CHARLES V. SANS CRAINTE, P.E.
Vice President, Generation

DAIRYLAND POWER
COOPERATIVE

December 13, 2006

Chairman Dale E. Klein
Commissioner Edward McGaffigan, Jr.
Commissioner Jeffrey S. Merrifield
Commissioner Gregory B. Jaczko
Commissioner Peter B. Lyons
U.S. Nuclear Regulatory Commission
One White Flint North
11555 Rockville Pike
Rockville, Maryland 20852-2738

Dear Chairman and Commissioners:

SUBJECT: NRC Decommissioning Status Update Presentation of December 11, 2006

I appreciated the opportunity to present an update of activities at the La Crosse Boiling Water Reactor (LACBWR) at your session Monday. Unfortunately, in my zeal to adhere to the allotted time limit, I skipped by quite a bit of information that I had intended to relate. One significant omission should be corrected.

At LACBWR, our staff is beginning the planning process for an on-site dry cask storage project. There are two specific areas of concern that, although the commission has no direct authority to remedy, the commissioners can hopefully continue to support to the benefit of the entire industry. They are:

- Priority acceptance of spent fuel from shutdown facilities by the DOE, as contemplated from the beginning of the DOE NWPA program. We, at DPC, are hopeful that the DOE will follow the contract provisions and good policy to accept fuel from shutdown facilities on a priority basis. Some of you have, in the past, voiced the opinion that all parties would be better served if this were the case. This is especially true given consideration to reducing the potential exposure to a terrorist threat. Were it not for spent fuel, decommissioning or decommissioned facilities would pose no real threat or risk of any kind.

- Acceptance, by DOE, of all NRC certified dual-purpose canister and cask systems. As we are expecting that we will be able to transfer fuel to dry storage by 2009; we will likely be selecting a cask system from among those presently available. The TAD system, proposed by the DOE, is unlikely to be made available in this timeframe. Again, some of you have, in the past, expressed concern about the DOE's stated position that they may not accept fuel stored in these previously certified dual-purpose cask systems in an orderly manner.

My hope in bringing this to your attention is simply to encourage you to continue to press the DOE and DOJ for sensible and responsible decision-making in this regard. I assure you that DPC intends to make every reasonable effort to work with the DOE to accommodate their direction within the timeframe we are anticipating for this project.

Sincerely,

DAIRYLAND POWER COOPERATIVE

Charles V. Sans Crainte, PE
Vice President Generation Division

cc: Kristina Banovac, Project Manager