



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

January 13, 2000

Mr. Brian Gutherman, Licensing Manager
Holtec International
Holtec Center
555 Lincoln Drive West
Marlton, NJ 08053

SUBJECT: EXEMPTION FROM 10 CFR 72.234(c) FOR THE HI-STORM 100 CASK
SYSTEM, DOCKET 72-1014 (TAC NO. L22997)

Dear Mr. Gutherman:

By letter dated October 4, 1999, and pursuant to the provisions of 10 CFR Part 72.7, Holtec International (Holtec) requested an exemption from 10 CFR 72.234(c). Holtec requested permission to begin procurement and fabrication activities for three MPC-68 multi-purpose canisters, three HI-STORM 100 overpacks, and one HI-TRAC-125 transfer cask prior to receipt of the Certificate of Compliance (CoC). The MPC-68 multi-purpose canister, the HI-STORM 100 overpack, and the HI-TRAC-125 transfer cask are basic components of the HI-STORM 100 cask system. The application for a HI-STORM 100 cask system CoC was submitted by Holtec to the U.S. Nuclear Regulatory Commission (NRC) on October 23, 1995, as supplemented.

Holtec is a subcontractor to the New York Power Authority (NYPA) for supplying three MPC-68 multi-purpose canisters, three HI-STORM 100 overpacks, and one HI-TRAC-125 transfer cask for the James A. FitzPatrick Nuclear Power Plant (JAF), located in Oswego, New York. During the spring and summer of 2002, JAF plans to prepare for refueling which is scheduled for the fall of 2002. To maintain full core offload capability in its spent fuel pool during the refueling outage, JAF must load three MPC-68 multi-purpose canisters and move the loaded canisters to its independent spent fuel storage installation during the summer and fall of 2001. JAF plans to perform training and dry run operations in the spring of 2001. To have the HI-STORM 100 cask system components available to support the training and dry run activities at JAF in the spring of 2001, Holtec indicated that it must begin material procurement and fabrication in January 2000. However, the final Safety Evaluation Report and CoC package is scheduled to be issued in July 2000. Consequently, Holtec requested a fabrication exemption for three MPC-68 multi-purpose canisters, three HI-STORM 100 overpacks, and one HI-TRAC-125 transfer cask.

Holtec has established a Quality Assurance (QA) Program that includes specific QA requirements for procurement and fabrication of items and activities important to safety. The MPC-68 multi-purpose canisters fabricated for use at JAF will not be loaded with spent fuel until the CoC is issued. Moreover, JAF under its QA program must also assure that the MPC-68 canisters are fabricated in conformance with the CoC as issued.

NRC staff evaluated the public health and safety and environmental impacts of the proposed exemption and determined that granting the exemption would not result in any significant impacts. For this action, an Environmental Assessment and Finding of No Significant Impact have been prepared and published in the Federal Register (64 FR 73594, December 30, 1999).

An advance copy of the Federal Register Notice was provided to you by letter dated December 21, 1999.

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NRC approval of the exemption request shall not be construed as an NRC commitment to favorably consider Holtec's application for a CoC. Holtec shall bear the risk of all activities conducted under this exemption.

Based on the foregoing considerations, the staff determined that granting the proposed exemption from the requirements of 10 CFR 72.234(c) to permit fabrication of three MPC-68 multi-purpose canisters, three HI-STORM 100 overpacks, and one HI-TRAC-125 transfer cask is authorized by law, will not endanger life or property or the common defense and security, and is otherwise in the public interest. Holtec is hereby granted an exemption, subject to the following conditions:

- 1) Holtec shall apply its QA Program for procurement and fabrication of the three MPC-68 multi-purpose canisters, three HI-STORM 100 overpacks, and one HI-TRAC-125 transfer cask addressed by this exemption in compliance with the requirements of 10 CFR Part 72, Subpart G.
- 2) Holtec shall make provisions for NRC to inspect the premises and facilities at which the HI-STORM 100 cask system components will be fabricated and tested in accordance with 10 CFR Part 72. This condition shall be completed prior to any fabrication activities under this exemption.
- 3) Holtec shall notify NRC at least 45 days prior to fabrication of the first MPC-68 multi-purpose canister, HI-STORM 100 overpack, and HI-TRAC-125 transfer cask.
- 4) Holtec shall make provisions for NRC to perform any tests that it deems necessary or appropriate for assessing compliance with the requirements of 10 CFR Part 72.
- 5) Holtec shall bear the risk of any activities conducted under this exemption; including the risk that the MPC-68 multi-purpose canisters, HI-STORM 100 overpacks, and HI-TRAC-125 transfer cask may require modification, or that the components may not be useable as a result of not meeting specifications or conditions delineated in a HI-STORM 100 cask system CoC that the NRC may ultimately issue.

Please refer to Docket 72-1014 and TAC No. L22997 in future correspondence related to this action.

Sincerely,
 original /s/ by
 M. Wayne Hodges for
 E. William Brach, Director
 Spent Fuel Project Office
 Office of Nuclear Material Safety
 and Safeguards

Dockets 72-1014, 72-12

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