

72-1021



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

June 2, 1998

Ms. Tara J. Neider
Vice President-Engineering
Transnuclear, Inc.
Four Skyline Drive
Hawthorne, NY 10532-2176

SUBJECT: EXEMPTION TO 10 CFR 72.234(c) FOR THE TN-32 DRY STORAGE
CASK, DOCKET 72-1021 (TAC NO. L22608)

- References:
- 1) Ltr Michael B. Sellman, Wisconsin Electric Power Company, to Director, Office of Nuclear Material Safety and Safeguards, USNRC, "Docket 72.005 Request for Exemption to the Fabrication Requirements in 10 CFR 72.234(c) Point Beach Nuclear Plant," dtd 4/09/98
 - 2) Ltr Michael B. Sellman, Wisconsin Electric Power Company, to Director, Office of Nuclear Material Safety and Safeguards, USNRC, "Docket 72-005 Request for Exemption to the Fabrication Requirements in 10 CFR 72.234(c) Point Beach Nuclear Plant," dtd 4/20/98
 - 3) Ltr Michael B. Sellman, Wisconsin Electric Power Company, to Director, Office of Nuclear Material Safety and Safeguards, USNRC, "Docket 72-005 Request for Exemption to the Fabrication Requirements in 10 CFR 72.234(c) Point Beach Nuclear Plant," dtd 05/07/98

Dear Ms. Neider:

By letter dated April 9, 1998, pursuant to the provisions of 10 CFR Part 72.7, Transnuclear, Inc. (TN) requested an exemption from 10 CFR 72.234(c). TN requests permission to begin procurement and fabrication activities for six TN-32 storage casks prior to receipt of the Certificate of Compliance (COC). On September 24, 1997, TN submitted to the Nuclear Regulatory Commission (NRC) the TN-32 request for COC.

TN is under contract with Wisconsin Electric Power Company (WEPCo) to supply TN-32 storage casks for the Point Beach Nuclear Plant (PBNP) located in Two Rivers, Wisconsin. TN requested the exemption to ensure the availability of storage casks so that WEPCo can continue operation of the PBNP Units 2 and 1 past March 2000 and late 2000, respectively, and to restore full core off-load capability. Three casks are required to ensure continued operation into 2001, and three additional casks are required to restore full core off-load capability (References 1, 2, and 3). Because procurement and fabrication activities for the TN-32 cask are expected to take approximately 20 months, an exemption to 10 CFR 72.234(c) was requested for these six casks.

TN has established a quality assurance (QA) program plan that includes specific QA requirements for control of items and project activities important to safety. After fabrication, the storage casks will be procured for use at PBNP but will not be loaded until the COC is issued.

NRC staff evaluated the public health and safety and environmental impacts of the proposed exemption and determined that granting the exemption would not result in any significant

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impacts. For this action, an Environmental Assessment and Finding Of No Significant Impact have been prepared and published in the Federal Register (63 FR 29257, 5/28/98). A copy of the Federal Register was provided to you by letter dated May 20, 1998.

NRC approval of the exemption request shall not be construed as an NRC commitment to favorably consider TN's application for a COC. TN shall bear the risk of all activities conducted under the exemption.

Based on the foregoing considerations, the staff determined that granting the proposed exemption from the requirements of 10 CFR 72.234(c), to permit fabrication of six TN-32 casks, is authorized by law, will not endanger life or property or the common defense and security, and is otherwise in the public interest. TN is hereby granted an exemption, subject to the following conditions:

- a) Six TN-32 casks may be constructed under TN's approved QA program or an NRC-approved 10 CFR Part 50, Appendix B, QA program.
- b) In accordance with 10 CFR 72.232(a), TN shall permit and make provisions for the Commission to inspect the premises and facilities at which the casks will be fabricated and tested. This condition shall be completed prior to any fabrication activities under this exemption.
- c) TN shall notify the Commission at least 45 days prior to fabrication of the first spent fuel storage cask.
- d) In accordance with 10 CFR 72.232(b), TN shall make provisions that permit the Commission to perform tests that it deems necessary or appropriate for the administration of the regulations of 10 CFR Part 72.
- e) Any procurement and fabrication activities for the TN-32 cask, prior to NRC action on the TN-32 application for a COC, is at TN's own risk. TN shall bear the risk of any activities conducted under the exemption, including the risk that the casks may require modification or that the casks may not be useable because they do not meet specifications or conditions placed in a COC that the NRC may ultimately approve.

Please reference Docket 72-1021 and TAC No. L22608 in future correspondence related to this action.

Sincerely,

ORIGINAL SIGNED BY /s/
William F. Kane, Director
Spent Fuel Project Office
Office of Nuclear Material Safety
and Safeguards

Dockets 72-1021, 72-5, 50-266, -301
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Point Beach Nuclear Plant, Units 1 & 2
72-5 (50-266,-301)

cc:

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