Agreement in Principle

Acquisition of the Damaged TMI-2 Reactor Core by BOE

Whereas, the Owners of Three Mile Island Nuclear Generating Station, Metro-politan Edison Company, Pennsylvania Electric Company, Jersey Central Power & Light Company, all subsidiaries of General Public Utilities Corporation, are desirous of completing the defueling, cleanup, and disposal of waste from the TMI-2 nuclear powerplant in as safe and efficient manner as possible, and

Whereas, it now appears likely that shipment of the bulk of the damaged fuel immediately upon removal from the reactor vessel offers significant advantages from a public health and safety as well as from a cost point of view, and

Whereas, the Department of Energy (DOE) is authorized to conduct a research and development program to examine the damaged reactor core so as to enhance understanding of degraded core performance and thereby contribute to nuclear reactor safety on a generic basis, and

Whereas, acquisition of the entire TMI core will significantly enhance the value of the research and development program and its potential usefulness in evaluating generic reactor safety matters:

It is therefore agreed that:

- 1. The Department will acquire ownership of the damaged core from the Owners at no cost to DOE.
- 2. The Department will arrange for shipment of the entire core to a DOE site for an examination program. Title to, and responsibility for, the damaged fuel will be transferred to the DOE upon leaving the TMI site boundary.
- 3. The Owners will reimburse cost of shipping to a DOE site.
- 4. The Department will fund the cost of interim storage, survey of the core, and selection of samples for detailed examinations, a program expected to take about 3 to 5 years.
- 5. The Owners will reimburse costs associated with storage (beyond the R&D period referred to in item 4) and disposal, up to a reasonable value to be agreed upon. The cost to be reimbursed shall not exceed that which the Owner would incur in storage of a TMI type core in a TMI-1 fuel pool awaiting ultimate disposition, and for ultimate disposal in a Government repository.
- 6. This Agreement is contingent upon negotiation and execution of a written contract between DOE and the Owners, which contract shall define the particulars to a degree satisfactory to all parties.

On Rehalf of Alla Owners

n Behalf of the Department of Energy