



APR 18 2008
SCH08-052

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Mr. Edward H. Post P.E.
Chief – Southern Bureau of Water Compliance & Enforcement
New Jersey Department of Environmental Protection
2 Riverside Drive, Suite 201
Camden, NJ 08103-0137

RE: PSEG Nuclear LLC - Salem Generating Station
PI ID No. 46814
NJDEP Case No. 05-04-08-1909-09
SETTLEMENT AGREEMENT
EA ID #: NEA070001

Enclosed please find one (1) signed copy of the Settlement Agreement received on April 5th, 2008. Pursuant to paragraph 1 of the Settlement Agreement, payment of \$15,000 will be sent to the Department of the Treasury under separate correspondence no later than April 30, 2008.

If you have any questions regarding this information, please contact Mr. Clifton Gibson of my staff at (856) 339-2686.

Sincerely,

A handwritten signature in black ink, appearing to read "RC Braun", written over a horizontal line.

Robert C. Braun
Salem Site Vice President

C001
NRR

Chief – Southern Bureau of Water Compliance & Enforcement
SCH08-052

C U. S. Nuclear Regulatory Commission
Document Control Desk
Washington, DC 20555

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Chief – Southern Bureau of Water Compliance & Enforcement
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BC Site Vice President - Salem
Plant Manager - Salem
Jeff Keenan
John Valeri
Ed Keating
File 2.1.1 Salem



State of New Jersey

DEPARTMENT OF ENVIRONMENTAL PROTECTION

JON S. CORZINE
Governor

LISA P. JACKSON
Commissioner

IN THE MATTER OF

: SETTLEMENT

PSEG NUCLEAR LLC

: AGREEMENT

(SALEM GENERATING STATION)

PI ID No. 46814

Activity No. NEA070001

The following Settlement Agreement is entered into pursuant to the authority vested in the Commissioner of the New Jersey Department of Environmental Protection ("Department") by N.J.S.A. 13:1D-1 et seq., and the Water Pollution Control Act, N.J.S.A. 58:10A-1 et seq., and duly delegated to the Bureau Chief of Water Compliance and Enforcement.

The Department issued an Administrative Order and Notice of Civil Administrative Penalty Assessment in the amount of \$20,000 on August 16, 2006 to PSEG Nuclear LLC ("the Order and Penalty") which alleged that PSEG Nuclear LLC (PSEG) discharged hydrazine and sodium hypochlorite to waters of the State without a valid New Jersey Pollutant Discharge Elimination System ("NJPDDES") Permit, in violation of the Water Pollution Control Act, N.J.S.A. 58:10A-1 et seq., and the regulations promulgated pursuant thereto, N.J.A.C. 7:14A-1 et seq.

PSEG filed a request for an adjudicatory hearing, which among other things, contested the Order and Penalty and disputed the alleged violations.

The Department may settle this matter in accordance with N.J.A.C. 7:14-8.3.

In the interest of resolving this matter, PSEG and the Department have agreed to settle this matter in accordance with the following terms:

NOW, THEREFORE, IT IS HEREBY AGREED THAT:

1. PSEG shall, by no later than April 30, 2008, submit a check in the amount of \$15,000.00. The check shall be made payable to "Treasurer, State of New Jersey", which shall be submitted with the bottom portion of the Enforcement Invoice form to:

Division of Revenue
New Jersey Department of Treasury
PO Box 417
Trenton, New Jersey 08625-0417

2. This payment shall constitute full, final and complete settlement of the Order and Penalty.

3. If PSEG fails to pay the above penalty in accordance with the terms and conditions of this Settlement Agreement, then the Administrative Order and Notice of Civil Administrative Penalty Assessment in the amount of \$20,000 issued to PSEG on August 16, 2006 shall become a final order and the full penalty, along with costs and interest calculated pursuant to N.J. Court Rule 4:42, shall be immediately due and owing. The Department may bring a summary action in the Superior Court to collect such penalty pursuant to R.4:67-6, or file this Settlement Agreement as a judgement under the Penalty Enforcement Law, N.J.S.A. 2A:58-1 et seq.
4. By execution of this Settlement Agreement PSEG hereby withdraws its request for an administrative hearing before the Office of Administrative Law with respect to the enforcement action listed above.
5. Neither the entry into this Settlement Agreement nor the payment of the settlement penalty shall constitute an admission of liability by PSEG for the violations listed herein. However, nothing in this Settlement Agreement shall preclude the Department from considering the violations listed herein when assessing penalties for any future violations.
6. Nothing in this Settlement Agreement shall preclude the Department from taking enforcement action against PSEG for violations not set forth in this Settlement Agreement.
7. This Settlement Agreement shall be effective upon execution by both parties.

**DEPARTMENT OF
ENVIRONMENTAL
PROTECTION**

Date: 3/28/08

BY: _____

Edward H. Post, P.E., Chief
Southern Bureau of Water
Compliance and Enforcement

PSEG NUCLEAR LLC

Date: 4/18/08

BY: _____

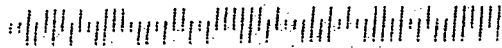
(signature)

NAME: ROBERT C. BRAUN
(please print)

TITLE: SALEM - SITE VP
(please print)

By this Signature, I represent as a condition of settlement that I have full authority to execute this document on behalf of PSEG Nuclear LLC.

W. Gamon Biggs
Salem Generating Station
PO Box 236
MC-SO7
Hancoaks Bridge, NJ 08038



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