

Studsvik

VIA UPS

July 13, 2012

Leigh Ing
Consulting Supervisory Director
Texas Low Level Radioactive Waste Disposal Compact Commission
3616 Far West Blvd.
Ste. 117, # 294
Austin, TX 78731

RE: Studsvik Processing Facility Erwin, LLC Agreement for Importation of Nonparty Low-Level Radioactive Waste for Disposal in the Texas Low-Level Radioactive Waste Disposal Compact Facility with the Texas Low-Level Radioactive Waste Disposal Compact Commission

Dear Ms. Ing:

On behalf of Studsvik Processing Facility Erwin, I have enclosed a fully executed original of the above referenced agreement.

Please don't hesitate to contact me if you have any questions.

Sincerely,


Laurie Poppell
Legal Assistant

Encs. 1

TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION

Agreement for Importation of Nonparty Low-Level Radioactive Waste For Disposal in the Texas Low-Level Radioactive Waste Disposal Compact Facility

This Agreement for Importation of Nonparty Low-Level Radioactive Waste ("Agreement") is dated this the 1st day of July, 2012, by and between Studsvik Processing Facility Erwin, LLC, a Generator who is also a Licensed Waste Processor ("Generator") and the Texas Low-Level Radioactive Waste Disposal Compact Commission ("Commission") (collectively the "Parties").

RECITALS

WHEREAS Texas is the host state for the Texas Low-Level Radioactive Waste Disposal Compact, an interstate compact approved by Congress in 1998 (Public Law 105-236) and compiled at Section 403.006, Texas Health and Safety Code ("Compact"), which requires the host state to develop a facility for the disposal of low-level radioactive waste generated within the Compact's party states (currently Texas and Vermont); and

WHEREAS in compliance with Texas law, the Texas Commission on Environmental Quality ("TCEQ") has leased land to and issued a license to Waste Control Specialists LLC ("Compact Facility Operator") to construct and operate a Compact Waste Disposal Facility ("Compact Facility") in Andrews County, Texas for the disposal of low-level radioactive waste for the Compact; and

WHEREAS the Texas Legislature has authorized the Compact Facility Operator to accept for disposal at the Compact Facility low-level radioactive waste from waste generators located outside of the Compact party states subject to approval by the TCEQ of the waste characteristics

and waste forms as set forth in the Compact Facility license and to the extent the acceptance of such imported waste does not diminish the disposal volume or curie capacity available to Compact party states; and

WHEREAS Section 3.05(6) of the Compact authorizes the Commission to enter into an agreement with any person, state, regional body, or group of states for the importation of low-level radioactive waste into the Compact Facility for management or disposal subject to such conditions and restrictions to be included in the agreement as the Commission deems advisable and provided that the agreement receives a majority vote of the Commission; and

WHEREAS Generator has filed an Application for Importation of Nonparty Low-Level Radioactive Waste ("Application") with the Commission; and

WHEREAS the Commission has processed and considered Generator's Application for Importation in accordance with Commission Rule 675.23 (31 Texas Administrative Code §675.23) and a majority of the members of the Commission approved the Application and voted to enter into this Agreement.

AGREEMENT

ARTICLE I. REPRESENTATIONS AND WARRANTIES

- A. Generator represents and warrants that it has disclosed fully in its Application the existence of any unresolved violations pending against the Generator with any other regulatory agency with jurisdiction to regulate radioactive material.
- B. Generator represents and warrants that it has disclosed accurately in its Application the existence of any unresolved violation(s), complaint(s), unpaid fee(s), or past due report(s) that it has with the Commission.

- C. Generator represents and warrants that it has disclosed in its Application the existence of any unresolved violation(s), complaint(s), unpaid fee(s), or past due reports that it has with any other regulatory body with regard to radioactive waste, including, without limitation, the TCEQ.
- D. Generator specifically acknowledges and agrees that a misrepresentation with respect to an item listed in A, B, or C above may result in the immediate revocation of this Agreement.
- E. Generator represents and warrants that no waste of international origin shall ever be included in the materials to be shipped to the Compact Facility for disposal. Generator agrees that the inclusion of waste of international origin in a shipment may result in immediate suspension of this Agreement.
- F. Generator represents and warrants that it will notify the Commission immediately of any allegation of the violation of any law, rule, or regulation related to the shipment of any form of radioactive waste. Generator represents and warrants that it will report quarterly (on a calendar year basis) to the Commission any confirmed violation of any law, rule, or regulation in any jurisdiction related to the shipment of any form of radioactive waste. Generator agrees that a failure to report quarterly to the Commission any confirmed violation by the Generator of any law, rule, or regulation related to the shipment of any form of radioactive waste may result in the immediate suspension of this Agreement.
- G. Generator represents and warrants its agreement that the Commission may at any time upon reasonable notice audit or cause to be audited (if a portion of the audit involves business records, that portion of the audit shall be conducted during normal business

hours) Generator's compliance with this Agreement. Generator agrees that a refusal to allow the Commission to audit or cause to be audited Generator's compliance with this Agreement upon reasonable notice may result in immediate suspension of this Agreement.

- H. Generator represents and warrants that it has sufficient financial capacity to perform its obligations under this Agreement and to comply with all relevant state and federal laws, rules, and regulations.

ARTICLE II. TERMS AND CONDITIONS OF IMPORT AUTHORIZATION

Pursuant to Section 3.05 (6) of the Compact, the Commission hereby authorizes the Generator to import to the Compact Facility for disposal nonparty low-level radioactive waste, in the form and amounts described in Item K below ("Generator's Nonparty Compact Waste"), subject to the terms and conditions set forth below and in Article I of this Agreement, all of which are agreed to by Generator.

- A. This Agreement shall remain in effect according to its terms from July 1, 2012 through April 26, 2013 unless prior to an importation it is amended by agreement of the Parties, revoked, or suspended by the Commission.
- B. Generator agrees to be bound by Section 8.03 of the Compact and shall be liable for its own acts, omissions, conduct, and relationships in accordance with applicable law.
- C. Generator agrees that under any circumstances the Commission with prior notice to the Generator may revoke, suspend, or amend with respect to future shipments (including adding or deleting requirements) this Agreement on its own motion. The Generator will be given a reasonable time to review, respond, or make any changes necessary to comply

with any additional requirements prior to the date the revocation, suspension, or amendments take effect. If the Commission and the Generator are unable to reach agreement on changes to be made, this Agreement may be terminated subject to Generator's satisfaction of any outstanding obligations related to prior shipments under this Agreement.

- D. Generator agrees that a misrepresentation with respect to Items A, B, or C of Article I of this Agreement may result in immediate revocation and that a failure to comply with Items F and G of Article I of this Agreement may result in immediate suspension of this Agreement effective on the date of the service of notice of such revocation or suspension to the Generator by certified mail. The Agreement may be reinstated with or without amendments at the discretion of the Commission after consideration of the response of the Generator.
- E. The Parties agree that the Commission may cancel, suspend, or amend (including adding or deleting requirements) this Agreement with respect to future shipments in response to a written application from the Generator. If the Parties are unable to agree on amendments proposed by the Generator, this Agreement may be terminated subject to Generator's satisfaction of any outstanding obligations under this Agreement related to prior shipments under this Agreement.
- F. With respect to any action that it undertakes with respect to Items C, D, or E immediately above for which notice to the Generator is required, the Commission agrees that it also will serve notice to the Compact Facility Operator and to the TCEQ.
- G. This Agreement is not assignable or transferable to any other person.

- H. This agreement relates only to importation of waste for disposal (as defined in Section 2.01 (4) of the Compact and as provided for in Section 3.05(6) of the Compact) in the Compact Facility and is not to be construed as approval of import for management (as defined in Section 2.01(11) of the Compact and as provided for in Section 3.05(6) of the Compact).
- I. In the event the Commission should enter into this Agreement with a Generator who has in accordance with procedures approved by TCEQ placed waste in storage at a storage facility operated by the Compact Facility Operator near the Compact Disposal Facility prior to April 27, 2012 and for whom the Compact Facility Operator has applied for a license amendment as of the date the Commission acts on entering into this Agreement, then this Agreement is subject to receipt by the Commission and the Compact Facility Operator of written certification from the TCEQ, prior to the acceptance of Generator's Nonparty Compact Waste for disposal in the Compact Facility, that the waste to be imported is authorized for disposal in the Compact Facility under the Compact Facility license.
- J. Generator agrees to comply to the extent applicable with the rules related to commingling adopted by TCEQ in coordination with the Commission pursuant to Section 401.207(k), Texas Health and Safety Code.
- K. Description of Generator's Nonparty Compact Waste approved for importation:
- (a) Waste Volume (Cubic Feet): 4,211
 - (b) Waste Radioactivity in Curies: 26,000
 - (c) Place of origination (State or U.S. Territory) of waste: Tennessee

(d) Waste description: Solid metal oxides, spinels, carbonates and aluminates collectively referred to as "Reformed Residue")

(e) Waste classification (Class A, Class B, or Class C): Class B, Class C

(f) Waste form: Stable

(g) Radionuclides:

(1) C-14: 30,000 millicuries (mCi)

(2) Tc-99: 781,000 microcuries (uCi)

(3) I-129: 131,000,000 nanocuries (nCi)

(4) U-238: 0 microcuries (uCi)

(5) Concentration: 2.0 to 16.5 Ci/ft³ (units)

(h) Source of Generation: Fluid bed stream reforming of spent ion exchange resins and filters and dry active wastes overfilled with Reformed Residue

(i) Sealed Source: No

STUDSVIK PROCESSING FACILITY ERWIN, LLC

BY: Lloyd A. Solomon
Lloyd A. Solomon

Member, Board of Managers
Title

July 13, 2012
Date

TEXAS LOW LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION

BY: Milton B. Lee
Milton B. Lee

Vice Chair
Title

July 10, 2012
Date