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U.S. NUCLEAR REGULATORY COMMISSION
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 HOLTEC INTERNATIONAL
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ISSUANCE OF ENVIRONMENTAL ASSESSMENT
AND FINDING OF NO SIGNIFICANT IMPACT
REGARDING THE REQUEST FOR EXEMPTION FROM
REQUIREMENTS OF 10 CFR PART 72

By letter dated October 4, 1999, Holtec International (Holtec or applicant) requested an exemption, pursuant to 10 CFR 72.7, from the requirements of 10 CFR 72.234(c). Holtec, located in Marlton, New Jersey, is seeking Nuclear Regulatory Commission (NRC or the Commission) approval to procure materials for, and fabricate, 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) for the HI-STORM 100 cask system. 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 system, a cask system designed for the dry storage and transportation of spent nuclear fuel. The HI-STORM 100 cask system is intended for use under the general license provisions of Subpart K of 10 CFR Part 72 by New York Power Authority (NYPA) at the James A. FitzPatrick Nuclear Power Plant (JAF) located in Oswego, New York.

ENVIRONMENTAL ASSESSMENT (EA)

Identification of Proposed Action: By letter dated October 26, 1995, as supplemented, and pursuant to 10 CFR Part 72, Holtec submitted an application to the NRC for a CoC for the HI-STORM 100 cask system. This application is currently under consideration by the NRC staff. The applicant is seeking Commission approval to procure materials for, and fabricate, three MPC-68 multi-purpose canisters, three HI-STORM 100 overpacks, and one HI-TRAC-125 transfer cask prior to the Commission's issuance of a CoC for the HI-STORM 100 cask system. The HI-STORM 100 system is intended for use under the general license provisions of Subpart K of 10 CFR Part 72 by NYPA at JAF in Oswego, New York. The applicant requests an

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exemption from the requirements of 10 CFR 72.234(c), which state that "Fabrication of casks under the Certificate of Compliance must not start prior to receipt of the Certificate of Compliance for the cask model." The proposed action before the Commission is whether to approve fabrication, including material procurement, and whether to grant this exemption pursuant to 10 CFR 72.7.

Need for the Proposed Action: Holtec requested the exemption to 10 CFR 72.234(c) to ensure the availability of storage casks so that NYPA can maintain full core off-load capability at JAF. JAF will lose full core off-load capability in the fall of 2002. JAF has proposed an initial cask loading in the summer of 2001. To support training and dry runs prior to the initial loading, NYPA requests the delivery of the first cask by the spring of 2001. Holtec states that to meet this schedule, fabrication, including material procurement, must begin in January 2000.

The HI-STORM 100 cask system application, dated October 26, 1995, is under consideration by the Commission. It is anticipated that, if approved, the HI-STORM-100 cask system CoC may be issued by July 2000. The proposed procurement and the fabrication exemption will not authorize use of any Holtec cask to store spent fuel. That will occur only when, and if, a CoC is issued. An NRC approval of the procurement and grant of the fabrication exemption request should not be construed as an NRC commitment to favorably consider any Holtec application for a CoC. Holtec will bear the risk of all activities conducted under the exemption, including the risk that the three MPC-68 multi-purpose canisters, three HI-STORM 100 overpacks, and one HI-TRAC-125 transfer cask that Holtec plans to construct may not be usable because they may not meet specifications or conditions placed in a CoC that the NRC may ultimately approve.

Environmental Impacts of the Proposed Action: Regarding the procurement approval and fabrication exemption, the Environmental Assessment for the final rule, "Storage of Spent Nuclear Fuel in NRC-Approved Storage Casks at Nuclear Power Reactor Sites" (55 FR 29181 (1990)), considered the potential environmental impacts of casks which are used to store spent nuclear fuel under a CoC and concluded that there would be no significant environmental impacts. The proposed action now under consideration would not permit use of the casks, but

would only permit procurement and fabrication. There are no radiological environmental impacts from procurement or fabrication since cask material procurement and cask fabrication do not involve radioactive materials. The major non-radiological environmental impacts involve use of natural resources due to cask fabrication. Each MPC-68 multi-purpose canister weighs approximately 44 tons and is made of steel. Each HI-STORM 100 overpack weighs approximately 100 tons and is constructed of metal and concrete. The HI-TRAC-125 transfer cask weighs approximately 125 tons and is made of structural steel and lead. The amount of materials required to fabricate these components is expected to have very little impact on the associated industry. Fabrication of the metal components would be at a metal fabrication facility, while fabrication of the concrete overpacks would be partially fabricated at the same metal fabrication facility, with only the concrete pours being done at JAF. The metal and concrete used in the fabrication of these components is insignificant compared to the amount of metal and concrete fabrication performed annually in the United States. If the components are not usable, the components could be disposed of or recycled. The amount of metal and concrete disposed of is insignificant compared to the amount of metal and concrete that is disposed of annually in the United States. Based upon this information, the fabrication of these components will have no significant impact on the environment since no radioactive materials are involved, and the amount of natural resources used is minimal.

Alternative to the Proposed Action: Since there is no significant environmental impact associated with the proposed actions, any alternatives with equal or greater environmental impact are not evaluated. The alternative to the proposed actions would be to deny approval of the exemption and, therefore, not allow fabrication until a CoC is issued. This alternative would have the same environmental impact.

Given that there are no significant differences in environmental impact between the proposed action and the alternative considered and that the applicant has a legitimate need to procure materials and fabricate the components prior to certification and is willing to assume the risk that any fabricated components may not be approved or may require modification, the Commission concludes that the preferred alternative is to approve the procurement request and grant the exemption from the prohibition on fabrication prior to receipt of a CoC.

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Agencies and Persons Consulted: Mr. J. Spath, Director, Radioactive Waste Policy and Nuclear Coordination, New York Energy Research and Development Authority, was contacted about the Environmental Assessment for the proposed action and had no comments.

FINDING OF NO SIGNIFICANT IMPACT

The environmental impacts of the proposed action have been reviewed in accordance with the requirements set forth in 10 CFR Part 51. Based upon the foregoing Environmental Assessment, the Commission finds that the proposed action of approving procurement of materials for three MPC-68 multi-purpose canisters, three HI-STORM 100 overpacks, and one HI-TRAC-125 transfer cask, and granting an exemption from 10 CFR 72.234(c) so that Holtec may fabricate these components prior to issuance of a CoC will not significantly impact the quality of the human environment. Accordingly, the Commission has determined not to prepare an environmental impact statement for the proposed exemption.

The request for the exemption from 10 CFR 72.234(c) was filed on October 4, 1999. For further details with respect to this action, see the application for CoC for the HI-STORM 100 cask system, dated October 26, 1995. On July 30, 1999, a preliminary Safety Evaluation Report and a proposed CoC for the HI-STORM 100 cask system were issued by the NRC staff to initiate the rulemaking process. The exemption request and CoC application are docketed under 10 CFR Part 72, Docket 72-1014. These documents are available for public inspection at the Commission's Public Document Room, 2120 L Street, NW, Washington, DC 20555.

Dated at Rockville, Maryland, this 21st day of December 1999.

FOR THE NUCLEAR REGULATORY COMMISSION



E. William Brach, Director
Spent Fuel Project Office
Office of Nuclear Material Safety
and Safeguards