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UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

ATOMIC SAFETY AND LICENSING BOARD

Before Administrative Judges

SERVED AUG 3 1 1989

Morton B. Margulies, Chairman Jerry Harbour Frederick J. Shon

In the Matter of

PHILADELPHIA ELECTRIC COMPANY

(Limerick Generating Station,
 Units 1 and 2)

Docket Nos. 50-352-OL-2 50-353-OL-2 (Design Alternatives) ASLBP No. 89-589-04-OL-R2 August 30, 1989

MEMORANDUM AND ORDER (Terminating Proceeding)

On August 25, 1939, counsel for Limerick Ecology Action, Inc. (LEA), Philadelphia Electric Company (PECO) and the United States Nuclear Regulatory Commission staff (staff) jointly submitted a motion to the Licensing Board requesting that the Board accept a settlement agreement entered into by LEA and PECO, that LEA's contention be dismissed with prejudice, that LEA be dismissed as a party to the proceeding and that the proceeding be terminated. The motion and settlement agreement are attached and made a part hereof.

The subject LEA contention alleges that the Commission violated the National Environmental Policy Act of 1969 (NEPA) by

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licensing of Limerick Generating Station, Units 1 and 2." Id. at 1.

As part of the settlement agreement in which LEA obligates itself to request dismissal of the proceeding with prejudice, PECO commits itself to providing LEA with <u>quid pro quos</u>. The Licensing Board has reviewed the settlement agreement, including the obligations of the signatories and concludes the agreement's provisions are not inconsistent with the statutes and regulations under which the NRC functions. Neither is there any interpretation of the settlement agreement, contained in the joint motion, that is contrary to regulation. In accordance with the Commission's longstanding policy of encouraging fair and reasonable settlements of contested initial licensing issues, the Licensing Board accepts the settlement agreement.

The complaint of LEA has been satisfied without the need for a formal hearing. There is no issue in controversy. The Licensing Board is unaware of any reason why the request of the parties for concluding the proceeding should not be granted.

Based upon the foregoing, the joint motion of the parties to dismiss LEA's contention with prejudice, to dismiss LEA as a

JOINT MOTION FOR TERMINATION OF PROCEEDINGS

On February 28, 1989, the United States Court of Appeals for the Third Circuit issued its decision in <u>Limerick Ecology Action</u>, <u>Inc. v. NRC</u>, 689 F.2d 719 (3d Cir. 1989) remanding to the Nuclear Regulatory Commission ("NRC") for consideration a contention that severe accident mitigation design alternatives ("SAMDAs") must be considered for the Limerick Generating Station.

On May 5, 1989, the Commission issued an Order requiring further proceedings before an Atomic Safety and Licensing Board ("Licensing Board") in compliance with the Opinion of the Third Circuit. A prehearing conference was held June 6, 1989 to define the issues in the proceeding. On July 18, 1989, the presiding Licensing Board issued a Memorandum and Order ruling on which of the proposed SAMDAs fall within the scope of the Commission's Order of May 5, 1989. The parties were in the process of conducting informal discovery on these alternatives. In the meantime, Limerick Ecology Action ("LEA") and Philadelphia Electric Company ("PECO") entered into discussions for the purpose of resolving LEA's SAMDA contention, the only contention in this proceeding, and have reached an agreement settling LEA's concerns as set forth in the attached Settlement Agreement. On August 16, 1989, the NRC Staff issued its Supplement to the Final Environmental Statement to consider the question of SAMDAs.

This Board has previously encouraged the parties to work together towards settlement of outstanding issues (Prehearing

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Inc. (LEA), Philadelphia Electric Company (PECO) and the United
States Nuclear Regulatory Commission staff (staff) jointly
submitted a motion to the Licensing Board requesting that the
Board accept a settlement agreement entered into by LEA and PECO,
that LEA's contention be dismissed with prejudice, that LEA be
dismissed as a party to the proceeding and that the proceeding be
terminated. The motion and settlement agreement are attached and
made a part hereof.

The subject LEA contention alleges that the Commission violated the National Environmental Policy Acc of 1969 (NEPA) by

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failing to adequately consider severe accident mitigation design alternatives (SAMDAs).

The Commission had instituted this proceeding by Order of May 5, 1989, in response to a remand of the United States Court of Appeals for the Third Circuit in its decision in Limerick Ecology Action, Inc. v. U. S. Nuclear Regulatory Commission, 869 F.2d 719 (3rd Cir. 1989).* The Court granted LEA's petition for review which challenged the Commission's lack of consideration of SAMDAs under NEPA.

In a Memorandum and Order of July 18, 1989, the Licensing Board delineated the SAMDAs that were to be considered by the agency in the subject proceeding. Staff on August 16, 1989 issued a supplement to NUREG-0974, "Final Environmental Statement Related to the Operation of Limerick Generating Station, Units 1 and 2." In the "Supplement to the Environmental Statement, Limerick Generating Station, Units 1 and 2," staff, pursuant to NEPA, considered the designated SAMDAs. It concluded that, "The staff has discovered no substantial changes in the proposed action as previously evaluated in the FES that are relevant to environmental concerns nor significant new circumstances or information relevant to environmental concerns and bearing on the

^{*}The only other issue remanded by the Court involved a contention by the inmates of the State Correctional Institution at Graterford that related to radiological emergency plans. The proceeding was terminated by a Licensing Board Memorandum and Order of August 11, 1989, LBP-89-22, 30 NRC

licensing of Limerick Generating Station, Units 1 and 2." <u>Id</u>. at 1.

As part of the settlement agreement in which LEA obligates itself to request dismissal of the proceeding with prejudice, PECO commits itself to providing LEA with guid pro quos. The Licensing Board has reviewed the settlement agreement, including the obligations of the signatories and concludes the agreement's provisions are not inconsistent with the statutes and regulations under which the NRC functions. Neither is there any interpretation of the settlement agreement, contained in the joint motion, that is contrary to regulation. In accordance with the Commission's longstanding policy of encouraging fair and reasonable settlements of contested initial licensing issues, the Licensing Board accepts the settlement agreement.

The complaint of LEA has been satisfied without the need for a formal hearing. There is no issue in controversy. The Licensing Board is unaware of any reason why the request of the parties for concluding the proceeding should not be granted.

Based upon the foregoing, the joint motion of the parties to dismiss LEA's contention with prejudice, to dismiss LEA as a

party to the proceeding and to terminate the proceeding is hereby granted. The proceeding is terminated.

It is so ORDERED.

THE ATOMIC SAFETY AND LICENSING BOARD

Jerry Harbour, Member ADMINISTRATIVE JUDGE

Frederick J. Shon, Me.ber ADMINISTRATIVE DUDGE

Morton B. Margulies, Chairman ADMINISTRATIVE LAW JUDGE

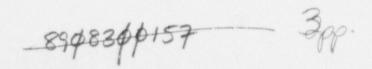
Bethesda, Maryland August 30, 1989

JOINT MOTION FOR TERMINATION OF PROCEEDINGS

On February 28, 1989, the United States Court of Appeals for the Third Circuit issued its decision in <u>Limerick Ecology Action</u>, <u>Inc. v. NRC</u>, 689 F.2d 719 (3d Cir. 1989) remanding to the Nuclear Regulatory Commission ("NRC") for consideration a contention that severe accident mitigation design alternatives ("SAMDAs") must be considered for the Limerick Generating Station.

On May 5, 1989, the Commission issued an Order requiring further proceedings before an Atomic Safety and Licensing Board ("Licensing Board") in compliance with the Opinion of the Third Circuit. A prehearing conference was held June 6, 1989 to define the issues in the proceeding. On July 18, 1989, the presiding Licensing Board issued a Memorandum and Order ruling on which of the proposed SAMDAs fall within the scope of the Commission's Order of May 5, 1989. The parties were in the process of conducting informal discovery on these alternatives. In the meantime, Limerick Ecology Action ("LEA") and Philad lphia Electric Company ("PECO") entered into discussions for the purpose of resolving LEA's SAMDA contention, the only contention in this proceeding, and have reached an agreement settling LEA's concerns as set forth in the attached Settlement Agreement. On August 16, 1989, the NRC Staff issued its Supplement to the Final Environmental Statement to consider the question of SAMDAs.

This Board has previously encouraged the parties to work together towards settlement of outstanding issues (Prehearing



Conference Tr. at 27, 37). This is consistent with longstanding Commission policy supporting the dismissal of proceedings by reason of the parties' settlement.*/ Accordingly, the NRC Staff, LEA and PECO hereby jointly move the Board to accept the attached Settlement Agreement, dismiss LEA's contention with prejudice, dismiss LEA as a party to this proceeding and terminate the proceeding.

Licensee, LEA, and the NRC agree that nothing in the Settlement Agreement in any way restricts the right of LEA to

See, e.g., 10 C.F.R. §2.759; the Commission Policy Statement on the Conduct of Proceedings, 13 NRC (198); Philadelphia Electric Company (Limerick Generating Station, Units 1 and 2) ALAB-830, 23 NRC 59, 60 (1986); Texas Utilities Electric Company (Comanche Peak Steam Electric Station, Units 1 and 2), Memorandum and Order (Dismissing Proceedings) (July 13, 1988; Public Service Electric and Gas Company (Hope Creek Generating Station), LBP-85-6A, 21 NRC 648 (1985); Rochester Gas & Electric Corporation (R. E. Ginna Nuclear Plant, Unit 1), LBP-84-34, 20 NRC 769 (1984); Gulf States Utilities (River Bend Station Units 1 and 2), LBP-84-51, 20 NRC 1478 (1984).

communicate to the Commission any safety information it may have or obtain.

Respectfully submitted,

/s/ Joseph Rutberg
Joseph Rutberg
Counsel for United States
Nuclear Regulatory
Commission Staff

Charles W. Elliott
Charles Elliott
Poswistilo, Elliott & Elliott
Suite 201
1101 Northampton Street
Easton, PA 18042
Counsel for Limerick Ecology
Action, Inc.

/s/ Mark J. Wetterhahn
Mark J. Wetterhahn
Conner, & Wetterhahn, P.C.
Suite 1050
1747 Pennsylvania Avenue, N.W.
Washington, D. C. 20006
Counsel for Philadelphia
Electric Company

August 25, 1989

SETTLEMENT AGREEMENT

WHEREAS, the United States Court of Appeals for the Third Circuit issued an opinion on February 28, 1989 granting, inter alia, a petition for review filed by Limerick Ecology Action ("LEA") in Limerick Ecology Action, Inc. v. NRC, Nos. 85-3431, 86-3314 and 87-3508, ordering the Nuclear Regulatory Commission ("NRC" or "Commission") to consider severe accident mitigation design alternatives ("SAMDAS") for the Limerick Generating Station; and

WHEREAS, the Commission issued an Order on May 5, 1989 requiring further proceedings before an Atomic Safety and Licensing Board in compliance with the Opinion of the Court of Appeals and a prehearing conference before the duly appointed Atomic Safety and Licensing Board was conducted on June 6, 1989 in furtherance of the Order of the Commission; and

WHEREAS, the Philadelphia Electric Company ("PECO") is the owner and operator of the Limerick Generating Station, Units 1 and 2, and whereas Unit 1 is operating and Unit 2 is ready to receive a full power operating license; and

WHEREAS, Limerick Ecology Action is a party-intervenor in the remand proceeding; and

WHEREAS, on November 23, 1988, the NRC issued Generic Letter No. 88-20 which required each utility operating a nuclear power plant to initiate an Individual Plant Examination ("IPE") to identify any plant-specific vulnerabilities to severe accidents and to report the results to the Commission on a schedule described therein;

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WHEREAS, LEA and Philadelphia Electric Company agree that settlement of all the issues in the manner described herein is in the best interest of each party;

NOW THEREFORE PHILADELPHIA ELECTRIC COMPANY AND LIMERICK ECOLOGY ACTION IN CONSIDERATION OF THE MUTUAL PROMISES, COVENANTS AND AGREEMENTS CONTAINED HEREIN AND INTENDING TO BE LEGALLY BOUND, HEREBY AGREE AS FOLLOWS:

- PECO and LEA shall execute in good faith the programs, plans, commitments and agreements contained in this Settlement Agreement ("Agreement").
- 2. PECO shall add an individual designated by LEA . d qualified in the field of nuclear power plant technology, including probabilistic risk assessment methodology, to its IPE outside review team consisting of expert individuals from outside the Company. The purpose of the outside review team is to critically review, and make recommendations relating to the IPE process and results for the Limerick Generating Station. PECO shall have the right to reasonably screen the individual selected by LEA for qualification and conflict of interest considerations.
- 3. PECO shall pay reasonable and necessary consulting fees and expenses for the designated individual at his or her customary rate.
- 4. The individual designated by LEA shall have complete access to all written material and individuals within the Company and consultants associated with the IPE process, and shall be able

to attend all meetings and briefings related to the IPE outside review team process and participate in escorted tours of the facility, subject to execution of customary agreements relating to nondisclosure of proprietary material, and security, safety, fitness for duty, radiological protection, and similar considerations to the same extent as other members of the outside review team. The individual designated by LEA shall not use any of the information obtained from PECO or its consultants or work-product in any other forum in a manner adverse to the interests of PECO.

- 5. The individual designated by LEA shall be permitted to discuss his work and views relating to the status, progress and results of the IPE with persons associated with the PECO IPE effort for Limerick and LEA and, to the extent such individual deems necessary, to have his separate views included within the documentation associated with the IPE process for consideration by PECO management and by the NRC. The outside review team's responsibilities shall cease upon submittal of the final IPE report to the NRC.
- 6. PECO shall include consideration of improvements to existing methods of venting, such as discharging the existing 6 inch vent outside the enclosure where it presently terminates, as part of the IPE process.
- 7. PECO shall evaluate and implement, as appropriate to the Limerick-specific design, certain modifications which have been

implemented at the Pilgrim Nuclear Generating Station, i.e., plugging certain drywell spray nozzles, if necessary, and provide the ability to crosstie the fire water system into the Residual Heat Removal System to permit the diesel operated fire pump to serve as an alternative drywell spray source. At the conclusion of its evaluation, PECO shall describe in writing to LEA its plans for the modifications to be made pursuant to this paragraph.

- 8. PECO shall describe in writing to LEA the status of the implementation of Emergency Procedure Guidelines ("EPG") Rev. 4 into its Transient Response Implementation Plan procedures and the schedule for full implementation of EPG Rev. 4, currently scheduled for the end of 1989. PECO commits to full implementation of EPG Rev. 4 within a reasonable period of time.
- 9. PECO represents that it has made modifications related to the improvement of the reliability of the Automatic Depressurization System ("ADS") at the Limerick Generating Station based upon the recommendations of NUREG/CR-4920, Vol. 2, Assessment of Severe Accident Prevention and Mitigation Features: BWR, Mark II Containment Design. PECO shall describe in writing to LEA the modifications relating to the ADS it has made.
- 10. PECO shall describe in writing to LEA the steps it has taken to reduce the number of scrams associated with Limerick operation and, as to scrams that may occur, the formal program for investigating and taking corrective action to assure that they do not recur.

- 11. PECO shall evaluate independently of the IPE process the need to replace any chatter prone relays and breakers in risk significant systems with chatter-resistant designs and implement those modifications warranted as the result of its evaluation. The evaluation shall commence within 45 days of the effective date of this Agreement. At the conclusion of its evaluation, PECO shall describe its evaluation and plans regarding chatter prone relays and breakers to LEA in writing.
- 12. PECO shall evaluate the potential need for other risk reduction measures during the course of the IPE process.
- 13. PECO shall evaluate seismic design risk reduction possibilities, including the need for modifications to the reactor enclosure and control structure wall, as part of the IPE process.
- 14. PECO shall give a representative, designated in writing by LEA and to be escorted by a PECO employee, access to the Limerick Generating Station with 48 hours written notice to the Plant Manager, Limerick Generating Station, P. O. Box A, Sanatoga, Pennsylvania 19464, for the purposes of a site tour of reasonable duration. Such tour is subject only to restrictions on access related to safety, security, radiological protection, and similar considerations. Such access shall be limited to no more than semiannually in the calendar years 1990 and 1991 and once per quarter in the calendar years 1992 and 1993. Thereafter, no right of access under this Agreement shall exist.

- a copy of all licensing-related documents and correspondence from it to the NRC relating to Limerick Generating Station, with reasonable dispatch, for a period of 4 years from the date of execution of this Agreement.
- 16. PECO shall make contributions to community recycling programs for educational programs promoting the energy savings of recycling and energy efficient practices in the total amount of \$10,000.00 to be chosen by it. However, at least \$5,000.00 shall be designated for Recycling Services, Inc. of North Coventry Township for such programs. Within 15 days of the effective date of this Agreement, LEA shall submit a list of additional projects for consideration under this paragraph. All contributions under this paragraph shall be made within 45 days of the termination of this proceeding by the presiding Atomic Safety and Licensing Board.
- 17. PECO shall make a payment to LEA in the amount of \$55,000.00 to reimburse it for costs associated with the SAMDA proceeding, such payment not to be used for any purpose hostile to the current or future interests of PECO. Payment of this amount to LEA shall be made within 45 days after termination of the SAMDA proceeding by the presiding Atomic Safety and Licensing Board.
- 18. LEA shall withdraw from the SAMDA proceeding and shall make no further filings in this proceeding except as are necessary to execute this Paragraph; and shall request dismissal of the proceeding with prejudice. LEA shall expeditiously take all

actions reasonably necessary to accomplish the end of terminating litigation relating to the SAMDA matter before the Licensing Board. In this regard, LEA shall execute the Joint Motion for Termination of Proceedings attached to this Agreement concurrently with the execution of this Agreement for submission to the presiding Atomic Safety and Licensing Board.

- 19. LEA shall not challenge directly or indirectly any matter related to SAMDAS, risk reduction, or the IPE process or results related to Limerick Generating Station before the NRC, any successor to such agency, or before any court.
- 20. LEA shall not oppose issuance, either before the NRC or any court, of a full power operating license for Limerick Unit 2 or otherwise challenge its validity.
- 21. LEA shall designate to PECO in writing a representative to receive correspondence and other written material prepared pursuant to this Agreement. All correspondence relating to this Agreement directed to PECO shall be sent to Director of Licensing, Nuclear Group, Philadelphia Electric Company, 955 Chesterbrook Boulevard, Wayne, Pennsylvania 19087.
- 22. Any modifications or other measures required to be taken by PECO under this Agreement shall be contingent on obtaining any required NRC approvals, and any necessary modifications made pursuant to this Agreement any be scheduled such that construction and testing coincides with planned refueling or other planned outages as time permits.

- 23. By executing this Agreement neither party acknowledges or admits the correctness of any other party's position on any matters related to this proceeding or any other proceeding regarding the Limerick Generating Station.
- 24. This Agreement supersedes all prior representations, negotiations and understandings of the parties hereto, whether oral or written, and constitutes the entire agreement of the parties with respect to matter hereof. This Agreement shall not be changed or superseded, except by mutual agreement in writing signed by the duly authorized representatives of LEA and PECO. This Agreement shall be binding on and inure to the benefit of any successors or assigns of the parties. It is expressly understood, however, that nothing in this Agreement shall prevent the Company from fulfilling any legal or regulatory requirement of the NRC, or its successors, whether contained in the NRC Operating License or other letter or directive of such Commission, its successors or representatives, whether oral or in writing.
- 25. This Agreement shall be effective upon execution by both parties.

26. The undersigned warrant and represent that they are authorized to execute this Settlement Agreement on behalf of their respective party.

FOR PHILADELPHIA ELECTRIC COMPANY

August 25, 1989 Date /s/ C. A. McNeill, Jr.
Corbin A. McNeill, Jr.
Senior Vice President - Nuclear

FOR LIMERICK ECOLOGY ACTION, INC.

August 25, 1989 Date /s/ David Stone Officer

UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

In the Matter of

PHILADELPHIA ELECTRIC COMPANY

(Limerick Generating Station. Units 1 and 2)

- 1 Docket No. (s) 50-352/353-0L-2

CERTIFICATE OF BERVICE

I hereby certify that copies of the foreoping LB M&D TERMINATING PROCEEDING have been served upon the following persons by U.S. mail, first class, except as otherwise noted and in accordance with the requirements of 10 CFR Sec. 2.712.

Administrative Judge Christine N. Kohl, Chairman Atomic Safety and Licensing Appeal U.S. Nuclear Repulatory Commission Washington, DC 20555

Administrative Judge Howard A. Wilber Atomic Safety and Licensing Appeal U.S. Nuclear Regulatory Commission Washington, DC 20555

Administrative Judge Frederick J. Shon Atomic Safety and Licensing Board U.S. Nuclear Regulatory Commission Washington, DC 20555

Joseph Rutberg, Esquire Office of the General Counsel U.S. Nuclear Regulatory Commission 1747 Pennsylvania Avenue, N.W. Washington, DC 20555

Charles W. Elliot, Esquire Poswistilo, Elliott & Elliott 1101 Northampton Street, Suite 201 Easton, PA 18042

Administrative Judge Bary J. Edles Atomic Safety and Licensing Appeal Board U.S. Nuclear Repulatory Commission Washington, DC 20555

Administrative Judge Morton B. Margulies, Chairman Atomic Safety and Licensing Board U.S. Nuclear Regulatory Commission Washington, DC 20555

Administrative Judge Jerry Harbour Atomic Bafety and Licensing Board U.S. Nuclear Repulatory Commission Washington, DC 20555

Troy B. Conner, Jr., Esquire Conner & Wetterhahn, P.C. Washington, DC 20006

Edward G. Bauer, Jr., Esquire Vice President and General Counsel Philadelphia Electric Company 2301 Market Street Philadelphia, PA 19101

Docket No. (s) 50-352/353-DL-2 LB M&O TERMINATING PROCEEDING

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David Stone Limerick Ecology Action, Inc. P.D. Box 761 Pottstown, PA 19464

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David Wersan. Esquire
Assistant Consumer Advocate
Office of Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120

Robert L. Anthony Box 186 Moylan, PA 19065

Senior Resident Inspector U.S. Nuclear Regulatory Commission P.D. Box 596 Pottstown. PA 19464

Dated at Rockville, Md. this 31 day of August 1989 Frank R. Romano Chairman Air and Water Pollution Patrol 61 Forest Avenue Ambler. PA 19002

Robert J. Bugarman, Esquire 101 North Broad Street. 16th Floor Philadelphia, PA 19107

Michael B. Hirsch, Esquire Federal Emergency Management Agency 500 C Street, S.W. Washington, DC 20472

Theodore 6. Otto, III, Esquire Chief Counsel Pennsylvania Department of Corrections P.O. Box 598 Camp Hill, PA 17011

Bregory E. Dunlap
Deputy General Counsel
The Commonwealth of Pennsylvania
Office of General Counsel
333 Market Street. 17th Floor
Harrisburg, PA 17120

Statty Henderson of the Commission