October 4, 2001

The Honorable Jim Saxton
United States House of Representatives
Washington, D.C. 20515-3003

Dear Congressman Saxton:

I am responding to your letter of August 10, 2001, requesting information on the status of the Oyster Creek Nuclear Generating Station's (Oyster Creek's) expansion of its nuclear waste storage facilities and the U.S. Nuclear Regulatory Commission's (NRC's) role in ensuring that safety guidelines are followed.

AmerGen Energy Company, LLC (AmerGen), the licensee for Oyster Creek, has indicated that it intends to operate the onsite independent spent fuel storage installation (ISFSI) constructed by the previous licensee, GPU Nuclear, Inc. AmerGen has given no indication that it intends to expand the waste storage facilities on the site other than through a change in the cask design, which will allow storage of more fuel assemblies per cask. However, should AmerGen decide to expand the ISFSI at Oyster Creek, this would be allowed under the general licensing provisions of our regulations.

The NRC regulations for licensing ISFSIs are contained in Part 72 of Title 10 of the *Code of Federal Regulations* (10 CFR Part 72). Any licensee authorized to operate a nuclear power plant under 10 CFR Part 50 is also authorized to operate an ISFSI under the general licensing provisions of 10 CFR Part 72, Subpart K. A Part 72 general licensee is required to (1) use an NRC-approved cask design; (2) perform written evaluations to demonstrate compliance with cask licensing provisions, including site environmental and radiological requirements; (3) assess and revise the site security plan to include ISFSI activities; and (4) perform pre-operational testing of all cask loading and unloading activities. The NRC has an established inspection program to ensure ISFSI facilities are properly built, operated, and maintained.

AmerGen intends to use the Standardized NUHOMS cask system to store fuel at its Oyster Creek ISFSI. The cask system vendor, Transnuclear West, Inc., has received approval of a Standardized NUHOMS system that may be used by a licensee to store 52 fuel assemblies per cask. Transnuclear West, Inc. is now seeking NRC approval of a modified dry cask storage system design capable of storing 61 fuel assemblies. The NRC has recently completed a review of this system. The NRC's Safety Evaluation Report and Certificate of Compliance for this modified design intended for use at Oyster Creek were published in the *Federal Register* for public comment on June 29, 2001 (66 FR 34588). If no significant adverse comments are received by the Commission, the modified design will be approved for use.

The NRC also inspected the construction of the Oyster Creek ISFSI and the licensee's design control and quality assurance oversight of ISFSI activities. The NRC inspections were documented in Inspection Report Nos. 50-219/96-06 and 50-219/95-18. The NRC also

performed an inspection of the cask vendor, Transnuclear West, Inc., and documented that inspection in Inspection Report No. 72-1004/00-201.

I trust this information satisfactorily responds to your request. Please contact me if I can be of further assistance.

Sincerely,

/RA/

Richard A. Meserve