

## PMSTPCOL PEmails

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**From:** Muir, Jessie  
**Sent:** Tuesday, March 03, 2009 1:06 PM  
**To:** STPCOL  
**Subject:** FW: Correspondence Transmittal U7-C-STP-NRC-090015  
**Attachments:** U7-C-STP-NRC-090015 (DOE Waste Contracts).pdf

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**From:** Kiesling, Russell W [mailto:rwkiesling@STPEGS.COM]  
**Sent:** Tuesday, March 03, 2009 11:37 AM  
**To:** Adrian Muniz; Belkys Sosa; George Wunder; Jessie Muir; Loren Plisco; Raj Anand; Rocky Foster; Stacy Joseph; Tekia Govan; Tom Tai  
**Subject:** Correspondence Transmittal U7-C-STP-NRC-090015

Attached is a courtesy copy of letter number U7-C-STP-NRC-090015 to the NRC confirming that STPNOC has entered into contracts with the Department of Energy for the disposal of spent nuclear fuel and/or high-level radioactive waste. The official copy of this correspondence was mailed to NRC on March 3, 2009.

### **Russell W. Kiesling, PMP**

Environmental Lead  
Regulatory Affairs  
STPNOC - Units 3 & 4  
4000 Avenue F, Suite A  
Bay City, Texas 77414

(361) 972-4716 (office)  
(361) 972-4751 (fax)  
(979) 216-6246 (cell)  
[rwkiesling@stpegs.com](mailto:rwkiesling@stpegs.com)

**Hearing Identifier:** SouthTexas34Public\_EX  
**Email Number:** 1392

**Mail Envelope Properties** (3DF2506A7257014AAC5857E5E852DEAC0596EACEB9)

**Subject:** FW: Correspondence Transmittal U7-C-STP-NRC-090015  
**Sent Date:** 3/3/2009 1:05:58 PM  
**Received Date:** 3/3/2009 1:06:03 PM  
**From:** Muir, Jessie

**Created By:** Jessie.Muir@nrc.gov

**Recipients:**  
"STPCOL" <STP.COL@nrc.gov>  
Tracking Status: None

**Post Office:** HQCLSTR02.nrc.gov

<b>Files</b>	<b>Size</b>	<b>Date &amp; Time</b>
MESSAGE	933	3/3/2009 1:06:03 PM
U7-C-STP-NRC-090015 (DOE Waste Contracts).pdf		1573106

**Options**  
**Priority:** Standard  
**Return Notification:** No  
**Reply Requested:** No  
**Sensitivity:** Normal  
**Expiration Date:**  
**Recipients Received:**



South Texas Project Electric Generating Station 4000 Avenue F – Suite A Bay City, Texas 77414

March 3, 2009  
U7-C-STP-NRC-090015

U. S. Nuclear Regulatory Commission  
Attention: Document Control Desk  
One White Flint North  
11555 Rockville Pike  
Rockville, MD 20852-2738

South Texas Project  
Units 3 and 4  
Docket Nos. 52-012 and 52-013  
Contracts for Disposal of Spent Nuclear Fuel and/or High-level Radioactive Waste

As requested by the NRC, STPNOC is confirming that it has entered into contracts with the Department of Energy (DOE) for the disposal of spent nuclear fuel and/or high-level radioactive waste. Supporting documentation, including copies of the DOE transmittal letter and cover and signature pages for the following contracts is attached:

- Contract Number DE-CR01-09RW09007 (South Texas Project Unit 3)
- Contract Number DE-CR01-09RW09008 (South Texas Project Unit 4)
- Amendment to Contract Number DE-CR01-09RW09007 (South Texas Project Unit 3)
- Amendment to Contract Number DE-CR01-09RW09008 (South Texas Project Unit 4)

There are no commitments in this letter.

If you have any questions, please feel free to contact me at (361) 972-7206, or Russell W. Kiesling at (361)-972-4716

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 3-3-09

Mark McBurnett  
Vice President  
Oversight & Regulatory Affairs

rwk

Attachment: Supporting Documentation Regarding DOE Spent Fuel Agreements

cc: w/o attachment except\*  
(paper copy)

(electronic copy)

Director, Office of New Reactors  
U. S. Nuclear Regulatory Commission  
One White Flint North  
11555 Rockville Pike  
Rockville, MD 20852-2738

\*George Wunder  
Loren R. Plisco  
\*Jessie Muir  
U. S. Nuclear Regulatory Commission

Regional Administrator, Region IV  
U. S. Nuclear Regulatory Commission  
611 Ryan Plaza Drive, Suite 400  
Arlington, Texas 76011-8064

Steve Winn  
Eddy Daniels  
Joseph Kiwak  
Nuclear Innovation North America

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Assistant Commissioner  
Texas Department of Health Services  
Division for Regulatory Services  
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City of Austin  
Electric Utility Department  
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\*George F. Wunder  
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11545 Rockville Pike  
Rockville, MD 20852-2738

\*Jessie Muir  
Two White Flint North  
U.S. Nuclear Regulatory Commission  
Mail Drop T6D32  
11545 Rockville Pike  
Rockville, MD 20852-2738



**Department of Energy**  
Washington, DC 20585

November 7, 2008

QA: N/A

Mr. James Sheppard  
President and CEO  
STP Nuclear Operating Company  
8 Miles W of FM 521  
Wadsworth, TX 77483

Dear Mr. Sheppard:

**TRANSMITTAL OF EXECUTED CONTRACTS AND AMENDMENTS**

Contract Number DE-CR01-09RW09007 (South Texas Project Unit 3)  
Contract Number DE-CR01-09RW09008 (South Texas Project Unit 4)  
Amendment to Contract Number DE-CR01-09RW09007 (South Texas Project Unit 3)  
Amendment to Contract Number DE-CR01-09RW09008 (South Texas Project Unit 4)

Enclosed please find executed original of the above referenced documents dated

November 5, 2008.

Please feel free to contact me if you have any questions and/or concerns at 202-586-9198.

Sincerely,

David K. Zabransky  
Contracting Officer  
Office of Civilian Radioactive  
Waste Management

STP NUCLEAR OPERATING COMPANY			
DATE <u>11-10-08</u>			
	ROUTE	COPY	ACTION
CNO			
GP VP 3 & 4			
GM & ASST TO CEO			
ECP MGR			
EXEC SECRETARY			
FILE			



DK

U.S. Department of Energy  
Contract No. DE-CE01-09RW09007

*Contract for Disposal of Spent Nuclear Fuel and/or High-level  
Radioactive Waste*

THIS CONTRACT, entered into this 5<sup>th</sup> day of November 2008, by and between the UNITED STATES OF AMERICA (hereinafter referred to as the "Government"), represented by the UNITED STATES DEPARTMENT OF ENERGY (hereafter referred to as "DOE") and STP Nuclear Operating Company \_\_\_\_\_, (hereinafter referred to as the "Purchaser"), a corporation organized and existing under the laws of the State of Texas  
(add as applicable: "acting on behalf of itself and - - -").

Witnesseth that:

Whereas, the DOE has the responsibility for the disposal of spent nuclear fuel and high-level radioactive waste of domestic origin from civilian nuclear power reactors in order to protect the public health and safety, and the environment; and

Whereas, the DOE has the responsibility, following commencement of operation of a repository, to take title to the spent nuclear fuel or high-level radioactive waste involved as expeditiously as practicable upon the request of the generator or owner of such waste or spent nuclear fuel; and

Whereas, all costs associated with the preparation, transportation, and the disposal of spent nuclear fuel and high-level radioactive waste from civilian nuclear power reactors shall be borne by the owners and generators of such fuel and waste; and

Whereas, the DOE is required to collect a full cost recovery fee from owners and generators delivering to the DOE such spent nuclear fuel and/or high level radioactive waste; and

Whereas, the DOE is authorized to enter into contracts for the permanent disposal of spent nuclear fuel and/or high-level radioactive waste of domestic origin in DOE facilities; and

Whereas, the Purchaser desires to obtain disposal services from DOE; and

Whereas, DOE is obligated and willing to provide such disposal services, under the terms and conditions hereinafter set forth; and

Whereas, this contract is made and entered into under the authority of the DOE Organization Act (Pub. L. 95-91, 42 U.S.C. 7101 *et seq.*) and the Nuclear Waste Policy Act of 1982 (Pub. L. 97-425, 42 U.S.C. 10101 *et seq.*)

Now, therefore, the parties hereto do hereby agree as follows:

DG

In Witness Whereof, the parties hereto have executed this contract as of the day and year first above written.

United States of America  
United States Department of Energy

By: [Signature]  
(Contracting Officer)

Witnesses as to Execution on Behalf of Purchaser

[Signature]  
(Name) Darell Montgomery

12090 FM 521, Wadsworth, TX 77483

(Address)  
[Signature]  
(Name) Sam Smith

12090 FM 521, Wadsworth, TX 77483

(Address)

STP Nuclear Operating Company  
(Purchaser's Company Name)

By: [Signature]  
James J. Sheppard  
Title: President and Chief Executive Officer

I, George Harrison (Name), certify that I am the Director of Finance (Title) of the corporation named as Purchaser herein; that James J. Sheppard (Name) who signed this document on behalf of the Purchaser was then President & CEO (Title) of said corporation; that said document was duly signed for and on behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

In Witness Whereof, I have hereunto affixed my hand and the seal of said corporation this 4 day of November, 2008.

(Corporate Seal)

[Signature]  
(Signature)

DKV

U.S. Department of Energy  
Contract Amendment to  
Contract No. DE-CE01-09RW09007

This is an Amendment to Contract No. DE-CE01-09RW09007 (hereinafter "the Contract") and is agreed to this 5<sup>th</sup> day of November, 20 08, by the United States of America represented by the Department of Energy ("DOE") and STP Nuclear Operating Company ("Purchaser"). This Amendment amends and supplements the Contract and except to the extent provided in this Amendment, the prior obligations of DOE and Purchaser remain in effect. Those Articles of the Contract not specifically modified by this Amendment remain unchanged.

Witnesseth that:

Whereas, on 5<sup>th</sup> day of November, 20 08, DOE and Purchaser entered into the Contract for disposal of spent nuclear fuel and/or high-level radioactive waste generated by the Purchaser's reactor; and

Whereas, this Amendment is mutually agreed to by the parties;

Now, therefore the parties hereto do agree as follows:

INTRODUCTORY PARAGRAPH

The introductory paragraph of the Contract is amended by striking "19" and inserting "20" and by deleting "[add as applicable: "acting on behalf of itself and ---.]"

ARTICLE I - DEFINITIONS

Article I.2. is amended by inserting "bare or canistered" after "for shipping" and by inserting "assemblies" after "spent nuclear fuel".

Article I.18. is amended by inserting "; and nonfuel components including, but not limited to, control spiders, burnable poison rod assemblies, control rod elements, thimble plugs, fission chambers, and primary and secondary neutron sources, that are contained within the fuel assembly, or BWR channels that are an integral part of the fuel assembly, which do not require special handling" after "reprocessing".

Article I is further amended by inserting at the end the following:

"21. The term *acceptance* means the transfer of title to DOE and subsequent transportation from Purchaser's site.

22. The term *bare fuel* means SNF that is not contained in a canister or other shielding.

*OK*

In Witness Whereof, the parties hereto have executed this contract as of the day and year first above written.

United States of America  
United States Department of Energy

By: *D. D.*  
(Contracting Officer)

Witnesses as to Execution on Behalf  
of Purchaser

*Darell Montgomery*  
(Name) Darell Montgomery

12090 FM 521, Wadsworth, TX 77483  
(Address)

*Sam Smith*  
(Name) Sam Smith

12090 FM 521, Wadsworth, TX 77483  
(Address)

STP Nuclear Operating Company  
(Purchaser's Company Name)

By: *James J. Sheppard*  
James J. Sheppard

Title: President and Chief Executive Officer

I, George Harrison (Name), certify that I am the  
Director of Finance (Title) of the corporation named as Purchaser  
herein; that James J. Sheppard (Name) who signed this document on  
behalf of the Purchaser was then President & CEO (Title) of said  
corporation; that said document was duly signed for and on behalf of said corporation by  
authority of its governing body and is within the scope of its corporate powers.

In Witness Whereof, I have hereunto affixed my hand and the seal of said corporation  
this 4 day of November, 2008.

(Corporate Seal)

*George Harrison*  
(Signature)

DK

U.S. Department of Energy  
Contract No. DE-CR01-09RW09 008

*Contract for Disposal of Spent Nuclear Fuel and/or High-level  
Radioactive Waste*

THIS CONTRACT, entered into this 5<sup>th</sup> day of November 2008, by and between the UNITED STATES OF AMERICA (hereinafter referred to as the "Government"), represented by the UNITED STATES DEPARTMENT OF ENERGY (hereafter referred to as "DOE") and STP Nuclear Operating Company, (hereinafter referred to as the "Purchaser"), a corporation organized and existing under the laws of the State of Texas (add as applicable: "acting on behalf of itself and - - -").

Witnesseth that:

Whereas, the DOE has the responsibility for the disposal of spent nuclear fuel and high-level radioactive waste of domestic origin from civilian nuclear power reactors in order to protect the public health and safety, and the environment; and

Whereas, the DOE has the responsibility, following commencement of operation of a repository, to take title to the spent nuclear fuel or high-level radioactive waste involved as expeditiously as practicable upon the request of the generator or owner of such waste or spent nuclear fuel; and

Whereas, all costs associated with the preparation, transportation, and the disposal of spent nuclear fuel and high-level radioactive waste from civilian nuclear power reactors shall be borne by the owners and generators of such fuel and waste; and

Whereas, the DOE is required to collect a full cost recovery fee from owners and generators delivering to the DOE such spent nuclear fuel and/or high level radioactive waste; and

Whereas, the DOE is authorized to enter into contracts for the permanent disposal of spent nuclear fuel and/or high-level radioactive waste of domestic origin in DOE facilities; and

Whereas, the Purchaser desires to obtain disposal services from DOE; and

Whereas, DOE is obligated and willing to provide such disposal services, under the terms and conditions hereinafter set forth; and

Whereas, this contract is made and entered into under the authority of the DOE Organization Act (Pub. L. 95-91, 42 U.S.C. 7101 *et seq.*) and the Nuclear Waste Policy Act of 1982 (Pub. L. 97-425, 42 U.S.C. 10101 *et seq.*)

Now, therefore, the parties hereto do hereby agree as follows:

DG

In Witness Whereof, the parties hereto have executed this contract as of the day and year first above written.

United States of America  
United States Department of Energy

By: Dav  
(Contracting Officer)

Witnesses as to Execution on Behalf of Purchaser

DW Montgomery  
(Name) Darell Montgomery

12090 FM 521, Wadsworth, TX 77483

(Address)

Sam Smith  
(Name) Sam Smith

12090 FM 521, Wadsworth, TX 77483

(Address)

STP Nuclear Operating Company

(Purchaser's Company Name)

By: James J. Sheppard

James J. Sheppard  
Title: President and Chief Executive Officer

I, George Harrison (Name), certify that I am the Director of Finance (Title) of the corporation named as Purchaser herein; that James J. Sheppard (Name) who signed this document on behalf of the Purchaser was then President & CEO (Title) of said corporation; that said document was duly signed for and on behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

In Witness Whereof, I have hereunto affixed my hand and the seal of said corporation this 4 day of November, 2008.

(Corporate Seal)

George Harrison  
(Signature)

DKV

U.S. Department of Energy  
Contract Amendment to  
Contract No. DE-CR01-09RW09008

This is an Amendment to Contract No. DE-CR01-09RW09008 (hereinafter "the Contract") and is agreed to this 5<sup>th</sup> day of November, 2008, by the United States of America represented by the Department of Energy ("DOE") and STP Nuclear Operating Company ("Purchaser"). This Amendment amends and supplements the Contract and except to the extent provided in this Amendment, the prior obligations of DOE and Purchaser remain in effect. Those Articles of the Contract not specifically modified by this Amendment remain unchanged.

Witnesseth that:

Whereas, on 5<sup>th</sup> day of November, 2008, DOE and Purchaser entered into the Contract for disposal of spent nuclear fuel and/or high-level radioactive waste generated by the Purchaser's reactor; and

Whereas, this Amendment is mutually agreed to by the parties;

Now, therefore the parties hereto do agree as follows:

INTRODUCTORY PARAGRAPH

The introductory paragraph of the Contract is amended by striking "19" and inserting "20" and by deleting "[add as applicable: "acting on behalf of itself and ---.]"

ARTICLE I - DEFINITIONS

Article I.2. is amended by inserting "bare or canistered" after "for shipping" and by inserting "assemblies" after "spent nuclear fuel".

Article I.18. is amended by inserting "; and nonfuel components including, but not limited to, control spiders, burnable poison rod assemblies, control rod elements, thimble plugs, fission chambers, and primary and secondary neutron sources, that are contained within the fuel assembly, or BWR channels that are an integral part of the fuel assembly, which do not require special handling" after "reprocessing".

Article I is further amended by inserting at the end the following:

"21. The term *acceptance* means the transfer of title to DOE and subsequent transportation from Purchaser's site.

22. The term *bare fuel* means SNF that is not contained in a canister or other shielding.

*DAV*

In Witness Whereof, the parties hereto have executed this contract as of the day and year first above written.

United States of America  
United States Department of Energy

By: *[Signature]*  
(Contracting Officer)

Witnesses as to Execution on Behalf  
of Purchaser

*[Signature]*  
(Name) Darell Montgomery

12090 FM 521, Wadsworth, TX 77483  
(Address)

*[Signature]*  
(Name) Sam Smith

12090 FM 521, Wadsworth, TX 77483  
(Address)

STP Nuclear Operating Company  
(Purchaser's Company Name)

By: *[Signature]*  
James J. Sheppard  
Title: President and Chief Executive Officer

I, George Harrison (Name), certify that I am the  
Director of Finance (Title) of the corporation named as Purchaser  
herein; that James J. Sheppard (Name) who signed this document on  
behalf of the Purchaser was then President & CEO (Title) of said  
corporation; that said document was duly signed for and on behalf of said corporation by  
authority of its governing body and is within the scope of its corporate powers.

In Witness Whereof, I have hereunto affixed my hand and the seal of said corporation  
this 4 day of November, 2008.

(Corporate Seal)

*[Signature]*  
(Signature)