoveries or inventions are first made or conceived while the Consultant is providing services hereunder and the Parties mutually agree to pursue patent rights, then the Parties agree to negotiate patent rights and royalties in good faith, based on the equities and value of each Party's contribution.

13.3 If Owner requests the Consultant to develop any discovery or invention made or conceived by Owner or any employee, the Consultant shall be reimbursed for reasonable expenses incurred by the Consultant in rendering such assistance to Owner. If the Consultant elects to reimburse Owner for such

expenses or not to charge Owner for such expenses, Owner shall grant to the Consultant a nonexclusive, nontransferable license to use such discovery or invention.

#### ARTICLE XIV.

##### PATENTED ARTICLES UTILIZED

14.1 In the event that the Consultant shall use any information, data, materials, designs, specifications, plans or drawings furnished under this Agreement, any patented device, process or procedure known to the Consultant, the Consultant shall obtain for Owner the right to use such device, process or procedure, without cost to Owner. The Consultant shall indemnify, defend and hold harmless Owner from all claims, suits, or proceedings made or brought against Owner so far as based on any allegation that use of such known patented device, process or procedure constitutes an infringement of any patent, and the Consultant shall pay all damages, costs and expenses in connection with any such claims, suits or proceedings.

#### ARTICLE XV.

##### PROPRIETARY INFORMATION

15.1 The Consultant recognizes that Owner may find it necessary or desirable to make information available to the Consultant or its personnel which is deemed to be proprietary information. In this regard, it is agreed that neither the Consultant nor its personnel shall disclose to third parties any information which may be disclosed to them or to which they are given access during the performance of this Agreement, or publish such information in any form at any time, whether during the term of this Agreement or for a period of ten years after the date of the particular purchase order, provided that such

information is specifically designated as proprietary in nature by Owner in writing at the time of such disclosure or access, or at any other time prior to disclosure of the information by the Consultant. The obligations imposed on Consultant herein shall not apply to information (a) which is or becomes publicly known through no wrongful act of Consultant, (b) which is known by Consultant prior to the disclosure of such information, or (c) which becomes known to Consultant independently of this disclosure through its internal developments or from a third party.

15.2 Any information which is supplied by the Consultant to Owner under this Agreement and which is specifically designated in writing at the time of its transmission as proprietary in nature by the Consultant will be restricted in a similar manner as in Section 15.1 and Owner will not disclose such information to others or publish it in any form at any time; provided, however, that notwithstanding the foregoing Owner may disclose any such information to its corporate affiliates and to owners of the facility for which the services are performed and their agents, to its outside consultants and the United States Nuclear Regulatory Commission or other local, State or Federal regulatory agencies or instrumentalities when such disclosure is necessary in connection with the licensing, construction, operation, maintenance and repair of the facility for which the services are performed or otherwise required by law. Owner agrees that it will cooperate with the Consultant in an effort to minimize the amount of such information which will be disclosed in any such case and to make reasonable efforts to secure confidential treatment of such information.

#### ARTICLE XVI.

##### NOTICES

16.1 Except as provided in Section 1.1, all communications and notices

by the Consultant to Owner shall be addressed to:

New Hampshire Yankee Division of  
Public Service Company of New Hampshire  
Seabrook Station  
P.O. Box 700  
Seabrook, New Hampshire 03874  
Attention: Mr. R.W. Romer, Manager-Purchasing,  
Contracts & Insurance

All communications and notices by Owner to the Consultant shall be addressed to:

Nuclear Energy Services  
A Unit of Qual Corporation  
Shelter Rock Road  
Danbury, CT 06810  
Attention: Mr. Byron Rall  
Telephone: (203)796-5221

\* Either party may change the address set forth by notice to the other, and all notices and communications shall be in writing or by telegraph.

#### ARTICLE XVII.

##### COMPLIANCE WITH OWNER'S RULES

17.1 Personnel provided by the Consultant shall abide by all rules and regulations applicable to the facility for which the services are performed. All work performed hereunder will be undertaken in full cooperation with the organization operating the facility and with the least possible interference with the continuity and efficiency of other work conducted at the unit site.

ARTICLE XVIII.

MODIFICATIONS, WAIVERS

18.1 No waiver, alternation, consent, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of the Party to be bound, except that changes in the scope of work shall be governed by Article X; and no waiver by any Party of any default of the other shall be deemed to be a waiver by such Party of any other default.

ARTICLE XIX.

INDEPENDENT CONTRACTORS

19.1 Consultant shall at all times be an independent contractor and responsible for all acts or omissions of its agents, employees, and subcontractors. No act or order of Owner shall be deemed to be the exercise of supervision or control of performance hereunder.

ARTICLE XX.

TAXES

20.1 Any tax or other governmental charge imposed upon the services provided hereunder shall be paid by Consultant.

ARTICLE XXI.

SUBCONTRACTS: DELEGATIONS: SETOFF

21.1 Except that Consultant may subcontract the Services, in whole or in



part, or assign rights and obligations under this Agreement, in whole or in part, to its related entities without the approval of Owner, Consultant shall not without the prior written consent of Owner make any contract with any other person for furnishing any of the services covered by this Agreement or otherwise assign its rights and obligations hereunder. Consultant guarantees to Owner compliance by such related entities with the responsibilities herein assumed by Consultant. Owner may set off against amounts payable under this Agreement for any claim or charge it may have against Consultant for overpayment, billing, errors, adjudicated settlements, or any refunds due pursuant to Article 5.2.

## ARTICLE XXII.

### OWNERSHIP OF DOCUMENTS

22.1 Except as restricted by Article XV, Section 2 hereof, all information, data, designs, plans, drawings and specifications supplied or delivered to Owner by the Consultant or its personnel pursuant to this Agreement shall be the sole property of Owner, and Owner shall have the right to use or dispose of all or any part of such materials by sale or other transfer without restriction or accountability to the Consultant. Owner hereby releases and agrees to defend and indemnify Consultant from and against any claim, loss or damage (including consequential damages) arising from such use or transfer for any purposes other than those specified for the particular task assignment unless such use or transfer has been specifically approved in writing by Consultant. The Consultant may, for its subsequent business activities, retain and use copies of all such materials, provided that use of any materials covered by patents belonging to Owner shall first be covered by a licensing agreement between the Parties.



MISCELLANEOUS PROVISIONS

23.1 In the event any provision hereof shall be declared invalid, such provision shall be deemed severable from the remaining provisions of this Agreement, which shall remain in full force and effect.

23.2 This Agreement and all Purchase Orders and Purchase Order Amendments issued pursuant hereto constitute the entire Agreement between the Parties for the services to be provided hereunder, and supersedes all prior representations and agreements, whether written or oral, between the Parties as to such services. In the event of a conflict between the terms of the Purchase Order and Purchase Order Amendments and the terms of this Agreement, the written terms of the Purchase Order and Purchase Order Amendments shall govern, but the written terms of the Agreement shall govern over any printed terms as the forms of the Purchase Order or Purchase Order Amendments. Each Purchase Order shall incorporate this Agreement by reference. It is specifically agreed that any preprinted provisions set forth in Purchase Orders shall have no force or effect.

23.3 This Agreement may be executed in duplicate, each of which shall be deemed to be an original, but which together shall constitute one and the same instrument.

23.4 This Agreement shall be interpreted and construed in accordance with the laws of the State of New Hampshire.

SIGNATURE

IN WITNESS WHEREOF, the said Parties have hereunto set their hands and  
seals.

NUCLEAR ENERGY SERVICES

A UNIT OF QUAL CORPORATION

By:

Howard J. Larson  
Howard J. Larson

Title:

Senior Vice President

Marketing and Planning

Date:

May 9, 1985

SEABROOK OWNERS, Acting through NEW HAMPSHIRE

YANKEE DIVISION OF PUBLIC SERVICE OF NEW

HAMPSHIRE, as agent as aforesaid.

By:

Ly 50th

Title:

Vice President - Nuclear Production

Date:

July 24, 1985