

**U.S. NUCLEAR REGULATORY COMMISSION**  
**DOCKET 72-1014**  
**HOLTEC INTERNATIONAL**  
**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 January 12, 2000, 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 fabricate three HI-STORM 100 overpacks, and one HI-TRAC-125 transfer cask prior to issuance of the Certificate of Compliance (CoC) for the HI-STORM 100 system. 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 of spent nuclear fuel. The HI-STORM 100 system is intended for use under the general license provisions of 10 CFR Part 72, Subpart K, by Southern Nuclear Operating Company at the Edwin I. Hatch Power Plant (Hatch), located in Baxley, Georgia.

**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 system. This application is currently under consideration by the NRC staff. The applicant is seeking Commission approval to fabricate three HI-STORM 100 overpacks and one HI-TRAC 100 transfer cask prior to the Commission's issuance of a CoC for the HI-STORM 100 system. The applicant requests an 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 allow fabrication, including material procurement, prior to issuance of the CoC and to grant this exemption pursuant to 10 CFR 72.7.

Need for the Proposed Action: Holtec requested the exemption from 10 CFR 72.234(c) to ensure the availability of overpacks so that Hatch can continue loading dry storage casks as planned. Hatch plans to begin loading the three HI-STORM 100 systems in April 2001. Holtec has requested this exemption to allow Hatch sufficient time for training and pre-operational testing. To support Hatch's cask loading schedule, Holtec stated that it must begin fabrication activities in early April 2000; 3 months prior to the scheduled issuance of the HI-STORM 100 CoC, in July 2000.

The HI-STORM 100 application, dated October 26, 1995, is under consideration by the Commission. It is anticipated that, if approved, the HI-STORM-100 CoC may be issued by July 2000. The proposed fabrication exemption will not authorize use of the HI-STORM 100 overpacks to store spent fuel. That will occur only when, and if, a CoC is issued. NRC approval of the exemption request should not be construed as NRC's favorable consideration of Holtec's application for a CoC. Holtec will bear the risk of all activities conducted under the exemption, including the risk that the 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 the specifications or conditions delineated in a CoC that the NRC may ultimately approve.

Environmental Impacts of the Proposed Action: Regarding the 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 overpacks 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 overpacks, but would only permit fabrication. There are no radiological environmental impacts from fabrication since overpack fabrication does not involve radioactive materials. The major non-radiological environmental impacts involve use of natural resources due to overpack fabrication. Each HI-STORM 100 overpack weighs approximately 100 tons and is constructed

of primarily metal and concrete. The HI-TRAC-125 transfer cask weighs approximately 125 tons and is made primarily of 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. Fabrication of the concrete overpacks would be partially done at a metal fabrication facility and completed by pouring the concrete at the Hatch site. The metal and concrete used in the fabrication of these components is insignificant compared to the amount of metal and concrete used in construction 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 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 grant an exemption from the prohibition on fabrication prior to receipt of a CoC.

Agencies and Persons Consulted: Mr. J. Setzer, Chief of Program Coordination, Department of Natural Resources, State of Georgia, was contacted about the Environmental Assessment for the proposed action and had no comments.

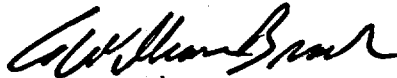
**FINDING OF NO SIGNIFICANT IMPACT**

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 granting an exemption from 10 CFR 72.234(c) so that Holtec may fabricate three HI-STORM 100 overpacks and one HI-TRAC-125 transfer cask 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 January 12, 2000. For further details with respect to this action, see the application for CoC for the HI-STORM 100 system, dated October 26, 1995. On July 30, 1999, a preliminary Safety Evaluation Report and proposed CoC for the HI-STORM 100 system were issued by the NRC staff to initiate rulemaking to add the HI-STORM 100 system to the list of approved cask designs in 10 CFR 72.214. The exemption request and CoC application are docketed under Docket No. 72-1014. These documents are available for public review at the Commission's Public Document Room, 2120 L Street, NW, Washington, DC 20555.

Dated at Rockville, Maryland, this 8<sup>th</sup> day of February 2000.

FOR THE NUCLEAR REGULATORY COMMISSION



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