

## United States Department of Energy and State of Tennessee Agreement in Principle

The United States Department of Energy (DOE), the State of Tennessee, and the other Natural Resource Damage Trustees have been engaged in discussions and negotiations concerning natural resource injuries arising from DOE's activities on the Oak Ridge Reservation (ORR). As part of an effort to reach a fair and equitable settlement of remaining issues, DOE agrees to grant the State a conservation easement on approximately 3000 acres of land on the ORR, to become effective upon completion of a survey of the property. DOE further agrees, subject to the availability of appropriated funds for this purpose, to provide the State funding sufficient to manage this property. The State intends to manage this property in accordance with the state laws addressing natural areas and wildlife management areas.

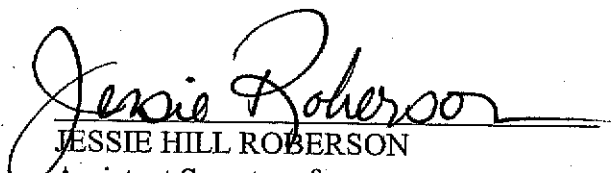
DOE and the State recognize that this conservation easement and the associated funding address in part the Natural Resource Damages (NRD) arising from DOE's activities on the ORR, and the State agrees to credit DOE the value of this easement and the funding provided by DOE for management of the property, after consultation with the other NRD Trustees, toward any future claim for NRD arising from DOE's activities on the ORR.

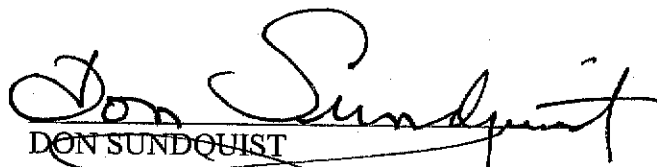
DOE and the State are continuing to work with the other NRD Trustees to assess the nature and extent of NRD arising from DOE's activities on the ORR, the value of this conservation easement, and the methodology for making these determinations. DOE agrees to seek funding sufficient to complete further NRD activities.

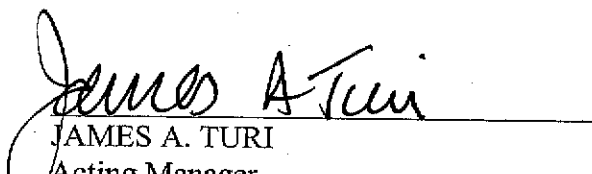
If, at a date to be determined and set forth in the easement, DOE and the State have not been able to reach agreement on the issues of credit, in consultation with the other NRD Trustees, the conservation easement contemplated herein will terminate, unless DOE and the State mutually agree otherwise.

DOE and the State will continue to work with the other NRD Trustees and the public, and reaffirm and commit to continue to work as a Trustee Council to address NRD issues.

December 20, 2002

  
JESSIE HILL ROBERSON  
Assistant Secretary for  
Environmental Management  
U.S. Department of Energy

  
DON SUNDQUIST  
Governor  
State of Tennessee

  
JAMES A. TURI  
Acting Manager  
Oak Ridge Operations Office  
U.S. Department of Energy