EXPIRATION DATE: April 30, 2006

FOR RENEWAL, SEE 49 CFR § 107.109

1. GRANTEE: Indiana Michigan Power Company
   Buchanan, MI

2. PURPOSE AND LIMITATION:
   a. This exemption authorizes the transportation in commerce
      of four steam generator lower assemblies, containing Class 7
      radioactive material, to be classed as surface contaminated
      objects, class II, and transported as non-specification
      packages from the D.C. Cook Nuclear Plant in Bridgman, MI to
      either the Envirocare disposal facility in Clive, Utah or
      the Chem-Nuclear Systems Waste Management Facility in
      Barnwell, SC. This exemption provides no relief from the
      Hazardous Materials Regulations (HMR) other than as
      specifically stated herein.
   
   b. The safety analyses performed in development of this
      exemption only considered the hazards and risks associated
      with transportation in commerce. The safety analyses did
      not consider the hazards and risks associated with consumer
      use, use as a component of a transport vehicle or other
      device, or other uses not associated with transportation in
      commerce.


4. REGULATIONS FROM WHICH EXEMPTED:
   a. 49 CFR § 173.403 in so far as the fixed and non-fixed
      contamination levels for surface contaminated objects, class
II, (SCO-II) are waived for the components specified in the exemption application.

b. 49 CFR § 173.427(b)(1) in so far as the requirement that SCO-II, must be transported in authorized packaging is waived.

c. 49 CFR § 173.465(c) and (d) in that modified mechanical testing is acceptable.


6. HAZARDOUS MATERIALS (49 CFR § 172.101):

<table>
<thead>
<tr>
<th>Hazardous Materials Description</th>
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<tbody>
<tr>
<td>Proper Shipping Name</td>
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<tr>
<td>Radioactive material, surface contaminated objects (SCO-II) non fissionable or fissionable excepted</td>
</tr>
</tbody>
</table>

7. SAFETY CONTROL MEASURES:

a. PACKAGING -


(2) The contamination levels and radionuclides present on each component must be consistent with the levels identified in the Indiana Michigan Power Company application.

(3) To maximize radiation protection, each steam generator section must be prepared for shipment by welding or bolting shut all nozzles, instrument penetrations and mechanical enclosures using closure
plates. Prior to shipment, the external surface of the steam generator lower assemblies section will be covered with a fixative and/or paint and shrink-wrapped.

b. OPERATIONAL CONTROLS -

(1) The steam generator lower assemblies shall be consigned as exclusive use under the provisions of 49 CFR 173.427(a)(6).

(2) All controls, provisions and routes specified in the Transportation and Emergency Response Plan attached to the application for exemption must be followed.

c. COMMUNICATIONS -

(1) The Office of Hazardous Materials Exemptions and Approvals shall be notified prior to commencement of transportation and upon completion of transit.

(2) The outside of the steam generator lower assemblies shall be plainly and durably marked "DOT-E 13357". Letters and numerals shall be at least 0.25 inches wide and 4.0 inches high.

(3) The outside of the steam generator lower assemblies shall be marked, labeled, and placarded in accordance with the provisions of 49 CFR 173.427(a)(6) for domestic shipments of SCO required to be shipped as exclusive use.

8. SPECIAL PROVISIONS: A current copy of this exemption must be maintained at each facility where the package is offered or reoffered for transportation.

9. MODES OF TRANSPORTATION AUTHORIZED: Motor vehicle and rail freight.

10. MODAL REQUIREMENTS: A current copy of this exemption must be carried aboard each motor vehicle used to transport packages covered by this exemption.

11. COMPLIANCE: Failure by a person to comply with any of the following may result in suspension or revocation of this exemption and penalties prescribed by the Federal hazardous materials transportation law, 49 U.S.C. 5101 et seq:
All terms and conditions prescribed in this exemption and the Hazardous Materials Regulations, 49 CFR Parts 171-180.

Persons operating under the terms of this exemption must comply with the security plan requirement in Subpart I of Part 172 of the HMR, when applicable.

Registration required by § 107.601 et seq., when applicable.

Each "Hazmat employee", as defined in § 171.8, who performs a function subject to this exemption must receive training on the requirements and conditions of this exemption in addition to the training required by §§ 172.700 through 172.704.

No person may use or apply this exemption, including display of its number, when this exemption has expired or is otherwise no longer in effect.

12. REPORTING REQUIREMENTS: The carrier is required to report any incident involving loss of packaging contents or packaging failure to the Associate Administrator for Hazardous Materials Safety (AAHMS) as soon as practicable. (Sections 171.15 and 171.16 apply to any activity undertaken under the authority of this exemption.) In addition, the holder(s) of this exemption must inform the AAHMS, in writing, of any incident involving the package and shipments made under the terms of this exemption.

Issued in Washington, D.C.:

[Signature]

Robert A. McGuire
Associate Administrator for Hazardous Materials Safety

Date

MAY 28 2004

Address all inquiries to: Associate Administrator for Hazardous Materials Safety, Research and Special Programs Administration, Department of Transportation, Washington, D.C. 20590.

Attention: DHM-31.
Copies of this exemption may be obtained by accessing the Hazardous Materials Safety Homepage at http://hazmat.dot.gov/exemptions. Photo reproductions and legible reductions of this exemption are permitted. Any alteration of this exemption is prohibited.

PO: JWILLIAMS:dl