



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

February 1, 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. L23007)**

Dear Mr. Gutherman:

By letter dated November 15, 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 fabrication activities for four HI-STORM 100 overpacks and one HI-TRAC 100 transfer cask prior to receipt of the Certificate of Compliance (CoC). The HI-STORM 100 overpack and the HI-TRAC 100 transfer cask are basic components of the HI-STORM 100 cask system. Holtec submitted an application for a HI-STORM 100 cask system CoC to the U.S. Nuclear Regulatory Commission (NRC) on October 23, 1995, as supplemented.

Holtec is a subcontractor to Commonwealth Edison Company (ComEd) for supplying four HI-STORM 100 overpacks and one HI-TRAC 100 transfer cask for the Dresden Nuclear Power Station (Dresden), Units 2 and 3, located in Morris, Illinois. Dresden plans to perform refueling in the fall of 2001. To maintain full core offload capability in its spent fuel pool during refueling, Dresden must remove fuel from its spent fuel pool and store the spent fuel in the HI-STORM 100 overpacks at its Independent Spent Fuel Storage Installation. To have the HI-STORM 100 cask system components available before the refueling activities at Dresden in the fall of 2001, Holtec stated that it must begin fabrication activities by February 15, 2000. However, the final Safety Evaluation Report and CoC package is scheduled to be issued by NRC in July 2000. Consequently, Holtec requested a fabrication exemption for four HI-STORM 100 overpacks and one HI-TRAC 100 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 HI-STORM overpacks fabricated for use at Dresden will not be used for storage of spent fuel until the CoC is issued. Moreover, Dresden under its QA program must also assure that the four HI-STORM 100 overpacks and one HI-TRAC 100 transfer cask are fabricated in conformance with the CoC as issued.

The 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 (65 FR 2995, January 19, 2000). An advance copy of the Federal Register Notice was provided to you by letter dated January 10, 2000.

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The 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 four HI-STORM 100 overpacks and one HI-TRAC 100 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 fabrication of the four HI-STORM 100 overpacks and one HI-TRAC 100 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 before any fabrication activities under this exemption.
- 3) Holtec shall notify NRC at least 45 days before fabrication of the first HI-STORM 100 overpack and the HI-TRAC-100 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 HI-STORM 100 overpacks and the HI-TRAC 100 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 NRC may ultimately issue.

Please refer to Docket 72-1014 and TAC No. L23007 in future correspondence related to this action.

Sincerely,

ORIGINAL SIGNED BY SUSAN SHANKMAN FOR /s/

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

Docket 72-1014, 72-37

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*no legal objection*

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