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May 1, 1984

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FILE NO.

DIRECT DIAL NO. 804 788-8372

Honorable Sheldon J. Wolfe
Atomic Safety and Licensing
Board Panel
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

DOCKET NUMBER
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~~50-041~~
50-338 OLA 1
50-339 OLA 1

Virginia Electric and Power Company
OLA-1 and OLA-2

50-338 OLA 2
50-339 OLA 2

Dear Judge Wolfe:

Here is a copy of the Settlement Agreement, dated April 26, 1984, between the County of Louisa, Virginia and Virginia Electric and Power Company. It was pursuant to paragraph 5 of this Settlement Agreement that the County of Louisa filed its Notice of Withdrawal from these proceedings.

Sincerely,

Michael W. Maupin

Michael W. Maupin

42/341

Enclosure

cc: Dr. Jerry Kline
Dr. George A. Ferguson
Henry J. McGurren, Esq.
J. Marshall Coleman, Esq.
James B. Dougherty, Esq.
Atomic Safety and Licensing Board Panel
Atomic Safety and Licensing Appeal Board
Secretary, U.S. Nuclear Regulatory Commission
Attention: Chief, Docketing & Service Section

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Settlement Agreement

This Agreement, dated April 26, 1984, between the County of Louisa, Virginia and Virginia Electric and Power Company provides:

1. Vepco will use its best efforts to obtain from the Nuclear Regulatory Commission (NRC) a license authorizing the use of dry cask storage for spent nuclear fuel at its Surry Power Station site. If Vepco receives such a license, it will promptly construct a facility, purchase casks and thereafter use the casks for the storage of Surry spent fuel. If Vepco does not receive such a license or if implementation of dry cask storage cannot be achieved at Surry at least 12 months before the anticipated loss of full core reserve (FCR) at Surry, the parties will negotiate in good faith an amendment to paragraph 2 below that will prevent the loss of FCR at Surry.
2. Vepco may ship not more than 130 spent fuel assemblies from Surry to North Anna. Such assemblies, if any, will be unconsolidated assemblies removed from the Surry reactor at least five years earlier. No such shipment shall be made before June 1, 1985 or after December 31, 1989. No such shipment may be made more than one year before anticipated loss of FCR at the Surry Power Station. Vepco will provide Louisa County with a copy of all reports designed to advise the NRC and the Department of Energy (DOE) of the storage status at the Surry Nuclear Power Station on an "as submitted" basis.
3. Vepco will not store any of its high-level or low-level radioactive waste at North Anna other than waste produced at North Anna and the Surry spent fuel assemblies properly shipped under this Agreement. Vepco will not willingly allow any agency, other corporation or person to store any other radioactive waste at North Anna. Vepco will oppose any legislation that proposes to require Vepco to store radioactive waste at North Anna that is not produced at North Anna. Vepco will move all radioactive wastes from North Anna to a permanent repository promptly upon receipt of approval from the NRC.
4. Vepco will cooperate with state and local authorities in staging a mock major transport accident prior to the first Surry-to-North Anna shipments, if any, and thereafter prior to each separate 12-month period in which such shipments are planned to occur.

5. Upon the execution of this Agreement, the County will promptly (a) withdraw its appeal now pending before the United States Court of Appeals for the Fourth Circuit and (b) withdraw from the two NRC proceedings known as OLA-1 and OLA-2.

6. Within five days after the County's appeal to the Fourth Circuit has been successfully withdrawn and withdrawal papers have been filed by the County with NRC in OLA-1 and OLA-2, the Company will pay Louisa County \$150,000. If the County is unable to withdraw its appeal before the Fourth Circuit renders a decision, the parties will negotiate in good faith in an effort to reach a new agreement that will achieve for both parties the same objectives, on the same terms, as are embodied in this Agreement.

7. Vepco will participate in, and pay expenses associated with, an annual public meeting to be called by the County on or about March 1 of each year up to the year 2014 or three years after decommissioning, whichever comes first. The subject matter of these meetings shall address the operation of the plant and will include, but not be limited to, the storage of high and low level radioactive wastes, general operations, employment, long-term issues including decommissioning and health effects, economics of operation, NRC relations and events, federal, state and local government relations and events, citizen group relations and events, safety and evacuation plans and environmental and health issues.

8. Upon an alleged breach of contract by either party, the aggrieved party may petition a court of competent jurisdiction for redress and review.

9. Vepco will not intentionally jeopardize the continued operation of the North Anna Power Station.

Virginia Electric and
Power Company

By:

Ronald H. Leasburg
Ronald H. Leasburg
Senior Vice President

April 26, 1984

County of Louisa, Virginia
Board of Supervisors

By:

Frank B. Boxley, Jr.
Frank B. Boxley, Jr.
Chairman of the Board

April 26, 1984