Ms. Rita C. Bowser, President and Chief Executive Officer Pacific Sierra Nuclear Associates 3600 Glen Canyon Road Scotts Valley, CA 95066

SUBJECT: AMENDMENT NO. 2 TO CERTIFICATE OF COMPLIANCE NO. 1007 FOR THE

VENTILATED STORAGE CASK (VSC-24) SYSTEM

Dear Ms. Bowser:

As requested by your application dated November 20, 1998, as supplemented, enclosed is Certificate of Compliance (CoC) No. 1007, Amendment 2, for the revised Pacific Sierra Nuclear Associates' VSC-24 system. This certificate supersedes, in its entirety, CoC No. 1007, Amendment 1, dated May 30, 2000. Changes made to the certificate are indicated by vertical lines in the right margin. As stated in the <a href="Federal Register">Federal Register</a> (65 FR 38718, 06/22/00), the effective date of this certificate is September 5, 2000. The staff's Safety Evaluation Report is also enclosed. We request that you update and submit three copies of the final safety analysis report to conform to the certificate, as required by 10 CFR 72.248.

Amendment No. 2 to CoC No. 1007 constitutes U.S. Nuclear Regulatory Commission (NRC) approval of the following changes to the VSC-24 system:

- Establish consistency throughout the Safety Analysis Report and incorporate changes identified in NRC letter dated July 22, 1998, "Closure of Confirmatory Action Letter (CAL) 97-7-001;"
- 2. Incorporate selected design upgrades and design calculation revisions resulting from the completed Corrective Action Reports (CARs);
- 3. Expand the explanation of the closure weld process and ultrasonic testing guidelines;
- 4. Clarify ASME requirements for non-destructive examination of temporary attachments and impact testing of welds, base material, and heat affected zones;
- 5. Address NRC Bulletin 96-04 and CARs on hydrogen generation by Carbo-Zinc coating exposed to boric acid solution; and
- 6. Correct thermal calculation errors in the annulus flow rate of the ventilated concrete cask.

This certificate constitutes the approval and conditions for use of the VSC-24 system for storage of spent nuclear fuel under the general license provisions of 10 CFR Part 72.210. A general license has been granted to all holders of licenses for nuclear power reactors issued under 10 CFR Part 50.

This letter also serves as a reminder for you to notify affected cask users of the effective date for this amendment. If you have any questions regarding this certificate amendment, please contact me or Mr. Stephen O'Connor of my staff at 301-415-8500.

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

Docket No. 72-1007 TAC No. L22973

Enclosures: 1. CoC No. 1007, Amendment No. 2

(ADAMS Accession #ML003764753 & #ML003764742)

2. Safety Evaluation Report (ADAMS Accession #ML003764799)

This letter also serves as a reminder for you to notify affected cask users of the effective date for this amendment. If you have any questions regarding this certificate amendment, please contact me or Mr. Stephen O'Connor of my staff at 301-415-8500.

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

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<u>Distribution</u>: w/o enclosures \* (closes TAC L22973/Review 080S)

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