



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

September 29, 2000

Mr. John D. Parkyn
Chairman of the Board
Private Fuel Storage, L.L.C.
P.O. Box C4010
La Crosse, WI 54602-4010

SUBJECT: SAFETY EVALUATION REPORT (TAC NO. L22462)

Dear Mr. Parkyn:

By application dated June 20, 1997, Private Fuel Storage, L.L.C. (PFS), submitted an application to the Nuclear Regulatory Commission (NRC) for a license to operate an away-from-reactor independent spent fuel storage installation (ISFSI) on the Reservation of the Skull Valley Band of Goshute Indians, a federally-recognized Indian Tribe. Subsequently, the NRC staff decided that its safety evaluation of the application would be completed in two segments: first, the staff would complete a safety evaluation report (SER) for systems not directly associated with the storage cask systems proposed by PFS for use at the PFS Facility ISFSI (PFSF); and second, the staff would complete an SER which included at least one of the cask systems proposed for use at the PFSF. An SER covering most of the systems not directly associated with the storage cask systems in the PFS application was initially released on December 15, 1999 (revised and reissued on January 4, 2000). By this letter, the NRC staff is providing the complete SER for the PFS application (see Enclosure). This SER incorporates the previously released SER, revised as appropriate, with the remainder of the staff's safety evaluation of the PFS application, including the proposed use of the Holtec International HI-STORM 100 Cask System. We note that the HI-STORM Cask System is compatible with Holtec International's HI-STAR 100 transportation cask which the staff approved via Certificate of Compliance 9261.

In this SER, the staff takes the position that PFS has demonstrated compliance with all of the applicable regulatory requirements in 10 CFR Part 72, the Commission's regulations for the independent storage of spent nuclear fuel and high-level radioactive waste. However, a licensing determination is not being made at this time. Such a determination must await the completion of the Final Environmental Impact Statement (FEIS) for the proposed PFSF and its related transportation facility in Tooele County, Utah, and of the adjudicatory proceeding on the remaining safety and environmental contentions before the Atomic Safety and Licensing Board. Once the FEIS is published and the adjudicatory proceeding is ended, a licensing determination will be made by the Commission.

You will note that in this SER, the staff also takes the position that PFS should be granted the exemption it requested from 10 CFR 72.102(f), which requires a deterministic seismic hazard analysis (DSHA) approach for determining the impact of earthquakes on the Facility. PFS requested instead to apply a probabilistic seismic hazard analysis (PSHA) approach for analyzing potential seismic events. The staff reviewed this exemption request, as presented in Chapter 2 of the SAR, and conducted an independent evaluation of seismic ground motion hazard at the site based on a survey of existing literature, state of the knowledge in PSHAs and

J. Parkyn

2

DSHAs, and consideration of existing NRC regulations and regulatory guidance documents regarding seismic analyses. As discussed in Section 2.1.6.2 of the SER, the staff agrees that the use of the PSHA methodology with a 2,000-year return period is acceptable, and there is a sufficient basis to grant an exemption to 10 CFR 72.102(f) at the time a license is issued for the Facility. Please note that the exemption will only be issued if the license is granted.

If you have any questions regarding this letter or the enclosed SER, please contact me at (301) 415-8518.

Sincerely,

/RA/

Mark S. Delligatti, Senior Project Manager
Licensing Section
Spent Fuel Project Office
Office of Nuclear Material Safety
and Safeguards

Docket: 72-22

Enclosure: Safety Evaluation Report

cc: PFS Service Lists

September 29, 2000

J. Parkyn

2

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If you have any questions regarding this letter or the enclosed SER, please contact me at (301) 415-8518.

Sincerely,

(Original Signed by:)

Mark S. Delligatti, Senior Project Manager
Licensing Section
Spent Fuel Project Office
Office of Nuclear Material Safety
and Safeguards

Docket: 72-22

Enclosure: Safety Evaluation Report

cc: PFS Service Lists (Distribution Attached)

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